



WEST VILLAGES IMPROVEMENT DISTRICT

**CITY OF NORTH PORT
SARASOTA COUNTY
REGULAR BOARD MEETING
OCTOBER 10, 2024
10:00 A.M.**

**Special District Services, Inc.
The Oaks Center
2501A Burns Road
Palm Beach Gardens, FL 33410**

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AGENDA
WEST VILLAGES IMPROVEMENT DISTRICT
Chambers Room – City of North Port
4970 City Hall Boulevard
North Port, Florida 34286
REGULAR BOARD MEETING
& ATTORNEY-CLIENT SESSION
October 10, 2024
10:00 a.m.

- A.** Call to Order
- B.** Proof of Publication.....Page 1
- C.** Establish Quorum
- D.** Discussion Regarding Public Decorum at Board Meetings.....Page 2
- E.** Comments from the Public on All Agenda Items
- F.** Approval of Minutes
 - 1. September 12, 2024 Regular Board Meeting & Public Hearing Minutes.....Page 3
 - 2. October 3,2024 Contractor Prequalification for Construction and Maintenance Services Committee.....Page 13
- G. Attorney-Client Session Relative to Litigation.....Page 15**
- H. General District Matters**
 - 1. Consider Resolution No. 2024-23 – Prequalifying Contractors for Construction and Maintenance Services.....Page 16
 - 2. Consider Approval of Work Authorization No. 2025-1 to Dewberry for General Engineering Services...Page 21
 - 3. Accept and Receive 2022/2023 Fiscal Year Audit.....Page 24
 - 4. Consider Approval of Amended and Restated Management Agreement with Special District Services, Inc.....Page 76
- I. Unit of Development 1**
 - 1. Consider Approval of Change Order No. 11 between the District and the DeMoya, Inc. for Wellen Park Blvd. Roundabout and US 41/State Road 45 Improvement Project.....Page 91
- J. Unit of Development 6**
 - 1. Consider Approval of Work Authorization No. 4 Amendment 03 for Regulatory Assistance Services for Reuse Distribution System Florida Department of Environmental Protection Permit.....Page 93
- K. Administrative Matters**
 - 1. District Engineer
 - 2. District Attorney
 - Consider Resolution No. 2024-24 – Demand for Payment of Well Availability Fees.....Page 96
 - 3. District Operations Manager
 - 4. District Manager
- L.** Board Member Comments
- M.** Adjourn

WEST VILLAGES
IMPROVEMENT DISTRICT
NOTICE OF AUDIT COMMITTEE MEETING &
NOTICE OF REGULAR MEETING OF THE BOARD OF
SUPERVISORS

The Board of Supervisors of the West Villages Improvement District will hold an Audit Committee Meeting on October 10, 2024, at 10:00 a.m., or as soon thereafter as may be heard, at the Commission Chambers located at 4970 City Hall Blvd, North Port, Florida 34286. The Audit Committee will review, discuss, evaluate, and rank any proposals the District receives pursuant to solicitations for auditing services. Immediately following the Audit Committee meeting, the Board of Supervisors of the District will hold its regular meeting to consider any and all business which may properly come before it.

The meetings are open to the public and will be conducted in accordance with the provisions of Florida law. One or both of the meetings may be continued to a date, time, and place to be specified on the record at such meeting. A copy of the agenda for these meetings may be obtained by contacting the District Manager, Special District Services, Inc., 2501A Burns Road, Palm Beach Gardens, Florida, 33410, via email at wcrosley@sdsinc.org or via telephone at (941) 244-2703.

There may be occasions when one or more Supervisors will participate by telephone. Pursuant to provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in these meetings is asked to advise the District Manager, at least 48 hours before the meetings. If you are hearing or speech impaired, please contact the Florida Relay Service at 7-1-1 or 1-800-955-8771 (TTY), or 1-800-955-8770 (Voice), who can aid you in contacting the District Manager.

A person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that such 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.

William Crosley
District Manager

WEST VILLAGES
IMPROVEMENT DISTRICT
www.westvillagesid.org

PUBLISH: SARASOTA HERALD TRIBUNE 09/27/24; #10605565

Remarks by WVID Chairman John Luczynski
Public Decorum at WVID Board of Supervisors Meetings
Updated: August 7, 2023

I'd like to take a few moments today to review the West Villages Improvement District public comment policy, specifically as it relates to public decorum during meetings and workshops.

The WVID policy includes rules governing decorum at public meetings and workshops, particularly when addressing the Board of Supervisors. However, outbursts during recent meetings have made it clear it was not only necessary for the Board to review the policy, but also take steps to ensure it is being properly enforced.

The policy, which was approved in 2016, definitively states:

- Community members wishing to speak must direct their comments to the Board as a whole, not a specific member of the Board or any staff member.
- No person, other than a Board member or staff member, can enter into a discussion with a public speaker while they are speaking, without the permission of the chairman or presiding officer.
- Speakers and attendees must refrain from disruptive behavior, making vulgar or threatening remarks, or launching personal attacks against the Board, staff or community members.

The WVID policy gives the chairman or presiding officer the discretion to remove attendees who disregard the rules from the meetings. In this scenario, the presiding officer may declare a recess and contact local law enforcement. If a person does not immediately leave the premise, the presiding officer may request that the person be placed under arrest.

The prevalence of disruptive behavior by some attendees has proven there is a need to strictly enforce the WVID public comment and public decorum policy. This includes adding a law enforcement presence, who will have the authority to remove attendees who have been deemed unruly and out of order.

The WVID Board of Supervisors encourages citizen participation and appreciates civil feedback from attendees. Thank you for your cooperation and support so that we may conduct business in a respectful and professional manner.

**WEST VILLAGES IMPROVEMENT DISTRICT
PUBLIC HEARING, REGULAR BOARD MEETING & ATTORNEY-CLIENT SESSION
SEPTEMBER 12, 2024**

A. CALL TO ORDER

The September 12, 2024, Regular Board Meeting of the West Villages Improvement District (“WVID” or the “District”) was called to order at 10:22 a.m. in the Chambers Room of the City of North Port located at 4970 City Hall Boulevard, North Port, Florida 34286.

B. PROOF OF PUBLICATION

Proof of publication was presented which showed the notice of the Regular Board Meeting and public hearings had been published in the *Sarasota Herald-Tribune* on August 23, 2024, and August 30, 2024, as legally required.

C. ESTABLISH A QUORUM

It was determined that the attendance of the following Supervisors constituted a quorum, and it was in order to proceed with the meeting:

Chairman	John Luczynski	Present in person
Vice Chairman	Steve Lewis	Present in person
Supervisor	Tom Buckley	Present in person
Supervisor	Christine Masney	Present in person
Supervisor	John Meisel	Present in person

District Manager	William Crosley	Special District Services, Inc.
District Operations Manager	Ryan Johanneman	Special District Services, Inc.
District Counsel	Michael Eckert	Kutak Rock LLP
District Engineer	Giacomo Licari	Dewberry

Also present were Todd Wodraska, Michelle Krizen and Michael McElligott of Special District Services, Inc. and those indicated on the attached sign-in sheet.

D. DISCUSSION REGARDING PUBLIC DECORUM AT BOARD MEETINGS

Chairman Luczynski read aloud the District’s public decorum policy previously approved by the Board.

E. COMMENTS FROM THE PUBLIC FOR ALL AGENDA ITEMS

Victor Dobrin asked if within the Unit 3 budget, was the allocation for road resurfacing a general assessment or an amount needed for a project. Mr. Dobrin also commented that Unit of Development No. 3 was the most charged for operation and maintenance and debt repayment and that the Preserve was only assessed for maintenance and Islandwalk was assessed for both operations and maintenance and asked why assessments were different for the single-family homes and why the legal costs do not match the planned expenditures.

Commander James Cranston stated his comments were regarding the schedule of the River Road (south of US 41) expansion project, and that back in August, as a result of anti-developer and anti-Sarasota County social media representation, he felt it necessary to compliment the District staff and the County for their initiative with the improvements to a safe reliable evacuation route for the greater North Port, Wellen Park, West Villages and Englewood communities, to provide a proactive approach for the completion of this necessary state safety egress corridor for well ahead of schedule and significantly reduces the overall project cost to the residents. Commander Cranston complimented and thanked the Board for getting out in the front of this project and looked forward to their continued work since the community wants to see the project done even sooner. Commander Cranston submitted his comments for the record, and they are attached to these minutes.

F. APPROVAL OF MINUTES

1. June 28, 2024, Special Board Meeting

The June 28, 2024, Special Board Meeting minutes were presented for consideration.

A **MOTION** was made by Mr. Lewis, seconded by Ms. Masney and passed unanimously approving the minutes of June 28, 2024, Special Board Meeting, as presented.

G. ATTORNEY-CLIENT SESSION RELATIVE TO LITIGATION

Mr. Eckert stated that there was nothing current to address in closed session and indicated that later in the agenda he would be asking the Board for approval to hold Attorney-Client Sessions at the November meeting.

H. GENERAL DISTRICT MATTERS

1. Consider Resolution No. 2024-18 – Ratifying the Resetting of Budget Public hearing for Fiscal Year 2024/2025

Resolution No. 2024-18 was presented, entitled:

RESOLUTION 2024-18

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE WEST VILLAGES IMPROVEMENT DISTRICT AMENDING RESOLUTION 2024-17 TO RESET THE DATE AND TIME OF THE PUBLIC HEARING TO CONSIDER THE FISCAL YEAR 2024/2025 FINAL BUDGET AND ASSESSMENTS; RATIFYING THE STAFF ACTIONS IN RESETTING THE PUBLIC HEARING; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

This resolution approves the date change from the original planned date for the Budget Public Hearing of August 16, 2024, to September 12, 2024. This date change was properly noticed in the *Sarasota Herald Tribune*.

A **MOTION** was made by Mr. Buckley, seconded by Mr. Lewis and passed unanimously adopting Resolution No. 2024-18, as presented.

Mr. Meisel then made a motion, seconded by Mr. Lewis recessing the Regular Board Meeting and opening the Public Hearing on the Fiscal Year 2024/2025 Final Budget.

2. Public Hearing – Fiscal Year 2024/2025 Final Budget

a. Proof of Publication

Proof of publication was presented which showed the notice of the Public Hearing had been published in the *Sarasota Herald-Tribune* on August 23, 2024, and August 30, 2024, as legally required.

b. Receive Public Comment on Fiscal Year 2024/2025 Final Budget

There was no public comment on the Fiscal Year 2024/2025 Final Budget.

A **MOTION** was then made by Mr. Meisel, seconded by Mr. Lewis and passed unanimously closing the Public Hearing on the Fiscal Year 2024/2025 Final Budget and reconvening the Regular Board Meeting.

c. Consider Resolution No. 2024-19 – Adopting a Fiscal Year 2024/2025 Final Budget

Resolution No. 2024-19 was presented, entitled:

RESOLUTION 2024-19

THE ANNUAL APPROPRIATION RESOLUTION OF THE WEST VILLAGES IMPROVEMENT DISTRICT (“DISTRICT”) RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGET(S) FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2024, AND ENDING SEPTEMBER 30, 2025; AUTHORIZING BUDGET AMENDMENTS; AND PROVIDING AN EFFECTIVE DATE.

Mr. McElligott introduced the Fiscal Year 2024/2025 Fiscal Budget and commented that he had been involved with the District budget since 2007. Mr. McElligott explained that there had been no changes to any expense line items from the proposed budget that was approved by the Board in June except that an updated tax roll from Sarasota County was received that reflected additional platted units in new areas of construction, thus contributing to the assessments. The updated list also included a decrease in assessable units to District Proper and Unit of Development No. 1, which is normally attributed to a conveyance to the District of infrastructure improvements such as a roadway or a stormwater pond that removes the assessable acreage that was previously assessable in the fiscal year 2022/2023 budget.

The increase of additional platted units did reflect a reduction to the Unit of Development No. 6 irrigation budget assessment where the District is assessing any irrigation users to legally defend the Gran Paradiso Property Owners Association irrigation lawsuit. The additional lots considered for 2024/2025 in Unit 6 reflected an assessment reduction from the original proposed Unit 6 assessment rate of \$81.37 that was approved on June 28, 2024, down to \$68.94 for this final budget.

Chairman Luczynski stated for the record that the Islandwalk assessment increased approximately \$49, however all other Units of Development reflected a decrease in assessments from the previous year. Gran Paradiso reflected a decrease of approximately \$82, and Renaissance, Oasis and the Preserve reflected a reduction of approximately \$84. Unit 7, which covers a few neighborhoods, went down approximately \$128-\$136. Unit 8, which is Wellen Park Golf and Country Club, decreased approximately \$91, and the Unit 9 neighborhoods of Everly and Lakespur reflect a decrease in assessments of approximately \$36.

While there were some ups and downs in expenses, overall, the assessments for all the communities except Islandwalk were decreased.

Chairman Luczynski asked if staff could help explain Mr. Dobrin's public comment question regarding the expense for road reserves in Unit of Development No. 3. Mr. McElligott responded that he believed the question Mr. Dobrin had asked was pertaining to the number that is in the budget of \$325,000 for Unit 3 roadway infrastructure maintenance compared to the budget last year of \$350,000 and that he did not think the District was spending that much. Chairman Luczynski stated that the revenue was earmarked for a roadway resurfacing project in Unit 3 and this budgeted amount of \$325,000 is believed to provide the additional funding that will be needed to complete the project. Chairman Luczynski commented that about a year ago, a proposal for road work in Unit 3 reflected a bid amount of just over \$1,000,000, and in concurrence with the GP POA, it was decided then not to pursue the project at that time, but to continue with funding the reserve so the bid amount could be met. Chairman Luczynski stated that he really wanted the decision to commence with the resurfacing of the WVID roadways within Gran Paradiso to be made by the Gran Paradiso Property Owners Association, if the timing is agreeable by the District Engineer and adequate funds are available.

Supervisor Meisel thanked District staff for spending time to answer his questions regarding the budget and that through the budgeting process he has learned that there are some buildings, for instance, Tropia, Solea, and Gran Living that are assessed on a per half-acre basis in District Proper and Unit of Development No. 1, instead of the number of actual units in each building. His question is why it was determined to assess by the half-acre instead of the number of units when they are residential units and individuals are benefiting from the infrastructure. Mr. Meisel stated that those units were no different than a resident in either Unit 2, or Unit 3, or Unit 4 and when was that determination made and how was it made, because he believed the District was leaving a lot of money on the table that ought to be able to be collected.

Mr. McElligott explained that in the case of a single-family residence, or a shared wall unit such as a paired villa or condo building, each are assigned a separate parcel ID number because they are owned by different people. In the case of the properties that Supervisor Meisel was describing, those are more like apartments or rental units where there is a single owner who owns the entire structure and those individual apartments are not assigned a separate parcel ID number so therefore the way the methodology is applied across Unit of Development No.1, those parcels do not get assessed as separate units individually. Those parcels are assessed on the half-acre or less. There was lengthy discussion regarding how the methodology was determined. Chairman Luczynski asked District Counsel to research whether and how the parcels with multiple units could be assessed differently, as opposed to the half-acre basis and allow the District to receive additional operation and maintenance revenue for those units. Mr. Eckert responded that he would research this matter and report back to the Board. There was discussion of when a platted lot can be assessed on the tax roll. Newly platted lots need to be platted prior to January for it to be included on the next fiscal year tax roll that begins October 1st of each year.

Supervisor Meisel asked why there was a separate line item on the Unit 6 budget for legal expenses. Mr. Crosley explained that the general legal representation performed during the fiscal year, and the legal expenses related to litigation need to be accounted for separately. Chairman Luczynski stated that when the irrigation lawsuit ends, and should the District prevail, the amount of legal fees spent defending the lawsuit will need to be known so the District can go back to seek reimbursement for 100% of those fees from the Gran Paradiso Property Owners Association. Supervisor Meisel asked if Gran Paradiso POA was successful, will the District pay their attorney fees? Chairman Luczynski stated it would; the District would pay the attorney costs if awarded. Supervisor Meisel asked why the developer would not be paying a part of those fees. Chairman Luczynski asked if the developer was paying their pro rata share. Supervisor Meisel stated that the developer does not pay a pro rata share of Unit 6 expenses. Chairman Luczynski

responded that Unit 6 is currently covered by the developer. Supervisor Meisel asked about the implementation of Well 96 that was reflected in the budget in the amount of \$250,000 and why was the District paying for a well, and assumed it meant to put a pump on the well and why is that an assessable expense when irrigation users are paying the Developer a well availability fee. He further asked why that would not be a shared cost with the Developer because they are benefiting from it as well. Supervisor Meisel stated that the well availability fee was being held in escrow per the ongoing lawsuit, and stated that it is as it should be, but if the Developer does prevail in the irrigation lawsuit, they would get all those monies that are in escrow, so if we're paying them for the availability of well water, why are they not at least contributing to that. Chairman Luczynski stated that the irrigation end users are paying for the availability of the water, not the pumping of the water. The pumping of the water, which is an operating expense, and more than likely, the developer is funding that budget, and the District owes the Developer over \$4,000,000 of infrastructure improvement that the District has received a zero % loan for those improvements. Supervisor Meisel said he had questions about the \$4 Million that was spent but would address that at a later time, because he would like to see where all the monies issued from the bonds that went towards irrigation and how they were actually spent towards irrigation because every single bond he has approved included \$1,000,000 to \$2,000,000 allocated to irrigation expenses and there have been 3 or 4 bonds within the last two years that he has been a part of and that is almost \$8 Million in irrigation expenses and he wanted to see what the actual expenses were. Chairman Luczynski stated that Mr. Meisel was comingling WVID infrastructure improvement costs versus the cost of irrigation within a specific development. Chairman Luczynski stated that the WVID's Unit 6 budget was only for WVD infrastructure such as the mains down the roads and collector roads. Supervisor Lewis stated that when irrigation mains are built in conjunction with a public road the developer finances the irrigation main as part of the roadway project. Irrigation main lines expenses can be recovered by the issuance of bonds in a specific Unit of Development, if funds are available. The main lines associated with a roadway are not paid from the Unit 6 irrigation utility.

Mr. Meisel stated that the budgeted expenditure for reclaimed water was going down and asked why was that number not growing. Chairman Luczynski stated that the amount of reclaimed water had been almost cut in half. Supervisor Meisel asked why that occurred. Mr. Crosley stated that the District lost a reclaimed water source from Englewood Water District (EWD), and Sarasota County only pumped reclaimed water to the District for only 3 or 4 months out of the last year, which makes the City of North Port the only reliable source of reclaimed water for the District. Supervisor Meisel asked why the increase in residents in the District would not have increased the amount of reclaimed water that was being received from the City of North Port. Chairman Luczynski indicated that the reclaimed water had increased from the City of North Port from the additional residents but not as the quickly from the drop from Englewood Water District. Mr. Meisel stated that EWD, at best effort, was giving only about 100,000 gallons of reclaimed water per day. Chairman Luczynski stated that he was off by a factor of at least 2.5 to 3. Supervisor Meisel asked if the CONP was able to make up the difference of reclaimed water with the new homes that come online. Chairman Luczynski responded that there were not enough units being added for the CONP to make up for the difference for what was lost when EWD stopped providing reclaimed water to the District in April 2024. There was discussion regarding the idea of receiving reclaimed water, if possible, as an additional source, from the reclaimed water plant located closer to downtown North Port. This would be additional reclaimed water in addition to the wastewater treatment plant located within the District.

Supervisor Meisel asked for an explanation of the figure on Page 23 of the budget that referenced "all Other Acreage" and showed the figure of 13,274 and asked if that reflected acres or units. Mr. McElligott explained that the figure represented assessable half-acres or less; they are assessable units, not the total acres. The total acres would be at least half of that figure, which are the undeveloped acres. Supervisor Meisel also asked why the assessment recap for Unit 1 was different from the assessment recap for "all other acreage" in District Proper. Mr. McElligott responded that Unit 1 was only the land within the

boundary of the City of North Port, and District Proper includes lands outside of the City boundary that exists in Sarasota County, which has more assessable half-acres than Unit 1.

Chairman Luczynski allowed additional public comment from Commander Jim Cranston. Mr. Cranston stated, with all due respect, as a West Villages Improvement District resident, he wanted to call for a point of order regarding meeting conduct. Mr. Cranston stated that one of the WVID Supervisors was just behaving like an agent for the opposing irrigation litigation and if he needs to be an agent for the opposing irrigation litigation, he should recuse himself from that part of the discussion.

A **MOTION** was then made by Mr. Lewis, seconded by Ms. Masney and passed unanimously recessing the Regular Board Meeting and opening the Public Hearing regarding the Adoption of the Fiscal Year 2024/2025 Assessment Roll.

d. Consider Resolution No. 2024-20 – Adopting a Fiscal Year 2024/2025 Assessment Roll

Resolution No. 2024-20 was presented, entitled:

RESOLUTION 2024-20

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE WEST VILLAGES IMPROVEMENT DISTRICT PROVIDING FOR FUNDING FOR THE FY 2025 ADOPTED BUDGET(S); PROVIDING FOR THE COLLECTION AND ENFORCEMENT OF SPECIAL ASSESSMENTS, INCLUDING BUT NOT LIMITED TO PENALTIES AND INTEREST THEREON; CERTIFYING AN ASSESSMENT ROLL; PROVIDING FOR AMENDMENTS TO THE ASSESSMENT ROLL; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

Victor Dobrin commented that the overhead and operations and maintenance on Gran Paradiso should be revisited so we do not overtax the operation and maintenance of this neighborhood. Supervisor Masney commented that she did not think the proper terminology is anybody “being overtaxed,” and some may feel they are being overtaxed, but the Board is following a previously approved assessment methodology and felt that the words “being overtaxed” is not the proper language.

A **MOTION** was made by Mr. Lewis, seconded by Ms. Masney and passed unanimously adopting Resolution No. 2024-20, as presented.

A **MOTION** was then made by Mr. Lewis, seconded by Ms. Masney closing the Public Hearing on the Adoption of a Fiscal 2024/2025 Assessment Roll and reconvening the Regular Board Meeting.

3. Consider Form of Direct Collection Agreement

The Board was advised that this agreement provides an additional collection mechanism for undeveloped lands which are directly billed their special assessments. Entering into this agreement provides the District with greater protection in an unlikely event of default by a direct-billed landowner, as it allows the District to pursue foreclosure of its assessment lien based on both assessment and contract law principles. A separate agreement will be prepared for each direct-billed landowner.

A **MOTION** was made by Mr. Lewis, seconded by Mr. Buckley and passed unanimously approving the form of Direct Collection Agreement, as presented.

4. Consider Resolution No. 2024-21 – Adopting Performance Measures Standards and Annual Reporting

Resolution No. 2024-21 was presented, entitled:

RESOLUTION 2024-21

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE WEST VILLAGES IMPROVEMENT DISTRICT ADOPTING GOALS, OBJECTIVES, AND PERFORMANCE MEASURES AND STANDARDS; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

During the last state legislative session, HB 7013 passed, which provides that all special districts are now obligated to adopt goals and objectives, as well as performance addressing whether they've met those goals and objectives, on an annual basis. The first step is that the District Board is required to approve the goals, objectives, and performance measures by October 1st of each year. District staff has put together this resolution for Board consideration. Once approved, the District will, by each December 1st of the following year, or December 2025, post a report on its website which outlines how successful the District was in meeting those goals and objectives. The first report on goals and objectives would need to be posted on the District website as of December 1, 2025, for the goals and objectives that the Board adopts as of October 1, 2024.

Supervisor Meisel asked if the resolution could also include the objective around the facilitation of Zoom or YouTube so residents that are not here during the summer months, when they do not have the ability to interact, but do have the ability to watch.

Mr. Eckert commented that Supervisor Meisel's idea was something that could be included in this resolution and suggested that the goal and objective would be to investigate, and if the Board agrees, to implement more technology resources to broaden the scope of the ability to monitor District meetings. There was consensus of the Board to include this matter in the resolution.

A **MOTION** was made by Mr. Meisel, seconded by Mr. Lewis and passed unanimously adopting Resolution No. 2024-21, amended to include directing District staff to research further facilitating virtual meetings.

5. Consider Resolution No. 2024-22 – Adopting a Fiscal Year 2024/2025 Meeting Schedule

Resolution No. 2024-22 was presented, entitled:

RESOLUTION NO. 2024-22

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE WEST VILLAGES IMPROVEMENT DISTRICT, ESTABLISHING A REGULAR MEETING SCHEDULE FOR FISCAL YEAR 2024/2025 AND SETTING THE TIME AND LOCATION OF SAID DISTRICT MEETINGS; AND PROVIDING AN EFFECTIVE DATE.

The Sarasota County School Board schedule for spring break is April 21-25 and does not conflict with this annual meeting schedule. Each monthly meeting is individually legally advertised, and if needed, dates can change from this annual meeting schedule.

A **MOTION** was made by Mr. Lewis, seconded by Mr. Tom Buckley and passed unanimously adopting Resolution No. 2024-22, as presented.

I. ADMINISTRATIVE MATTERS

1. District Engineer

Mr. Licari reported that the Islandwalk outfall project, which captures stormwater flowing from the Islandwalk community, has proven to be a great success after the recent rain events received by Tropical Storm Debby. The District was able to move a significant amount of captured stormwater to other District ponds that could receive water. Chairman Luczynski stated that three days before Tropical Storm Debby, the District started to pump water, approximately 1,800 gallons per minute, from the already near full Primary Irrigation Lake No. 1 to other ponds and that pumping continued. Mr. Crosley indicated that it was believed that without the new outfall some streets in Islandwalk would have experienced flooding. Mr. Licari also reported that staff had been meeting individually with some homeowner associations regarding irrigation consumption and conservation and those discussions have been very positive and seem to be successful. Staff will look into setting up an irrigation e-mail address book so residents can report any irrigation issues to District staff for action.

2. District Attorney

Mr. Eckert requested that the Board approve three private attorney-client sessions related to the irrigation litigation, the irrigation assessment litigation and the one related to the urbanization litigation, respectively, for November 14, 2024, at 10:00 a.m. in the Chambers Room of the City of North Port located at 4970 City Hall Boulevard, North Port, Florida 34286.that would include all Board Members that are not conflicted, the District Manager, Attorney Joe brown and Michael Eckert from Kutak Rock and insurance defense counsel if they're involved in the case and a court reporter. Supervisor Meisel asked if those sessions could be held via Zoom. Mr. Eckert explained those sessions cannot be held via Zoom because those sessions need to be opened at a public Board meeting and then they need to be closed at a public Board meeting. He indicated that was the requirement of the statute so the session cannot be made available via Zoom.

A **MOTION** was made by Mr. Lewis, seconded by Ms. Masney and passed unanimously approving the holding of a private attorney-client session on November 14, 2024, at 10:00 a.m. in the Chambers Room of the City of North Port located at 4970 City Hall Boulevard, North Port, Florida 34286. related to the Gran Paradiso Property Owners Association irrigation lawsuit.

A **MOTION** was then made by Mr. Buckley, seconded by Mr. Lewis and passed unanimously approving the holding of a private attorney-client session on November 14, 2024, at 10:00 a.m. in the Chambers Room of the City of North Port located at 4970 City Hall Boulevard, North Port, Florida 34286.related to the irrigation assessment litigation.

A **MOTION** was then made by Mr. Buckley, seconded by Mr. Lewis and passed unanimously approving the holding of a private attorney-client session on November 14, 2024, at 10:00 a.m. in the Chambers Room

of the City of North Port located at 4970 City Hall Boulevard, North Port, Florida 34286, related to the urbanization litigation.

3. District Operations' Manager

Mr. Wodraska reported that Ryan Johanneman has submitted his resignation. Special District Services (SDS) has made an offer for the Operations' Manager position that was accepted by Kyle Wilson who will join District staff on October 14, 2024. Mr. Wodraska stated that he would also be working towards a rightsizing/rewrite of the management contract and explained the staffing that is currently in place. Mr. Wodraska then explained that there were at least 10 people that touch the WVID account every single week of the year and that the Board may not even recognize their names or know anything about them other than seeing their name on an e-mail or something like that, but there's at least 10 people and we pool those resources for the WVID account just like is done on some of the other special district clients similar to WVID, which can be referred to as "super districts" that SDS manages such as Ava Maria Stewardship Community District in eastern Collier County, and then the suite of the Tradition CDD's in Port Saint Lucie. Those districts are comparable to the WVID where there is a full-time manager/administrator that's 100% dedicated to the District, a full-time Operations' Manager, and they all own and operate a master irrigation utility.

Mr. Wodraska explained that SDS would bring forward a management contract amendment to the Board for consideration, which he stated was long overdue and it will match up with what the Board just approved in the budget today so there should not be any surprises, but he wanted to let the Board know his plan.

4. District Manager

Mr. Crosley advised that the next meeting was scheduled for October 10, 2024, at 10:00 a.m.

J. BOARD MEMBER COMMENTS

Chairman Luczynski stated that he had been working for the better part of a year on a post annexation agreement amendment that he believed would come in front of the Board shortly. The heart of the amended agreement defines where the original post annexation agreement had the need for a second fire station at 8,000 permits but was intended to be 8,000 units for that station to be built and summarizes the status on some of the obligations of the original post annexation agreement. Chairman Luczynski stated that the bigger mention was that in the original agreement there was to be a 63-acre park on River Road through working with the City of North Port on some concepts for a regional park. There may be a better location where an +/- 85-acre park could be designed, and the location would still be south of the original location but on the same eastern side of River Road. The amended agreement contemplates that the original 63 acres would go back to the Developer and the other +/- 85 acres would be set aside as the Developer, WVID, and the City of North Port work on the Regional Park concept.

Supervisor Meisel asked if the next fire station would be included in the City of North Port boundary and not in the County. Chairman Luczynski responded it would be located on the southeast corner of Preto Boulevard and Manasota Beach Road, which is within the WVID boundary. The second fire station will start to be designed in the next month and the District would probably be in a position where construction could start in May of 2025, with the hopes of completion around May of 2026.

Chairman Luczynski also commented that Kimley Horn was making progress on the River Road expansion project plans that were authorized by the Board in June, and it appears right now there is a 50/50 chance that the Playmore/River Road and Manasota Beach/River Road connections may be roundabouts instead

of light signaled intersections. The Chairman went on to state that would be very good because they could significantly reduce the WVID's exposure on the right turn lanes/left turn lanes/signal costs and would be a big economic savings to the District.

K. ADJOURNMENT

There being no further business to come before the Board, the Regular Board Meeting was adjourned at 12:14 p.m. on a MOTION made by Mr. Luczynski, seconded by Mr. Buckley and passed unanimously.

Secretary/Assistant Secretary

Chair/Vice Chair

**WEST VILLAGES IMPROVEMENT DISTRICT
CONTRACTOR PREQUALIFICATION FOR CONSTRUCTION AND
MAINTENANCE SERVICES COMMITTEE MEETING
October 3, 2024**

A. CALL TO ORDER

The October 3, 2024, Evaluation Committee Meeting, was called to order at 11:08 a.m. in the Special District Services offices located at 12260 Everglow Drive, Venice, Florida 34293.

B. PROOF OF PUBLICATION

Proof of publication was presented which showed the West Villages Improvement District Notice of Contractor Prequalification for Construction and Maintenance Services had been published in the Sarasota Herald-Tribune on July 22, 2024, as legally required.

C. ROLL CALL

The following Committee members were present:

District Manager	William Crosley	Special District Services, Inc.
District Engineer	Giacomo Licari	Dewberry Inc.

Also present via telephone was Bennett Davenport of Kutak Rock LLP.

The committee and staff generally discussed the pre-qualification process.

The committee discussed the following prequalification package received and determined to recommend that the District Board award prequalification status as follows:

- Artistree Landscaping
- Impact Landscaping
- Sunny Grove Landscaping
- Yellowstone Landscaping

(i)Irrigation Facilities (ii) Landscape Installation (iii) Hardscape Facilities (iv) Landscape and irrigation maintenance

- Aquagenix
- Cross Creek
- Eco Logical Services

(i)Exotic Vegetation Removal (ii) Lake and Littoral Maintenance (iii)

A **MOTION** was made by William Crosley, seconded by Giacomo Licari recommending the prequalification of Artistree Landscaping, A.M.C Contracting, Inc., Impact Landscaping, Sunny Grove Landscaping, Yellowstone Landscaping, Aquagenix, Cross Creek, Eco Logical Services Upon being put to a vote, the **MOTION** passed unanimously.

D. ADJOURNMENT

There being no further business to address, the Committee meeting was adjourned at 11:40 a.m. There were no objections.

Secretary/Assistant Secretary

Chair/Vice Chair

WEST VILLAGES
IMPROVEMENT DISTRICT
NOTICE OF ATTORNEY-
CLIENT SESSION

NOTICE IS HEREBY GIVEN that the West Villages Improvement District (the District) will also hold an attorney-client session of its Board of Supervisors (the Board) at the Board meeting on October 10, 2024, at 10:00 a.m., or as soon thereafter as may be heard, at Chambers of the City of North Port located at 4970 City Hall Boulevard, North Port, Florida 34286. The attorney-client session may be continued to a date, time and place approved by the Board on the record without additional publication of notice.

The attorney-client session, which is closed to the public, will be held to discuss settlement negotiations or strategy sessions related to litigation expenditures. This meeting is being held pursuant to Section 286.011(8), Florida Statutes. The following persons are anticipated to be in attendance at the attorney-client session: each of the Districts Board Supervisors who are not otherwise conflicted from such attendance, District Manager William Crosley, District Counsel Michael Eckert and Joseph Brown, and a court reporter. The attorney-client session is expected to begin after the commencement of the regularly-scheduled Board meeting and to last approximately thirty (30) minutes. During the attorney-client session the individuals identified above will meet in private. Upon conclusion of the attorney-client session, the public will be invited into the Board meeting, and the Board meeting will continue to consider any business of the District.

Meetings may be cancelled from time to time without advertised notice.

William Crosley
District Manager

WEST VILLAGES
IMPROVEMENT DISTRICT
www.westvillagesid.org

PUBLISH: SARASOTA HERALD TRIBUNE 09/27/24;#10605482

RESOLUTION 2024-23

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE WEST VILLAGES IMPROVEMENT DISTRICT ADOPTING THE ADDITIONAL PREQUALIFIED CONSTRUCTION AND MAINTENANCE CONTRACTORS; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the West Villages Improvement District (the “District”) is a local unit of special-purpose government created and existing pursuant to Chapter 2004-456, *Laws of Florida*, (the “Act”); and

WHEREAS, the Act authorizes the District to construct, install, acquire, operate and/or maintain systems and facilities for public infrastructure improvements; and

WHEREAS, at its May 19, 2022 and March 14, 2024 meetings, the District previously prequalified certain contractors for certain construction and maintenance services, as listed in the attached **Exhibit A**; and

WHEREAS, the contractors prequalified on May 19, 2022 are prequalified by the District through May 19, 2025, subject to an additional two (2) year extension, and the contractors prequalified on March 14, 2024, are prequalified by the District through March 14, 2027, subject to an additional two (2) year extension; and

WHEREAS, the District issued a Request for Qualifications (“RFQ”) in order to prequalify additional contractors for future District infrastructure construction and maintenance projects relating to the construction of various infrastructure improvements and maintenance services in and around the District including i) earthwork/excavation and construction of roadways, stormwater management facilities, water and sewer facilities, irrigation facilities, landscape, hardscape, street lighting, and other public improvements and ii) maintenance services including exotic vegetation removal, and canal/drainage, landscaping, lake and littoral maintenance, and streetlighting; and

WHEREAS, at the October 10, 2024, meeting of the District’s Board of Supervisors (the “Board”), the Board considered the Evaluation Committee’s recommendation of adopted ____ applicants as additional prequalified infrastructure or maintenance contractors; and

WHEREAS, pursuant to the terms of the RFQ, the prequalification decision of the Board is to be valid for a period of three (3) years, after which time the Board, at its own discretion, can extend the prequalification period for up to an additional two (2) years or begin the prequalification process again; and

WHEREAS, the Board now desires to adopt additional prequalified construction and maintenance contractors as set forth herein.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF
SUPERVISORS OF THE WEST VILLAGES IMPROVEMENT
DISTRICT:**

SECTION 1. The District hereby adopts the below list of additional prequalified contractors in the categories indicated. Such prequalification term will expire October 10, 2027. At such time the District Board may determine, at its sole discretion, whether to extend the term of the prequalified contractors for an additional two (2) years or begin the prequalification process again.

Construction

1. Excavation/Earthwork

Contractor(s): _____

2. Roadways, including Paving, Repair and Resurfacing

Contractor(s): _____

3. Stormwater Management Facilities

Contractor(s): _____

4. Water and Sewer Facilities

Contractor(s): _____

5. Irrigation Facilities

Contractor(s): _____

6. Landscape Installation

Contractor(s): _____

7. Hardscape Facilities

Contractor(s): _____

8. Streetlighting

Contractor(s): _____

Maintenance

1. Exotic Vegetation Removal

Contractor(s): _____

2. Canal/Drainage Maintenance

Contractor(s): _____

3. Landscape and Irrigation Maintenance

Contractor(s): _____

4. Lake and Littoral Maintenance

Contractor(s): _____

5. Streetlighting

Contractor(s): _____

SECTION 2. If any provision of this Resolution is held to be illegal or invalid, the other provisions shall remain in full force and effect.

SECTION 3. This Resolution shall become effective upon its passage and shall remain in effect unless rescinded or repealed.

PASSED AND ADOPTED this 10th day of October 2024.

ATTEST:

**WEST VILLAGES IMPROVEMENT
DISTRICT**

Secretary

Chairman, Board of Supervisors

Exhibit A: Existing Prequalified Contractors

Exhibit A

Existing Prequalified Contractors

West Villages Improvement District Contractor Prequalification for Construction and Maintenance Services

<u>Contractor</u>	<u>Categories</u>
Ajax Paving Industries of Florida LLC	i) excavation/earthwork, ii) roadways, iii) stormwater management, and iv) water and sewer facilities construction
Brightview Landscape Services Inc.	i) irrigation facilities and ii) landscape installation construction; and iii) landscape and irrigation maintenance
The de Moya Group, Inc.	i) excavation/earthwork, ii) roadways, iii) stormwater management, and vii) hardscape facilities
Frederick Derr & Company Inc.	i) excavation/earthwork, ii) roadways, iii) stormwater management, iv) water and sewer facilities, and v) irrigation facilities construction
Hoover Pumping Systems Corporation	i) irrigation facilities construction and ii) landscape and irrigation maintenance
Juniper Landscaping of Florida, LLC.	i) irrigation facilities and ii) landscape installation construction; and ii) landscape and irrigation maintenance
	ii) landscape and irrigation maintenanceand ii) landscape and irrigation maintenance
Woodruff & Sons, Inc.	i) excavation/earthwork, ii) roadways, iii) stormwater management, iv) water and sewer facilities, v) hardscape facilities, and vi) streetlighting construction
Shipp's Excavating Inc.	i) excavation/earthwork, ii) roadways, iii) stormwater management, iv) water and sewer facilities, and v) irrigation facilities construction; and vi) canal/drainage maintenance
AMC Contracting	i) excavation/earthwork, ii) roadways, iii) stormwater management, iv) water and sewer facilities, v) hardscape facilities, and vi) streetlighting construction



Sent Via Email: scraft@rizzetta.com

September 17, 2024

Mr. William Crosley, District Manager
West Villages Improvement District
c/o Special District Services, Inc.
19503 S. West Villages Parkway, #A3
Venice, Florida 34293

Subject: **Work Authorization Number 2025-1
West Villages Improvement District
District Engineering Services**

Dear Mr. Crosley:

Dewberry Engineers Inc. is pleased to submit this this Work Authorization to provide general engineering services for West Villages Improvement District (District). We will provide these services pursuant to our current agreement ("District Engineering Agreement") as follows.

I. General Engineering Services

The District will engage the services of Dewberry Engineers Inc. (Engineer) as District Engineer to perform those services as necessary, pursuant to the District Engineering Agreement, including attendance at Board of Supervisors meetings, review and approval of requisitions, or other activities as directed by the District's Board of Supervisors.

Our fee for this task will be based on time and materials, in accordance with the enclosed Schedule of Charges. The referenced Schedule of Charges is valid for fiscal year 2025 only. We estimate a budget of \$125,000, plus other direct costs.

II. Other Direct Costs

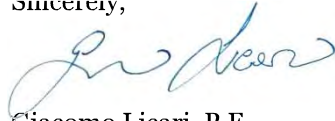
Other direct costs include items such as printing, drawings, travel, deliveries, et cetera. This does not include any of the application fees for the various agencies, which are the owner's responsibility and have not been accounted for in this proposal. We estimate a budget of \$100.

This Work Authorization, together with the referenced District Engineering Agreement, represents the entire understanding between West Villages Improvement District and Dewberry Engineers Inc. with regard to the referenced project. If you wish to accept this Work Authorization, please sign where indicated and return one complete copy to Aimee Powell, Senior Office Administrator, in our Orlando office at 800 N. Magnolia Avenue, Suite 1000, Orlando, Florida 32803 (or via email at apowell@dewberry.com). Upon receipt, we will promptly schedule our services.

Mr. William Crosley
West Villages Improvement District
Work Authorization 2025-1
September 17, 2024

Thank you for choosing Dewberry Engineers Inc. We look forward to continuing to work with you and your staff.

Sincerely,



Giacomo Licari, P.E.
Senior Project Manager



Reinardo Malavé, P.E.
Associate Vice President

GL:RM:ap

\\dewberry.dewberryroot.local\Offices\Sarasota\Mktg\Aimee\ West Villages Improvement District - District Engineering Services – 09-17-2024
Enclosures

APPROVED AND ACCEPTED

By: _____
Authorized Representative of
West Villages Improvement District

Date: _____

STANDARD HOURLY BILLING RATE SCHEDULE

Professional/Technical/Construction/Surveying Services

LABOR CLASSIFICATION	HOURLY RATES
Professional	
Engineer I, II, III	\$115.00, \$135.00, \$155.00
Engineer IV, V, VI	\$175.00, \$200.00, \$230.00
Engineer VII, VIII, IX	\$260.00, \$290.00, \$320.00
Environmental Specialist I, II, III	\$105.00, \$125.00, \$155.00
Senior Environmental Scientist IV, V, VI	\$175.00, \$195.00, \$215.00
Planner I, II, III	\$105.00, \$125.00, \$155.00
Senior Planner IV, V, VI	\$175.00, \$195.00, \$215.00
Landscape Designer I, II, III	\$105.00, \$125.00, \$155.00
Senior Landscape Architect IV, V, VI	\$175.00, \$195.00, \$215.00
Principal	\$360.00
Technical	
CADD Technician I, II, III, IV, V	\$85.00, \$105.00, \$125.00, \$140.00, \$180.00
Designer I, II, III	\$110.00, \$135.00, \$160.00
Designer IV, V, VI	\$180.00, \$205.00, \$230.00
Construction	
Construction Professional I, II, III	\$125.00, \$160.00, \$185.00
Construction Professional IV, V, VI	\$220.00, \$245.00, \$290.00
Survey	
Surveyor I, II, III	\$68.00, \$83.00, \$100.00
Surveyor IV, V, VI	\$120.00, \$135.00, \$150.00
Surveyor VII, VIII, IX	\$165.00, \$195.00, \$235.00
Senior Surveyor IX	\$295.00
Fully Equipped 1, 2, 3 Person Field Crew	\$145.00, \$185.00, \$245.00
Administration	
Administrative Professional I, II, III, IV	\$70.00, \$100.00, \$120.00, \$150.00
Other Direct Costs (Printing, Postage, Etc.)	Cost + 15%

**WEST VILLAGES IMPROVEMENT DISTRICT
CITY OF NORTH PORT, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2023**

**WEST VILLAGES IMPROVEMENT DISTRICT
CITY OF NORTH PORT, FLORIDA**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
West Villages Improvement District
City of North Port, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of West Villages Improvement District, City of North Port, Florida (the "District") as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the District as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for 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.

In preparing the financial statements, management is required to evaluate 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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives 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 opinions. 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 GAAS will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- 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. Accordingly, no such opinion is expressed.
- 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.
- Conclude whether, in our judgment, 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 a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

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 is the responsibility of management and, 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.

Supplementary 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 schedule of expenditures of state financial assistance projects, as required by Chapter 10.550, Rules of the Auditor General of the State of Florida, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of state financial assistance projects is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state financial assistance projects is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information Included in the Financial Report

Management is responsible for the other information included in the financial report. The other information comprises the information for compliance with FL Statute 218.39 (3) (c), but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated August 14, 2024, 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.



August 14, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of West Villages Improvement District, City of North Port, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2023. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year resulting in a net position balance of \$28,119,190.
- The change in the District's total net position in comparison with the prior fiscal year was \$1,407,336 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, 2023, the District's governmental funds reported combined ending fund balances of \$31,691,944, an increase of 10,020,857 in comparison with the prior fiscal year. A portion of the total fund balance is restricted for debt service, capital projects, assigned to road resurfacing and subsequent year's expenditures, and the remainder mostly unassigned general fund balance.

OVERVIEW OF FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

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

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

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

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

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and proprietary funds.

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflow 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 seventeen individual 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, Unit 1, Unit 2 Series 2019, Unit 3, Unit 4, Unit 5, Unit 7, Unit 7 & 8, Unit 8, and Unit 9 debt service funds and Unit 1, Unit 3, Unit 5, Unit 7, Unit 7 & 8, Unit 8, and Unit 9 capital projects funds, all of which are considered to be major funds.

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

Proprietary Fund

The District maintains one type of proprietary fund, an enterprise fund. An enterprise fund is used to report the same function presented as business-type activities in the government-wide financial statements. The District uses an enterprise fund to account for the operations of the irrigation services within the District, which are included in Unit 6 of the District.

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

Notes to the Financial Statements

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

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

	NET POSITION					
	SEPTEMBER 30,					
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 38,443,474	\$ 29,472,218	\$ 944,335	\$ 780,080	\$ 39,387,809	\$ 30,252,298
Capital assets, net	191,787,396	176,622,168	3,401,075	2,722,886	195,188,471	179,345,054
Total assets	230,230,870	206,094,386	4,345,410	3,502,966	234,576,280	209,597,352
Current liabilities	10,293,280	10,573,028	4,423,278	3,538,254	14,716,558	14,111,282
Long-term liabilities	191,740,532	168,774,216	-	-	191,740,532	168,774,216
Total liabilities	202,033,812	179,347,244	4,423,278	3,538,254	206,457,090	182,885,498
Net position						
Net investment in capital assets	(1,928,136)	6,417,952	(881,724)	(293,544)	(2,809,860)	6,124,408
Restricted	24,275,551	12,245,838	-	-	24,275,551	12,245,838
Unrestricted	5,849,643	8,083,352	803,856	258,256	6,653,499	8,341,608
Total net position	\$ 28,197,058	\$ 26,747,142	\$ (77,868)	\$ (35,288)	\$ 28,119,190	\$ 26,711,854

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 is the results from the receipt of Developer contributions and intergovernmental revenues.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

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,					
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues						
Charges for services	\$ 12,589,434	\$ 11,090,459	\$ 922,774	\$ 644,473	\$ 13,512,208	\$ 11,734,932
Operating grants and contributions	6,175,582	5,248,359	-	214,990	6,175,582	5,463,349
Capital grants and contributions	646,731	2,395,412	-	-	646,731	2,395,412
General revenues						
Unrestricted investment earnings	306,605	878	6,600	24	313,205	902
Miscellaneous	724,995	399,323	4,221	-	729,216	399,323
Total revenues	20,443,347	19,134,431	933,595	859,487	21,376,942	19,993,918
Expenses:						
General government	3,420,278	1,481,965	-	-	3,420,278	1,481,965
Maintenance and operations	5,913,515	3,211,874	-	-	5,913,515	3,211,874
Interest	8,766,488	7,881,382	-	-	8,766,488	7,881,382
Bond issue costs	893,150	-	-	-	893,150	-
Irrigation services	-	-	976,175	995,887	976,175	995,887
Total expenses	18,993,431	12,575,221	976,175	995,887	19,969,606	13,571,108
Change in net position	1,449,916	6,559,210	(42,580)	(136,400)	1,407,336	6,422,810
Net position - beginning	26,747,142	20,187,932	(35,288)	101,112	26,711,854	20,289,044
Net position - ending	\$ 28,197,058	\$ 26,747,142	\$ (77,868)	\$ (35,288)	\$ 28,119,190	\$ 26,711,854

Governmental activities

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2023 was \$18,993,431. The costs of the District's activities were partially paid by program revenues and general revenues. Program revenues were comprised primarily of assessments, Developer contributions, and other contributions for both the current year and prior year. The majority of the increase in expenses was the result of an increase in professional services and maintenance and repairs.

Business-type activities

Business-type activities reflect the operations of the irrigation system within the District. The cost of operations is covered partially by charges to customers. Revenues decrease as a result of a decrease in developer contributions.

GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. The fiscal year 2023 general fund budget was amended to increase revenues by \$2,517,776 and increase appropriations by \$4,189,835. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2023.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2023, the District had \$209,486,124 invested in capital assets for its governmental activities. In the government-wide financial statements depreciation of \$17,698,728 has been taken, which resulted in a net book value of \$191,787,396. The District's business-type activities reported net capital assets of \$3,401,075. More detailed information about the District's capital assets is presented in the notes of the financial statements.

Capital Debt

At September 30, 2023, the District had \$191,720,708 in Bonds and Notes outstanding and \$6,211,519 in Developer advances for its governmental activities. More detailed information about the District's capital debt is presented in the notes of the financial statements.

ECONOMIC FACTORS AND OTHER EVENTS

Subsequent to fiscal year end, the District has continued its capital projects which include development of infrastructure improvements for residential and commercial areas, the construction of a wastewater treatment facility which will be conveyed to other entities for ownership and maintenance upon completion.

Subsequent to fiscal year end, the District issued \$4,805,000 of Series 2023 Bonds, consisting of multiple term bonds with due dates ranging from May 1, 2030 to May 1, 2054 with a fixed interest rates of 5.350% to 6.320%. The District also issued \$19,280,000 of Series 2024 Bonds (Assessment Area One), consisting of multiple term bonds with due dates ranging from May 1, 2031 to May 1, 2054 and fixed interest rates ranging from 4.500% to 5.700%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District.

CONTACTING THE DISTRICT'S FINANCIAL MANAGMENT

This financial report is designed to provide our citizens, land owners, taxpayers, 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 West Villages Improvement District's management services at Special District Services, Inc., 2501A Burns Road, Palm Beach Gardens, Florida 33410.

**WEST VILLAGES IMPROVEMENT DISTRICT
CITY OF NORTH PORT, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2023**

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash	\$ 8,506,626	\$ 504,547	\$ 9,011,173
Due from Developers	122,372	439,788	562,160
Other assets	2,325	-	2,325
Restricted assets:			
Investments	29,812,151	-	29,812,151
Capital assets:			
Nondepreciable	167,081,050	2,214,638	169,295,688
Depreciable, net	24,706,346	1,186,437	25,892,783
Total assets	<u>230,230,870</u>	<u>4,345,410</u>	<u>234,576,280</u>
LIABILITIES			
Accounts payable	732,264	140,479	872,743
Contracts and retainage payable	1,338,209	-	1,338,209
Accrued interest payable	3,621,238	-	3,621,238
Escrow deposits	13,793	-	13,793
Due to Bondholders:			
Principal	1,975,000	-	1,975,000
Interest	2,612,776	-	2,612,776
Non-current liabilities:			
Due within one year*	7,019,370	-	7,019,370
Due in more than one year	182,567,610	-	182,567,610
Developer advances	2,153,552	4,282,799	6,436,351
Total liabilities	<u>202,033,812</u>	<u>4,423,278</u>	<u>206,457,090</u>
NET POSITION			
Net investment in capital assets	(1,928,136)	(881,724)	(2,809,860)
Restricted for capital projects	14,614,295	-	14,614,295
Restricted for debt service	9,661,256	-	9,661,256
Unrestricted	5,849,643	803,856	6,653,499
Total net position	<u>\$ 28,197,058</u>	<u>\$ (77,868)</u>	<u>\$ 28,119,190</u>

* The missed debt service payment due for the Series 2019 Bonds are reflected in the due to Bondholders account balance.

See notes to the financial statements

**WEST VILLAGES IMPROVEMENT DISTRICT
CITY OF NORTH PORT, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Governmental Activities	Business-type Activities	Total
<u>Primary government:</u>							
<u>Governmental activities:</u>							
General government	\$ 3,420,278	\$ 3,188,011	\$ -	\$ -	\$ (232,267)	\$ -	\$ (232,267)
Maintenance and operations	5,913,515	-	1,987,436	646,731	(3,279,348)	-	(3,279,348)
Interest on long-term debt	8,766,488	9,401,423	4,188,146	-	4,823,081	-	4,823,081
Bond issue costs	893,150	-	-	-	(893,150)	-	(893,150)
Total governmental activities	18,993,431	12,589,434	6,175,582	646,731	418,316	-	418,316
<u>Business-type activities:</u>							
Irrigation services	976,175	922,774	-	-	-	(53,401)	(53,401)
Total business-type activities	976,175	922,774	-	-	-	(53,401)	(53,401)
General revenues:							
Unrestricted investment earnings					306,605	6,600	313,205
Miscellaneous					724,995	4,221	729,216
Total general revenues					1,031,600	10,821	1,042,421
Change in net position					1,449,916	(42,580)	1,407,336
Net position - beginning					26,747,142	(35,288)	26,711,854
Net position - ending					\$ 28,197,058	\$ (77,868)	\$ 28,119,190

See notes to the financial statements

**WEST VILLAGES IMPROVEMENT DISTRICT
CITY OF NORTH PORT, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023**

	Major Funds									
	Debt Service									
	Unit 1 Series 2007 & 2017	Unit 2 Series 2019	Unit 3 Series 2006 & 2017	Unit 4 Series 2016	Unit 5 Series 2017	Unit 7 Series 2019	Unit 7 & 8 Series 2021	Unit 8 Series 2022	Unit 9 Series 2023	
ASSETS										
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Investments	1,011,840	577,153	446,790	1,164,811	5,922,115	2,351,180	605,171	1,065,491	715,096	
Due from Developers	-	-	-	-	-	-	-	-	-	
Other assets	-	-	-	-	-	-	-	-	-	
Total assets	\$ 8,631,323	\$ 577,153	\$ 446,790	\$ 1,164,811	\$ 5,922,115	\$ 2,351,180	\$ 605,171	\$ 1,065,491	\$ 715,096	
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
Liabilities:										
Accounts payable	\$ 732,264	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Contracts and retainage payable	-	-	-	-	-	-	-	-	-	
Escrow deposits	13,793	-	-	-	-	-	-	-	-	
Due to Bondholders:										
Principal	-	1,975,000	-	-	-	-	-	-	-	
Interest	-	2,612,776	-	-	-	-	-	-	-	
Total liabilities	746,057	4,587,776	-	-	-	-	-	-	-	
Deferred inflow s of resources:										
Unavailable revenue	79,488	-	-	-	-	-	-	-	-	
Total deferred inflow s of resources	79,488	-	-	-	-	-	-	-	-	
Fund balances:										
Restricted for:										
Debt service	-	-	446,790	1,164,811	5,922,115	2,351,180	605,171	1,065,491	715,096	
Capital projects	-	-	-	-	-	-	-	-	-	
Assigned to:										
Road resurfacing	1,262,214	-	-	-	-	-	-	-	-	
Subsequent year expenditures	18,205	-	-	-	-	-	-	-	-	
Unassigned	6,525,359	(4,010,623)	-	-	-	-	-	-	-	
Total fund balances	7,805,778	(4,010,623)	446,790	1,164,811	5,922,115	2,351,180	605,171	1,065,491	715,096	
Total liabilities, deferred inflow s of resources and fund balances	\$ 8,631,323	\$ 577,153	\$ 446,790	\$ 1,164,811	\$ 5,922,115	\$ 2,351,180	\$ 605,171	\$ 1,065,491	\$ 715,096	

(Continued)

See notes to the financial statements

**WEST VILLAGES IMPROVEMENT DISTRICT
CITY OF NORTH PORT, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023
(Continued)**

	Major Funds								Total
	Capital Projects								Governmental
	Unit 1 Series 2007 & 2017	Unit 3 Series 2006 & 2017	Unit 5 Series 2017	Unit 7 Series 2019	Unit 7 & 8 Series 2021	Unit 8 Series 2022	Unit 9 Series 2023		Funds
ASSETS									
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,506,626
Investments	410	38,269	-	177	3,915,847	11,936,997	60,804	-	29,812,151
Due from Developers	-	-	-	-	-	-	-	-	122,372
Other assets	-	-	-	-	-	-	-	-	2,325
Total assets	\$ 410	\$ 38,269	\$ -	\$ 177	\$ 3,915,847	\$ 11,936,997	\$ 60,804	\$ -	\$ 38,443,474
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 732,264
Contracts and retainage payable	-	-	-	-	-	1,338,209	-	-	1,338,209
Escrow deposits	-	-	-	-	-	-	-	-	13,793
Due to Bondholders:									
Principal	-	-	-	-	-	-	-	-	1,975,000
Interest	-	-	-	-	-	-	-	-	2,612,776
Total liabilities	-	-	-	-	-	1,338,209	-	-	6,672,042
Deferred inflows of resources:									
Unavailable revenue	-	-	-	-	-	-	-	-	79,488
Total deferred inflows of resources	-	-	-	-	-	-	-	-	79,488
Fund balances:									
Restricted for:									
Debt service	-	-	-	-	-	-	-	-	13,282,494
Capital projects	410	38,269	-	177	3,915,847	10,598,788	60,804	-	14,614,295
Assigned to:									
Road resurfacing	-	-	-	-	-	-	-	-	1,262,214
Subsequent year expenditures	-	-	-	-	-	-	-	-	18,205
Unassigned	-	-	-	-	-	-	-	-	2,514,736
Total fund balances	410	38,269	-	177	3,915,847	10,598,788	60,804	-	31,691,944
Total liabilities, deferred inflows of resources and fund balances	\$ 410	\$ 38,269	\$ -	\$ 177	\$ 3,915,847	\$ 11,936,997	\$ 60,804	\$ -	\$ 38,443,474

See notes to the financial statements

**WEST VILLAGES IMPROVEMENT DISTRICT
CITY OF NORTH PORT, FLORIDA
RECONCILIATION OF BALANCE SHEET – GOVERNMENTAL FUNDS
TO STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023**

Fund balance - governmental funds \$ 31,691,944

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 accumulated depreciation, in the net position of the government as a whole.

Cost of capital assets	209,486,124	
Accumulated depreciation	<u>(17,698,728)</u>	191,787,396

Assets that are not available to pay for current-period expenditures are unavailable in the fund statements.		79,488
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Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund financial statements. All liabilities, both current and long-term, are reported in the government-wide financial statements.

Accrued interest payable	(3,621,238)	
Bonds payable *	(189,586,980)	
Developer advances	<u>(2,153,552)</u>	<u>(195,361,770)</u>
Net position of governmental activities		<u><u>\$ 28,197,058</u></u>

* The missed debt service payment due for the Series 2019 Bonds are reflected in the due to Bondholders account balance.

See notes to the financial statements

**WEST VILLAGES IMPROVEMENT DISTRICT
CITY OF NORTH PORT, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Major Funds									
	Debt Service									
	General	Unit 1 Series 2007 & 2017	Unit 2 Series 2019	Unit 3 Series 2006 & 2017	Unit 4 Series 2016	Unit 5 Series 2017	Unit 7 Series 2019	Unit 7 & 8 Series 2021	Unit 8 Series 2022	Unit 9 Series 2023
REVENUES										
Assessments	\$ 3,188,011	2,249,859	1,938,422	1,279,887	\$ 822,698	\$ -	1,966,408	1,141,763	\$ -	\$ 2,386
Developers contributions	207,024	-	-	-	-	-	-	-	-	117,730
Contributions - Atlanta Braves	114,783	-	-	-	-	2,588,596	-	-	-	-
Developers contributions - capital	1,059	-	-	-	-	-	-	-	-	-
Contributions other governments	1,664,570	-	-	-	-	999,996	-	-	-	-
Miscellaneous	801,389	-	-	-	-	-	-	-	-	-
Interest income	306,605	41,432	29,200	17,806	32,984	222,824	74,102	20,391	32,682	10,403
Total revenues	6,283,441	2,291,291	1,967,622	1,297,693	855,682	3,811,416	2,040,510	1,162,154	32,682	130,519
EXPENDITURES										
Current:										
General government	3,420,278	-	-	-	-	-	-	-	-	-
Maintenance and operations	1,787,036	-	-	-	-	-	-	-	-	-
Debt service:										
Principal	36,107	1,200,000	1,785,000	670,000	260,000	1,991,568	565,000	435,000	-	-
Interest	-	1,197,994	1,517,066	617,348	567,200	1,591,038	1,505,463	739,932	329,821	-
Bond issue costs	-	-	-	-	-	-	-	-	-	-
Capital outlay	2,407,891	-	-	-	-	-	-	-	-	-
Total expenditures	7,651,312	2,397,994	3,302,066	1,287,348	827,200	3,582,606	2,070,463	1,174,932.00	329,821.00	-
Excess (deficiency) of revenues over (under) expenditures	(1,367,871)	(106,703)	(1,334,444)	10,345	28,482	228,810	(29,953)	(12,778)	(297,139)	130,519
OTHER FINANCING SOURCES (USES)										
Bond proceeds	-	-	-	-	-	-	-	-	1,362,630	584,577
Bond premium/(discount)	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	1,362,630	584,577
Net change in fund balances	(1,367,871)	(106,703)	(1,334,444)	10,345	28,482	228,810	(29,953)	(12,778)	1,065,491	715,096
Fund balances - beginning	9,173,649	1,118,543	(2,676,179)	436,445	1,136,329	5,693,305	2,381,133	617,949	-	-
Fund balances - ending	\$ 7,805,778	\$ 1,011,840	\$ (4,010,623)	\$ 446,790	\$ 1,164,811	\$ 5,922,115	\$ 2,351,180	\$ 605,171	\$ 1,065,491	\$ 715,096

(Continued)

See notes to the financial statements

**WEST VILLAGES IMPROVEMENT DISTRICT
CITY OF NORTH PORT, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023
(Continued)**

	Major Funds								Total
	Capital Projects								
	Unit 1 Series 2007 & 2017	Unit 3 Series 2006 & 2017	Unit 5 Series 2017	Unit 7 Series 2019	Unit 7 & 8 Series 2021	Unit 8 Series 2022	Unit 9 Series 2023	Governmental Funds	
REVENUES									
Assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,589,434
Developers contributions	-	-	-	-	-	-	-	-	324,754
Contributions - Atlanta Braves	-	-	-	-	-	-	-	-	2,703,379
Developers contributions - capital	-	-	-	-	-	-	-	-	1,059
Contributions other governments	-	-	-	-	-	-	-	-	2,664,566
Miscellaneous	-	-	-	-	-	-	-	-	801,389
Interest income	13	1,165	-	6,171	163,926	414,652	60,804	1,435,160	
Total revenues	13	1,165	-	6,171	163,926	414,652	60,804	20,519,741	
EXPENDITURES									
Current:									
General government	-	-	-	-	-	-	-	-	3,420,278
Maintenance and operations	-	-	-	-	-	-	-	-	1,787,036
Debt service:									
Principal	-	-	-	-	-	-	4,057,967	11,000,642	
Interest	-	-	-	-	-	-	-	8,065,862	
Bond issue costs	-	-	-	-	-	420,725	472,425	893,150	
Capital outlay	-	-	319	6,166	-	4,918,964	11,958,367	19,291,707	
Total expenditures	-	-	319	6,166	-	5,339,689	16,488,759	44,458,675	
Excess (deficiency) of revenues over (under) expenditures	13	1,165	(319)	5	163,926	(4,925,037)	(16,427,955)	(23,938,934)	
OTHER FINANCING SOURCES (USES)									
Bond proceeds	-	-	-	-	-	15,637,370	16,545,423	34,130,000	
Bond premium/(discount)	-	-	-	-	-	(113,545)	(56,664)	(170,209)	
Total other financing sources (uses)	-	-	-	-	-	15,523,825	16,488,759	33,959,791	
Net change in fund balances	13	1,165	(319)	5	163,926	10,598,788	60,804	10,020,857	
Fund balances - beginning	397	37,104	319	172	3,751,921	-	-	21,671,087	
Fund balances - ending	410	\$ 38,269	\$ -	\$ 177	\$ 3,915,847	\$ 10,598,788	\$ 60,804	\$ 31,691,944	

See notes to the financial statements

**WEST VILLAGES IMPROVEMENT DISTRICT
CITY OF NORTH PORT, 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, 2023**

Net change in fund balances - total governmental funds	\$ 10,020,857
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures, however, the cost of capital assets is eliminated in the statement of activities and capitalized in the statement of net position.	16,883,447
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Governmental funds report the face amount of Bonds issued as financial resources when debt is first issued, whereas these amounts are eliminated in the statement of activities and recognized as long-term liabilities in the statement of net position.	(34,130,000)
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In connection with the issuance of the Bonds, the original issue discount/premium is reported as a financing use/source when debt is first issued, whereas this amount is eliminated in the statement of activities and reduces/increases long-term liabilities in the statement of net position.	170,209
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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.	11,000,642
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Depreciation of capital assets is not recognized in the governmental fund financial statements but is reported as an expense in the statement of activities.	(1,718,219)
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Amortization of Bond discounts/premiums is not recognized in the governmental fund financial statements, but is reported as an expense in the statement of activities.	(7,167)
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Certain revenues were unavailable for the governmental fund financial statements in the prior fiscal year. In the current fiscal year, these revenues were recorded in the governmental fund financial statements.	(76,394)
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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.	(693,459)
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Change in net position of governmental activities	<div style="border-top: 1px solid black; border-bottom: 3px double black; padding: 2px 0;">\$ 1,449,916</div>
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See notes to the financial statements

**WEST VILLAGES IMPROVEMENT DISTRICT
CITY OF NORTH PORT, FLORIDA
STATEMENT OF NET POSITION - PROPRIETARY FUND
SEPTEMBER 30, 2023**

	<u>Business-type Activities - Irrigation Fund</u>
ASSETS	
Current assets:	
Cash and equivalents	504,547
Due from Developers	<u>439,788</u>
Total current assets	<u>944,335</u>
Noncurrent assets:	
Capital assets:	
Construction in progress	2,214,638
Irrigation system	1,364,593
Less accumulated depreciation	<u>(178,156)</u>
Total capital assets, net of depreciation	<u>3,401,075</u>
Total noncurrent assets	<u>3,401,075</u>
Total assets	<u>4,345,410</u>
LIABILITIES	
Current liabilities:	
Accounts payable and accrued expenses	<u>140,479</u>
Total current liabilities	<u>140,479</u>
Noncurrent liabilities	
Developer advances	<u>4,282,799</u>
Total noncurrent liabilities	<u>4,282,799</u>
Total liabilities	<u>4,423,278</u>
NET POSITION	
Investment in capital assets	(881,724)
Unrestricted	803,856
	<u>\$ (77,868)</u>

See notes to the financial statements

**WEST VILLAGES IMPROVEMENT DISTRICT
CITY OF NORTH PORT, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION - PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	<u>Business-type Activities - Irrigation Fund</u>
Operating revenues:	
Charges for services:	
Irrigation revenues	922,774
Other	<u>4,221</u>
Total operating revenues	<u>926,995</u>
Operating expenses:	
Irrigation services	931,636
Depreciation	<u>44,539</u>
Total operating expenses	<u>976,175</u>
Operating income (loss)	<u>(49,180)</u>
Nonoperating revenues (expenses):	
Interest income	<u>6,600</u>
Total nonoperating revenues (expenses)	<u>6,600</u>
Change in net position	(42,580)
Total net position (deficit) - beginning, previously stated	<u>(35,288)</u>
Total net position - beginning	<u>(35,288)</u>
Total net position - ending	<u><u>\$ (77,868)</u></u>

See notes to the financial statements

**WEST VILLAGES IMPROVEMENT DISTRICT
CITY OF NORTH PORT, FLORIDA
STATEMENT OF CASH FLOWS - PROPRIETARY FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2023**

CASH FLOW FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 926,995
Payments for goods and services	<u>(1,312,981)</u>
Net cash provided (used) by operating activities	<u>(385,986)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Proceeds from Developer advances	1,057,032
Purchase of capital assets	<u>(722,728)</u>
Net cash provided (used) by capital and related financing activities	<u>334,304</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income	<u>6,600</u>
Net cash provided (used) by investing activities	<u>6,600</u>
Net increase (decrease) in cash and cash equivalents	(45,082)
Cash and cash equivalents - October 1	<u>549,629</u>
Cash and cash equivalents - September 30	<u><u>\$ 504,547</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income (loss)	\$ (49,180)
Depreciation	44,539
Increase/(Decrease) in:	
Accounts payable	<u>(381,345)</u>
Total adjustments	<u>(336,806)</u>
Net cash provided (used) by operating activities	<u><u>\$ (385,986)</u></u>

See notes to the financial statements

**WEST VILLAGES IMPROVEMENT DISTRICT
CITY OF NORTH PORT, FLORIDA
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

West Villages Improvement District ("District") was created on July 23, 2004. The District is governed by the Board of Supervisors ("Board"), which is composed of five members. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 2004-456 Laws of Florida.

The District 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 being developed by separate Developers, a Master Developer and by other Homebuilders. The Master Developers are Thomas Ranch Land Partners Village, LLP ("Thomas Ranch") a subsidiary of Mattamy Homes who assumed responsibility as the major developer for Unit 1, replacing Fourth Quarter Properties XXXII, LLC and became the new majority owner for the District. Other Developers include Lennar Homes, Inc. ("Lennar"), Gran Paradiso I and II, and Pulte Homes, LP. At September 30, 2023, a majority of the Board Members are affiliated with Thomas Ranch. All references to ("Developer") include all of the entities associated with the District. The District has previously created five separate development units – Units 1, 2, 3, 4 and 5. During a prior year Unit 6 was created for the construction of the Master Irrigation system, which is funded by the Master Developer and by fees generated from an approved rate structure. During a prior fiscal year, Unit 7 was created for the development of Unit 7 infrastructure improvements. During a prior fiscal year end, Unit 8 was created for the development of Unit 8 infrastructure improvements. During the current fiscal year end Unit 9 was created for the development of Unit 9 infrastructure improvements.

The Board has the final responsibility for:

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide and Fund Financial Statements (Continued)

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*.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

Assessments

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

Assessments and interest associated with the current fiscal period are 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 Funds - Unit 1, Unit 2 (2019), Unit 3, Unit 4, Unit 5, Unit 7, Unit 7 & 8, Unit 8, and Unit 9

The debt service funds for each unit are used to account for the accumulation of resources for the annual payment of principal and interest on long-term debt for each development unit.

Capital Projects Funds - Unit 1, Unit 3, Unit 5, Unit 7, Unit 7 & 8, Unit 8, and Unit 9

This funds accounts for the financial resources to be used for the acquisition or construction of major infrastructure within the District for each development unit.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

The District reports the following enterprise fund:

Irrigation Fund

The Irrigation Fund accounts for the operations of the irrigation lines, which are funded by proceeds from operations of these facilities including user fees, meter fees and connection fees.

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

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

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first for qualifying expenditures, then unrestricted resources as they are needed.

Assets, Liabilities and Net Position or Equity

Restricted Assets

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

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and demand deposits (interest and non-interest bearing).

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.

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.

Inventories and Prepaid Items

Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

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.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Capital Assets

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

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

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

<u>Assets</u>	<u>Years</u>
Water Management & Environmental	30
Roadways	25
Gateway Entry	15
Landscape & Lighting	10
Irrigation System	30

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

Unearned Revenue

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

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.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

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.

Other Disclosures

Use of Estimates

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

NOTE 3 – BUDGETARY INFORMATION

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

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

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

NOTE 4 – DEPOSITS AND INVESTMENTS

Deposits

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

Investments

The District's investments were held as follows at September 30, 2023:

Investment	Amortized cost	Credit Risk	Maturities
US Bank Money Market Account	\$ 25,510,703	Not Available	Not available
Florida Education Investment Trust	4,301,448	Not Available	Not available
	<u>\$ 29,812,151</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 Indentures limit the type of investments held using unspent proceeds.

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

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

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 governmental activities for the fiscal year ended September 30, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<u>Governmental activities</u>				
Capital assets, not being depreciated				
Land	\$ 12,837,903	\$ -	\$ -	\$ 12,837,903
Infrastructure in progress	63,384,998	-	-	63,384,998
Infrastructure in progress - wastewater treatment plant	57,534,889	-	-	57,534,889
Village B Parcel Project - CIP	1,137,564	6,116	-	1,143,680
Unit No. 8 Improvements - CIP	15,302,249	4,918,964	-	20,221,213
Unit No. 9 Improvements - CIP	-	11,958,367	-	11,958,367
Total capital assets, not being depreciated	150,197,603	16,883,447	-	167,081,050
Capital assets, being depreciated				
Water Management and Environmental	18,771,847	-	-	18,771,847
Roadways	13,908,078	-	-	13,908,078
Gateway Entry	6,346,169	-	-	6,346,169
Landscape and Lighting - Unit 3	3,378,980	-	-	3,378,980
Total capital assets, being depreciated	42,405,074	-	-	42,405,074
Less accumulated depreciation for:				
Water Management and Environmental	4,283,036	515,274	-	4,798,310
Roadways	4,501,961	441,950	-	4,943,911
Gateway Entry	4,407,853	423,097	-	4,830,950
Landscape and Lighting - Unit 3	2,787,659	337,898	-	3,125,557
Total accumulated depreciation	15,980,509	1,718,219	-	17,698,728
Total capital assets, being depreciated, net	26,424,565	(1,718,219)	-	24,706,346
Governmental activities capital assets, net	\$ 176,622,168	\$ 15,165,228	\$ -	\$ 191,787,396

Depreciation expense was charged to maintenance and operations.

NOTE 5 – CAPITAL ASSETS (Continued)

Capital asset activity for the business-type activities for the fiscal year ended September 30, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<u>Business type activities</u>				
Capital assets, not being depreciated				
Construction in progress	\$ 1,491,910	\$ 722,728	\$ -	\$ 2,214,638
Total capital assets, not being depreciated	1,491,910	722,728	-	2,214,638
Capital assets, being depreciated				
Irrigation system	1,364,593	-	-	1,364,593
Total capital assets, being depreciated	1,364,593	-	-	1,364,593
Less accumulated depreciation for:				
Irrigation system	133,617	44,539	-	178,156
Total accumulated depreciation	133,617	44,539	-	178,156
Total capital assets, being depreciated, net	1,230,976	(44,539)	-	1,186,437
Business type activities capital assets, net	\$ 2,722,886	\$ 678,189	\$ -	\$ 3,401,075

Governmental activities

Costs incurred to-date relate to Development Unit's No. 1, No. 2, No. 3, No. 4, No. 5 No. 7, No. 8, and No. 9. Certain improvements were acquired directly from the Developer. The total anticipated project costs have been estimated at approximately \$30 million for Unit No. 1; \$34 million for Unit No. 2; \$47 million for Unit No. 3; \$30 million for Unit No. 4; \$117 million for Unit No. 5; \$72.5 million for Unit No. 7; \$50 million for Unit No. 8; and \$51,000 for Unit No. 9. Units No. 3, No. 4 and No. 5 were completed in a prior fiscal year.

Funding for the Unit 5 improvements are derived from multiple sources which include contributions from certain Developers, City of North Port, Sarasota County, the State of Florida and Atlanta National League Baseball Club, LLC ("Atlanta Braves"). The Unit 5 improvements were conveyed to the County during a prior fiscal year.

Certain improvements will be conveyed to other entities upon completion of the various developments, which include but are not limited to the wastewater treatment plant and the other improvements.

The District has entered an agreement with the Developer, whereby the Developer has agreed to provide funding for the completion of the wastewater treatment plant. The wastewater treatment plant will be conveyed to another entity for ownership and maintenance upon completion.

In the current year additions For Unit No. 8 Improvements – CIP and Unit No. 9 Improvements - CIP were improvements purchased from the Developer.

Business type activities

Unit No. 6 is comprised of the Master Irrigation Facility. The original agreements with the Developer provided for Developer contributions for funding of the improvements and any costs overruns related to the Master Irrigation Facility. The original agreements and or new agreements have been modified to provide for reimbursement to the Developer of amounts advanced under certain conditions.

NOTE 6 – LONG TERM LIABILITIES

Series 2016 (Unit 4)

On November 15, 2016, the District issued \$13,090,000 of Special Assessment Revenue Bonds, Series 2016 (Unit 4), due November 1, 2046 with interest rates of 3.375% to 5.0%. The Bonds were issued for the purpose of financing the acquisition and construction of certain improvements for the benefit of the District. Interest is paid semiannually on each May 1 and November 1, commencing May 1, 2017. Principal is paid serially commencing November 1, 2017 through November 1, 2046.

Series 2017 (Unit 1)

On August 31, 2017, the District issued \$32,165,000 of Special Assessment Revenue Refunding Bonds, Series 2017 (Unit 1), due May 1, 2037 with interest rates of 3.50% - 4.625%. The Bonds were issued for the purpose of refunding the District's outstanding Series 2007 Special Assessment Revenue Bonds (the "Refunded Bonds"), and to finance the acquisition and construction of certain improvements for the benefit of the District. Interest is paid semiannually on each May 1 and November 1, commencing May 1, 2018. Principal is paid serially commencing May 1, 2018 through May 1, 2038.

Series 2017 (Unit 3)

On August 31, 2017, the District issued \$16,550,000 of Special Assessment Revenue Refunding Bonds, Series 2017 (Unit 3), due May 1, 2037 with interest rates of 3.50% - 5.00%. The Bonds were issued for the purpose of refunding the District's outstanding Series 2006 Special Assessment Revenue Bonds (the "Refunded Bonds") and to finance the acquisition and construction of certain improvements for the benefit of the District. Interest is paid semiannually on each May 1 and November 1, commencing November 1, 2017. Principal is paid serially commencing May 1, 2018 through May 1, 2037.

Series 2017A (Unit 5)

On December 21, 2017, the District issued \$13,955,000 of Taxable Florida State Sales Tax Payments Revenue Bonds, Series 2017A, consisting of multiple term bonds with due dates ranging from February 1, 2019 – February 1, 2038 and fixed interest rates ranging from 2.277% to 3.831%. The Bonds were issued for the purpose of funding a portion of the costs of the 2017 Project. Interest is paid semiannually on each August 1 and February 1, commencing August 1, 2018. Principal is paid serially commencing August 1, 2018 through February 1, 2038. Principal and interest on the Bonds are to be paid with Florida State Sales Tax Payments pledged to the District.

Series 2017B (Unit 5)

On December 21, 2017, the District issued \$27,500,000 of Senior Secured Notes due December 30, 2033 with a fixed interest rate of 5.4%. The Notes were issued for the purpose of funding a portion of the costs of the 2017 Project. Interest is paid semiannually on each June 30 and December 30, commencing June 30, 2018. Principal is paid serially commencing June 30, 2018 through December 30, 2033. Principal and interest on the Bonds are to be paid with Florida State Sales Tax Payments pledged to the District and by an annual fee to be paid by Atlanta Braves.

Series 2019 (Unit 7)

On April 15, 2019, the District issued \$32,360,000 of Series 2019 Special Assessment Revenue Bonds (Unit 7), due dates ranging from May 1, 2021 to May 1, 2050 with interest rates of 4.00% - 5.00%. The Bonds were issued for the purpose of financing the acquisition and construction of certain improvements for the benefit of the District. Interest is paid semiannually on each May 1 and November 1, commencing May 1, 2019. Principal is paid serially commencing May 1, 2021 through May 1, 2050.

NOTE 6 – LONG TERM LIABILITIES (Continued)

Series 2019 (Unit 2)

During a prior fiscal year end the Unit 2 Series 2005 bond was bifurcated. The primary purpose of the Bifurcation is to divide the security for the trust estate of the Series 2005 Bonds into two separate and distinct trust estates secured by two separate and distinct sources of collateral. Accordingly, two separate assessment areas have been established within Unit No. 2 relative to the Bifurcated Bonds. "Assessment Area 1" includes all lands within Unit No. 2 with the exception of (1) the Delinquent Commercial Property; (2) the residential units which have prepaid the Series 2005 Assessments levied on their property in full; and (3) those units for which the District has received a true-up payment in accordance with the various True-Up Agreements executed in conjunction with the issuance of the Series 2005 Bonds. "Assessment Area 2" includes the Delinquent Commercial Property.

The Series 2005 (Unit 2) Bonds with principal outstanding of \$32,965,000 were exchanged for \$15,190,000 Series 2019A-1 "Assessment Area 1", \$17,445,000 Series 2019A-2 "Assessment Area 2" and \$330,000 of Defeased Bonds. The Series 2019A-1 Bonds are current on their debt service payments. The Defeased Bonds were paid by the District during the prior fiscal year and are no longer a liability of the District. The Bondholders cancelled \$4,615,000 of the Series 2019A-2 Bonds, leaving a balance of \$12,830,000 after the restructuring.

Series 2019A-1 (Unit 2)

The Series 2019A-1 Special Assessment Bonds (Unit 2) were exchanged for the Series 2005 Bonds in October 2019, with due dates ranging from May 1, 2020 to May 1, 2036 with an interest rate of 5.75%. Interest is paid semiannually on each May 1 and November 1, commencing May 1, 2020. Principal is paid serially commencing May 1, 2020 through May 1, 2036.

Series 2019A-2 (Unit 2)

The Series 2019A-2 Special Assessment Bonds (Unit 2) were exchanged for the Series 2005 Bonds in October 2019, with due dates ranging from May 1, 2020 to May 1, 2036 with an interest rate of 5.75%. Interest is paid semiannually on each May 1 and November 1, commencing May 1, 2020. Principal is paid serially commencing May 1, 2020 through May 1, 2036.

Subsequent to the restructuring the District had delinquent assessments still due from Major Landowners which ultimately secure the Bonds. As a result, certain scheduled debt service payments were not made in prior and current fiscal years. The amount due has been reported in the financial statements as Due to Bondholders and reflects \$1,975,000 due for principal and \$2,612,776 due for interest. The failure by the District to pay its debt service is considered an event of default. In addition, subsequent to year end, the District did not pay the scheduled debt service on the Bonds.

Series 2021 (Unit 7)

On April 20, 2021, the District issued \$7,975,000 of Special Assessment Revenue Bonds (Unit 7), Series 2021 (Village F-1 and F-5), consisting of multiple term bonds with fixed interest rates ranging from 2.50% to 4.00%. The bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. 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, 2022 through May 1, 2051.

Series 2021 (Unit 8)

On April 20, 2021, the District issued \$13,000,000 of Special Assessment Revenue Bonds (Unit 8), Series 2021 (Master Infrastructure), consisting of multiple term bonds with fixed interest rates ranging from 2.500% to 4.000%. The bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. 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, 2022 through May 1, 2051.

NOTE 6 – LONG TERM LIABILITIES (Continued)

Series 2022 (Unit 8)

On December 12, 2022, the District issued \$17,000,000 of Special Assessment Revenue Bonds (Unit 8), Series 2022 (Neighborhood Infrastructure), consisting of multiple term bonds with fixed interest rates ranging from 4.650% to 5.580%. The bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. 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, 2024 through May 1, 2053.

Series 2023 (Unit 9)

On March 16, 2023, the District issued \$17,130,000 of Special Assessment Revenue Bonds (Unit 9), Series 2023, consisting of multiple term bonds with fixed interest rates ranging from 4.625% to 5.625%. The bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. 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, 2024 through May 1, 2053.

Redemption Provisions

All of the Bond/Notes are subject to redemption at the option of the District prior to their maturity as outlined in the Bond/Note Indentures. Except for the 2017A Bonds and B Notes, the Bonds are also subject to extraordinary mandatory redemption prior to their selected maturity in the manner determined by the Bond Registrar if certain events occur as outlined in the Bond/Note Indentures.

Indenture Requirements

The Bond Indentures require that the District maintain adequate funds in the reserve accounts to meet the debt service reserve requirements as defined in the Bond Indentures. In addition, the Bond Indentures have certain restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District is in compliance with the reserve requirements outlined in the various indentures.

NOTE 6 – LONG TERM LIABILITIES (Continued)

Long-term debt activity

Changes in long-term liability activity for the fiscal year ended September 30, 2023 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Bonds/Note payable:					
Bond Series 2016 (Unit 4)	\$ 11,870,000	\$ -	\$ 260,000	\$ 11,610,000	\$ 275,000
Bond Series 2017 (Unit 1)	27,000,000	-	1,200,000	25,800,000	1,250,000
Less: Original issue discount	(286,168)	-	(17,885)	(268,283)	-
Bond Series 2017 (Unit 3)	13,395,000	-	670,000	12,725,000	670,000
Add: Original issue premium	198,232	-	13,216	185,016	-
Bond Series 2017 (Unit 5)	11,610,000	-	570,000	11,040,000	590,000
Note 2017 (Unit 5)	21,962,276	-	1,421,568	20,540,708	1,499,370
Bond Series 2019 (U7)	31,310,000	-	565,000	30,745,000	585,000
Less: Original issue discount	(52,525)	-	(2,020)	(50,505)	-
Bond Series 2019 A-1 (U2)	13,420,000	-	1,240,000	12,180,000	640,000
Bond Series 2019 A-2 (U2)	12,830,000	-	-	12,830,000	2,555,000
Bond Series 2021 (F1 & F5)	7,815,000	-	165,000	7,650,000	170,000
Add: Original issue premium	54,965	-	1,924	53,041	-
Bond Series 2021 (Master Infrastructure)	12,740,000	-	270,000	12,470,000	275,000
Add: Original issue premium	89,810	-	3,143	86,667	-
Bond Series 2022 (Unit 8)	-	17,000,000	-	17,000,000	240,000
Less: Original issue discount	-	(113,545)	(3,686)	(109,859)	-
Bond Series 2023 (Unit 9)	-	17,130,000	-	17,130,000	245,000
Less: Original issue discount	-	(56,664)	(1,859)	(54,805)	-
Developer advances- WWTP	6,211,519	-	4,057,967	2,153,552	-
Developer advances- Fire station	36,107	-	36,107	-	-
Total	\$ 170,204,216	\$ 33,959,791	\$ 10,448,475	\$ 193,715,532	\$ 8,994,370

* Includes \$1,430,000 due to bondholders for the Series 2019 Bond which was not paid.

Long-term debt activity (Continued)

At September 30, 2023, the scheduled debt service requirements on the long - term debt were as follows:

Year ending September 30:	Governmental Activities		
	Principal	Interest	Total
2024	\$ 8,994,370	\$ 11,895,690	\$ 20,890,060
2025	7,341,429	8,936,642	16,278,071
2026	7,677,979	8,606,737	16,284,716
2027	8,029,265	8,259,761	16,289,026
2028	8,440,548	7,892,279	16,332,827
2029-2033	48,881,847	32,945,155	81,827,002
2034-2038	42,455,270	20,562,174	63,017,444
2039-2043	19,055,000	13,118,921	32,173,921
2044-2048	23,515,000	7,934,844	31,449,844
2049-2053	17,330,000	2,314,681	19,644,681
Total	\$ 191,720,708	\$ 122,466,884	\$ 314,187,592

* Includes \$1,975,000 in principal and \$2,612,776 due to Bondholders for the Series 2019 Bond which was not paid.

NOTE 7 – DEVELOPER CONTRIBUTIONS

Governmental Funds

The Developer owns a portion of land within the District; therefore, assessment revenues in the general and debt service funds include the assessments levied on those lots owned by the Developer. The Developer also provided \$207,024 as Developer contributions for the general fund during the current fiscal year.

NOTE 8 – DELINQUENT ASSESSMENTS

The Developer owns a significant portion of land within the District; therefore, assessment revenues in the general and debt service funds include the assessments levied on those lots owned by the Developer. However, a Major Landowner did not pay a portion of their assessments. See Note 6.

NOTE 9 – CONCENTRATION

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

NOTE 10 – MANAGEMENT COMPANY

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

NOTE 11 – 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 settled claims during the past three years.

NOTE 12 – CITY OF NORTH PORT AGREEMENTS

General Principal Agreement

On June 26, 2006, the District entered into a General Principles of Agreement with the City of North Port ("City") and Fourth Quarter Properties XXXII, LLC. Under the agreement, the District is responsible for the construction and equipping of a police substation and fire and emergency medical facilities, which are eligible to be reimbursed from impact fees collected within the District; dedication of certain lands for community parks and general government use; master plan and design of parks within the District eligible to be reimbursed from impact fees collected within the District; as well as other items as described in the General Principles of Agreement. Note, this is a summary; the agreement includes more specific content and provisions. The Agreement referred to above was assumed by the new major Developer.

On June 27, 2006, Fourth Quarter Properties XXXII, LLC (Fourth Quarter) entered into a Guarantee Agreement in favor of West Villages Improvement District. Under the agreement, Fourth Quarter unconditionally guarantees to transfer real property to the District or North Port as outlined in the General Principles of Agreement denoted above. Fourth Quarter also acknowledges that the District may not be able to reimburse or pay for this property unless it is authorized to do so pursuant to its enabling legislation and the applicable requirements of either Chapter 170 or 298, Florida Statutes. This agreement also states that Fourth Quarter unconditionally agrees to advance funds to the District in a timely fashion as are necessary for the construction and equipping as outlined in the General Principles of Agreement; however, Fourth Quarter shall be entitled to reimbursement of any such advances from impact fees collected within the District and/or future unit development funding. Note, this is a summary; the agreement includes more specific content and provisions. The Agreement referred to above was assumed by the new major Developer. The agreement was superseded during a prior fiscal year.

NOTE 12 – CITY OF NORTH PORT AGREEMENTS (Continued)

Development Agreement with City of North Port and Developer

During a prior fiscal year the District entered into the West Village Developer Agreement (“Agreement”) with the City of North Port (“City”) and the Developer. The key terms of the agreement are summarized below:

1. The agreement related to capacity for and construction of water and wastewater facilities are memorialized in the *2019 Amended and Restated Utilities Agreement*, dated September 10, 2019 and which may be amended in the future. The Agreement does not amend, supersede, or otherwise affect the utility agreement, which remains in full force and effect.
2. The Agreement, pursuant to Section 58-109 of the Code of the City of North Port, Florida, provides for the rights and obligations for the City's expenditure of impact fees in several designated areas, including fire/rescue, law enforcement, parks, and general government.
3. The City Commission having considered the factors required by Section 58-109 of the Code of the City of North Port, Florida, has determined that the System Improvements referenced in this Agreement qualify for impact fee expenditures and Developer reimbursement.
4. The District desires to provide the City with turn-key System Improvements as described in this Agreement for the delivery of needed City public services and that the Developer desires to provide the City land related to these System Improvements; that the City desires to own and operate the improvements and to provide the District a limited reimbursement from impact fees of the cost for certain improvements at the time of transfer of the improvements to the City; that the Agreement provides for a proportionate fair share of the costs of the needed System Improvements resulting from the development.

During the current fiscal year the City provided \$14,933 for certain park improvements.

Transportation Impact Fee Reimbursement Agreement

On April 14, 2021, the District entered into a Transportation Impact Fee Reimbursement Agreement with Wellen Park, LLLP (“Developer”) and the City of North Port. The agreement states that the cost of the roads is expected to exceed \$125,000,000. As of the date of the agreement the Developer and District have incurred a total of \$47,681,364 in costs associated with the design, permitting and construction of completed portions of the roads within Wellen Park in addition to \$27,430,437 in costs associated with other portions of the roads which have been designed are under construction but not yet completed. The agreement states the Developer shall design, permit and construct the roads necessary in Wellen Park. The City will reimburse the District in an amount not to exceed \$90,000,000 for road costs. The source of the City's reimbursement payments shall be the transportation impact fees collected by the City from development occurring within Wellen Park.

During the current fiscal year the City provided \$1,649,637 to the District in relation to this agreement.

NOTE 13 –LITIGATION AND CLAIMS

Gran Paradiso Matter

The Gran Paradiso Property Owners Association, Inc. (the “GPHOA”) filed a lawsuit against the District on November 19, 2023. The GPHOA alleges, in relevant part, that i) the District should be enjoined from suspending or discontinuing irrigation services to the GPHOA for its failure to timely pay for irrigation service rendered to it by the District; ii) the District and the GPHOA (when controlled by Lennar Homes, LLC) wrongfully executed various irrigation supply agreements between the parties be rescinded/nullified; and iii) the District improperly noticed a public hearing required to be held in advance of its adoption of Resolution 2018-18 and accordingly such resolution is void ab initio. The case has been assigned Case No. 2022-CA- 005368-SC. At September 30, 2023, the District's is owed \$274,032 for irrigation services from this account. This amount is recorded as part of the \$439,788 receivable in the September 30, 2023 Statement of Net Position of the District's irrigation fund. As of the report date, the outcome cannot be determined and, therefore, no adjustments to amounts related to this matter have been reflected in the financial statements.

NOTE 13 –LITIGATION AND CLAIMS (Continued)

Three Individuals Matter

Three individuals filed a lawsuit against the District on September 29, 2023. The plaintiffs allege defects related to the District's budget and special assessment approval processes. The case has been assigned Case No. 2023 CA 007165 SC. As of the report date, the outcome cannot be determined and, therefore, no adjustments to amounts related to this matter have been reflected in the financial statements.

NOTE 14 – SUBSEQUENT EVENTS

Bond Issuance

Subsequent to fiscal year end, the District issued \$4,805,000 of Series 2023 Bonds (Villages F-3 and G-1B), consisting of multiple term bonds with due dates ranging from May 1, 2030 to May 1, 2054 with a fixed interest rates of 5.350% to 6.320%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. Additionally, the District issued \$19,280,000 of Series 2024 Bonds (Assessment Area One), consisting of multiple term bonds with due dates ranging from May 1, 2031 to May 1, 2054, with fixed interest rates from 4.500% to 5.700%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District.

Bond Payments

Subsequent to fiscal year end, the District prepaid a total of \$10,000 of the Series 2017 (U3) Bonds. The District also prepaid a total of \$10,000 of the Series 2019 (U7) Bonds. The prepayments were considered extraordinary mandatory redemptions as outlined in the Bond Indenture.

**WEST VILLAGES IMPROVEMENT DISTRICT
CITY OF NORTH PORT, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final	Amounts	
REVENUES				
Assessments	\$ 3,684,215	\$ 3,402,219	\$ 3,188,011	\$ (214,208)
Developer contribution	-	233,083	322,866	89,783
Contributions other governments	-	2,246,151	1,664,570	(581,581)
Miscellaneous	-	14,933	801,389	786,456
Interest income	1,000	306,605	306,605	-
Total revenues	<u>3,685,215</u>	<u>6,202,991</u>	<u>6,283,441</u>	<u>80,450</u>
EXPENDITURES				
Current:				
General government	1,057,851	1,702,849	3,420,278	(1,717,429)
Maintenance and operations	2,462,163	5,987,000	1,787,036	4,199,964
Debt service:				
Principal	-	-	36,107	(36,107)
Capital outlay	-	20,000	2,407,891	(2,387,891)
Total expenditures	<u>3,520,014</u>	<u>7,709,849</u>	<u>7,651,312</u>	<u>58,537</u>
Excess (deficiency) of revenues over (under) expenditures	165,201	(1,506,858)	(1,367,871)	138,987
OTHER FINANCING SOURCES (USES)				
Use of fund balance	18,205	-	-	-
Total other financing sources (uses)	<u>18,205</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ 183,406</u>	<u>\$ (1,506,858)</u>	<u>(1,367,871)</u>	<u>\$ 138,987</u>
Fund balance - beginning			<u>9,173,649</u>	
Fund balance - ending			<u>\$ 7,805,778</u>	

See notes to required supplementary information

**WEST VILLAGES IMPROVEMENT DISTRICT
CITY OF NORTH PORT, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

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

The legal level of budgetary control, the level at which expenditures may not exceed budget is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. The fiscal year 2023 general fund budget was amended to increase revenues by \$2,517,776 and increase appropriations by \$4,189,835. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2023.

**WEST VILLAGES IMPROVEMENT DISTRICT
CITY OF NORTH PORT, 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 9/30/2023	0
Number of independent contractors compensated in September 2023	7
Employee compensation for FYE 9/30/2023 (paid/accrued)	Not applicable
Independent contractor compensation for FYE 9/30/2023	\$766,977
Construction projects to begin on or after October 1; (>\$65K)	Not applicable
Budget variance report	See Variance Report in report for details
Ad Valorem taxes;	Not applicable
Non ad valorem special assessments;	
Special assessment rate FYE 9/30/2023	Ranges From \$252.76 To \$2,432.35 Per Unit
Special assessments collected FYE 9/30/2023	\$9,526,479
Outstanding Bonds:	
Series 2016 (Unit 4), due November 1, 2046	\$11,610,000 - See Long Term Liabilities Note in report for details
Series 2017 (Unit 1), due May 1, 2038	\$25,800,000 - See Long Term Liabilities Note in report for details
Series 2017 (Unit 3), due May 1, 2037	\$12,725,000- See Long Term Liabilities Note in report for details
Series 2017 (Unit 5 Bonds), due February 1, 2038	\$11,040,000- See Long Term Liabilities Note in report for details
Series 2017 (Unit 5 Notes), due December 1, 2033	\$20,540,708 - See Long Term Liabilities Note in report for details
Series 2019A-1 (Unit 2), due May 1, 2036.	\$12,180,000 - See Long Term Liabilities Note in report for details
Series 2019A-2 (Unit 2), due May 1, 2036.	\$12,830,000- See Long Term Liabilities Note in report for details
Series 2019 (Unit 7 Master), due May 1, 2050	\$29,490,000 - See Long Term Liabilities Note in report for details
Series 2019 (Unit 7 Village B), due May 1, 2050	\$1,255,000 - See Long Term Liabilities Note in report for details
Series 2021 (Unit 7), due May 1, 2051	\$7,650,000 - See Long Term Liabilities Note in report for details
Series 2021 (Unit 8), due May 1, 2051	\$12,470,000 - See Long Term Liabilities Note in report for details
Series 2022 (Unit 8), due May 1, 2053	\$17,000,000 - See Long Term Liabilities Note in report for details
Series 2023 (Unit 9), due May 1, 2053	\$17,130,000 - See Long Term Liabilities Note in report for details



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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
West Villages Improvement District
City of North Port, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund of West Villages Improvement District, City of North Port, Florida ("District") as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated August 14, 2024.

Report on 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 or significant deficiencies may exist that were not identified.

Report on 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*.

We noted certain matters that we reported to management of the District in a separate letter August 14, 2024.

The District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying Management Letter. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.



August 14, 2024

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED
BY CHAPTER 10.550 RULES OF THE AUDITOR GENERAL**

To the Board of Commissioners
West Villages Improvement District
City of North Port, Florida

Report on Compliance for Each Major State Program

We have audited West Villages Improvement District, North Port, Florida (the "District") compliance with the types of compliance requirements described in the *Department of Financial Services' State Projects Compliance Supplement* that could have a direct and material effect on the District's major state project for the fiscal year ended September 30, 2023. The District's major state project is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with state statutes, laws, regulations, and the terms and conditions of its state awards applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the District's major state project based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; and Chapter 10.550, Rules of the Auditor General. Those standards and Chapter 10.550 Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state project occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major state project. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major State Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended September 30, 2023.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major state project and to test and report on internal control over compliance in accordance with Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Chapter 10.550, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.



August 14, 2024

**WEST VILLAGES IMPROVEMENT DISTRICT
CITY OF NORTH PORT, FLORIDA
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

State Agency State Project	CSFA Number	Expenditures
STATE FINANCIAL ASSISTANCE		
Department of Economic Opportunity		
Economic Development Partnerships	40.040	\$ 999,996
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE		<u><u>\$ 999,996</u></u>

See accompanying notes to schedule of expenditures of state financial assistance.

**WEST VILLAGES IMPROVEMENT DISTRICT
CITY OF NORTH PORT, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures state financial assistance includes the state grant activity of West Villages Improvement District, City of North Port, Florida (the "District") under the state project for the fiscal year ended September 30, 2023. The information in this schedule is presented in accordance with the requirements of Chapter 10.550, Rules of the Auditor General. Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position or changes in net position of the District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the accrual basis of accounting.

**WEST VILLAGES IMPROVEMENT DISTRICT
CITY OF NORTH PORT, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS-
STATE PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unmodified opinion on the financial statements of West Villages Improvement District, North Port, Florida (the "District").
2. No significant deficiencies or material weaknesses relating to the audit of the financial statements are reported in the 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*.
3. No instances of noncompliance material to the financial statements of the District were disclosed during the audit, except as noted in the Management Letter.
4. No significant deficiencies relating to the audit of the major state project are reported in the independent auditor's report on compliance for each major State project and on internal control over compliance required by Chapter 10.550, rules of the Auditor General.
5. The independent auditor's report on compliance with requirements that could have a direct and material effect on the state project for the District expresses an unmodified opinion.
6. There were no audit findings relative to the major state award tested for the District.
7. The programs tested as a major program:

<u>State Project</u>	<u>CSFA #</u>
Economic Development Partnerships	40.040
8. The dollar threshold used to distinguish between Type A or Type B for major state projects was \$300,000.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

See Report to Management

C. FINDINGS AND QUESTIONED COSTS- STATE PROJECTS

None

D. OTHER ISSUES

1. No corrective action plan is required because there were no findings required to be reported under the Florida Single Audit Act.

E. PRIOR YEAR FINDINGS- MAJOR STATE PROJECTS

None



**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
West Villages Improvement District
City of North Port, Florida

We have examined West Villages Improvement District, City of North Port, 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, 2023. Management is responsible for District's compliance with those requirements. Our responsibility is to express an opinion on District's compliance based on our examination.

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

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2023.

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 West Villages Improvement District, City of North Port, Florida and is not intended to be and should not be used by anyone other than these specified parties.

Grau & Associates

August 14, 2024



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

To the Board of Supervisors
West Villages Improvement District
City of North Port, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of West Villages Improvement District ("District") as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated August 14, 2024.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards; and Independent Auditor's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated September 30, 2023, should be considered in conjunction with this management letter.

Purpose of this Letter

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

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

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, as applicable, management, and the Board of Supervisors of West Villages Improvement District, City of North Port, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank West Villages Improvement District, City of North Port, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements and the courtesies extended to us.

Grau & Associates

August 14, 2024

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

2023-01 Financial Condition Assessment:

Observation: The District had delinquent assessments due from a Major Landowner as of September 30, 2023. Consequently, the District did not make certain scheduled debt service payments in the current fiscal year. The District's failures to make its scheduled debt service payments when they are due are considered events of default.

Recommendation: The District should take the necessary steps to alleviate the financial condition.

Management Response: In the current and prior fiscal years, a large property owner did not pay their property taxes (which included assessments for the District). In October 2019 the Unit 2 Series 2005 bond was bifurcated. The primary purpose of the Bifurcation was to divide the security for the trust estate of the Series 2005 Bonds into two separate and distinct trust estates secured by two separate and distinct sources of collateral. The WVVD is working with, providing information and working on solutions to its Series 2005/2019 (Unit 2) bondholders and potential developers in regard to the delinquent property.

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

2012-02; 2013-02; 2014-02; 2015-02; 2016-02; 2017-02; 2018-02; 2019-02; 2020-02; 2021-01; 2022-01: Financial Condition Assessment

Current Status: See finding No. 2023-01 above.

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, 2022, except as noted above.

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

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2023, except as noted above.

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

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2023, except as noted above.

REPORT TO MANAGEMENT (Continued)

III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA (Continued)

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.
5. In connection with our audit, we determined that the District has met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes. The District failed to make certain debt service payments on the Bonds. We applied financial condition assessment procedures pursuant to Rule 10.556(7). See Findings section above for additional information. 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 the financial information provided by same.
6. Management has provided the specific information required by Section 218.39(3)(c) in the Other Information section of the financial statements on page 37.



AMENDED AND RESTATED AGREEMENT FOR DISTRICT MANAGEMENT & OPERATIONS SERVICES

This Amended and Restated Agreement For District Management and Operations is made and entered effective this ____ day of _____, 2024 between West Villages Improvement District (hereinafter referred to as “**District**”) located in Sarasota County, Florida (hereinafter referred to as the **County**) and Special District Services, Inc. (hereinafter referred to as “**SDS**” or “**District Manager**”).

WHEREAS, the primary objective of this Agreement is for **SDS** to provide management, operations and consulting services to the **District** acting as the appointed **District Manager** and agent of the District as mandated by Chapter 2004-456, *Laws of Florida, as may be amended from time to time (the “Act”)* and as referenced in Florida Statute § 768.28(9)(a) (and in Florida Statute § 768.28(5), if it is determined by a court of appropriate jurisdiction that § 768.28(9)(a) would not be applicable to SDS’ status under this Agreement; and

WHEREAS, **District** proposes to continue to engage **SDS** to perform the tasks identified herein; and,

WHEREAS, **District** has previously engaged and hereby continues to engage **SDS**, as **District Manager** to perform the services management tasks identified in the Agreement for Management Services Between District and SDS dated August 12, 2004 (the “August 12, 2004 Agreement”); and

WHEREAS, **District** and **SDS** previously made certain amendments to August 12, 2004 Agreement on April 19, 2005 (First Amendment); and

WHEREAS, **District** and **SDS** previously made certain amendments to August 12, 2004 Agreement on March 28, 2006 (Second Amendment); and

WHEREAS, **District** and **SDS** previously made certain amendments to August 12, 2004 Agreement on September 26, 2006 (Third Amendment); and

WHEREAS, **District** and **SDS** previously made certain amendments to August 12, 2004 Agreement on November 4, 2014 (Fourth Amendment); and

WHEREAS, **District** and **SDS** previously made certain amendments to August 12, 2004 Agreement on January 17, 2019 (Fifth Amendment); and

WHEREAS, **District** and **SDS** desire to make further amendments and modifications to the terms and provisions of the August 12, 2004 Agreement and all of the Amendments to update, modify and restate the services to be rendered by **SDS** to **District** and the compensation to be paid by **District** to **SDS** for such services rendered under this Agreement; and



AMENDED AND RESTATED AGREEMENT FOR DISTRICT MANAGEMENT & OPERATIONS SERVICES

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WHEREAS, the primary objective of this Agreement is for **SDS** to provide management, operations and consulting services to the **District** acting as the appointed **District Manager** and agent of the District as mandated by Chapter 2004-456, *Laws of Florida, as may be amended from time to time (the “Act”)* and as referenced in Florida Statute § 768.28(9)(a) (and in Florida Statute § 768.28(5), if it is determined by a court of appropriate jurisdiction that § 768.28(9)(a) would not be applicable to SDS’ status under this Agreement; and

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WHEREAS, **District** and **SDS** previously made certain amendments to August 12, 2004 Agreement on November 4, 2014 (Fourth Amendment); and

WHEREAS, **District** and **SDS** previously made certain amendments to August 12, 2004 Agreement on January 17, 2019 (Fifth Amendment); and

WHEREAS, **District** and **SDS** desire to make further amendments and modifications to the terms and provisions of the August 12, 2004 Agreement and all of the Amendments to update, modify and restate the services to be rendered by **SDS** to **District** and the compensation to be paid by **District** to **SDS** for such services rendered under this Agreement; and

WHEREAS, SDS is capable of providing the necessary services.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, it is agreed as follows:

SECTION I — RECITALS

The recitals set forth hereinabove are true and correct and incorporated herein by reference.

SECTION II — PRIOR AGREEMENT

Upon execution of this Agreement, the August 12, 2004 Agreement and all subsequent Amendments are deemed amended and restated in its entirety as of the effective date of the execution hereof and is replaced, in full, by the terms and provisions of this Amended and Restated Agreement for Services Management.

SECTION III — MANAGEMENT SERVICES

A. SCOPE OF SERVICES — MANAGEMENT

SDS shall provide District Manager Services as set forth in “Exhibit A” to this Agreement. Any material changes in or additions to the scope of services described in “Exhibit A” shall be promptly reflected in a written supplement or amendment to this Agreement. Services provided by **SDS** which are not specifically referenced in the scope of services set forth in “Exhibit A” of this Agreement shall be completed as agreed in writing in advance between the **District** and **SDS**. Upon request of **District**, **SDS** or an affiliate of **SDS**, may agree to additional services to be provided by **SDS** or an affiliate of **SDS**, by a separate written amendment or agreement between the **District** and **SDS** or its respective affiliate. Such additional services shall be deemed rendered under the terms and provisions of this Agreement unless otherwise specifically agreed in a separate written agreement.

B. SCOPE OF SERVICES – OPERATIONS SERVICES

SDS shall provide operations services as set forth in “Exhibit B” to this Agreement (the “Operations Services”). Any material changes in or additions to the scope of services described in “Exhibit B” shall be promptly reflected in a written supplement or amendment to this Agreement. Services provided by **SDS** which are not specifically referenced in the scope of services set forth in “Exhibit B” of this Agreement shall be completed as agreed in writing in advance between the **District** and **SDS**. Upon request of **District**, **SDS** or an affiliate of **SDS**, may agree to additional services to be provided by **SDS** or an affiliate of **SDS**, by a separate agreement between the **District** and **SDS** or its respective affiliate. Such additional services shall be deemed rendered under the terms and provisions of this Agreement unless otherwise specifically agreed in a separate written agreement.

- C. All such services, including additional services, set forth above in Sections A and B, or otherwise, including those set forth in the attached Exhibits, shall be rendered pursuant to

the provisions of § 768.28(9)(a) and Florida Statute § 768.28(5), if deemed applicable by a court having jurisdiction thereof.

SECTION IV — COMPENSATION

A. MANAGEMENT SERVICES

For the services provided under this Agreement, **SDS's** professional fees shall be paid as provided in "Exhibit C" to this Agreement and **District** shall pay expenses and fees as provided below.

1. Reimbursable Expenses

In addition to fees for services, **SDS** will be reimbursed for necessary, reasonable, and documented out-of-pocket expenses incurred, including travel, meals, lodging, mail, and other ordinary cost and any actual extraordinary cost for graphics, printing, data processing and computer time which are incurred by **SDS** only as authorized by the **District's** approved budget. Documentation of such expenses will be provided to the **District** upon request.

2. Other Services

Any services which are not included in the scope of services set forth in "Exhibit A" of this Agreement will be subject to separate, mutually acceptable fee structures and evidenced in advance in a written amendment or addendum to this Agreement.

B. OPERATIONS SERVICES

Task 1. **SDS** shall interview prospective candidates for the Operations Services staff and shall hire, train and retain the Operations team comprised of an Operations Manager and three Operations Technicians (the "Operations Services Staff"). Upon any such employment by **SDS**, **District** shall pay **SDS** for such services in accordance with the attached "Exhibit D". In the event of a vacancy of any of the positions comprising the Operations Services Staff, **SDS** shall deduct from its compensation a prorated amount based on number of days in such month such position was vacant based upon such position's salary and benefits. For purposes of any such prorated calculation of payment, **SDS** shall inform the **District** of such position's current salary and benefits and upon request provide evidence of same in the form of pay information or alternate records, in no such event shall annual compensation to **SDS** for any Operations Services exceed the total amount identified in **Exhibit D** for the initial twelve months of this Agreement, unless otherwise specifically agreed, in writing.

In addition to compensation for **Operations Services** of the **District** as set forth in "Exhibit D", **SDS** shall be reimbursed for **out-of-pocket expenses** incurred in the performance of the services defined herein (i.e. photocopies, postage, mileage, etc.). **SDS** will submit monthly invoices to **District** for work performed under the terms of this Agreement. Payment shall become due and payable within fifteen (15) days of receipt. Compensation

for additional services shall be in accordance with the terms mutually agreed to by the parties.

NOTE: There will likely be other costs associated with the management of the **District** such as the engineer's reports, financial advisory fees, legal fees and legal advertising, etc. These functions will be performed by third parties and are not a part of this agreement. SDS shall not be responsible for services rendered by such independent contractors.

- C. All such services, as set forth above in Sections A and B, or otherwise, or in the attached Exhibits shall be rendered pursuant to the provisions of § 768.28(9)(a) and, if deemed applicable, Florida Statute § 768.28(5).

SECTION V — DOCUMENTS

All documents, maps, drawings, data and worksheets prepared by **SDS** under this Agreement shall be the property of the **District**, upon payment in full of all fees and costs.

SECTION VI-INSURANCE

SDS and **District** shall maintain insurance coverage with policy limits not less than as stated in Exhibit E attached hereto and made a part hereof.

Except with respect to Professional Liability and Workers' Compensation insurance policies, the **District** and its officers, supervisors, staff, lawyers, engineers, and employees shall be listed as additional insured on each insurance policy described above. None of the policies listed in Exhibit E may be canceled during the term of this Agreement (or otherwise cause the **District** to not be named as an additional insured where applicable) without thirty (30) days written notice to the **District**. **SDS** will furnish the **District** with Certificate of Insurance evidencing compliance with this section upon request. Insurance should be from a reputable insurance carrier, licensed to conduct business in the State of Florida.

If **SDS** fails to secure or maintain the required insurance, the **District** has the right (without any obligation to do so) to secure such required insurance, in which event **SDS** shall pay the cost for that required insurance and shall furnish, upon demand, all information that may be required in connection with the **District's** obtaining the required insurance.

SECTION VII – TERM OF AGREEMENT

This Agreement shall be continuous beginning with the date the Agreement is signed. Termination of the Agreement shall be available to each party without cause with written notice to be given by either party at least sixty (60) days in advance of the termination date. If termination is by the **District** and not for cause, **District** will pay **SDS** through the end of the sixty (60) day termination notice period, in addition to any other fees or costs due hereunder, subject to any claims or off-sets the **District** may have against **SDS**.

If termination is by the **District** for a material breach of this Agreement ("For Cause Termination"), this Agreement will terminate immediately upon written notice. If the breach does

not threaten health, safety or welfare, SDS shall have a reasonable opportunity to cure. If **District** exercises For Cause Termination **District** shall pay **SDS** for services rendered through date of termination, subject to any claims or off-sets the **District** may have against **SDS**.

SDS will make all reasonable efforts to provide for an orderly transfer of the books and records of the **District** to the **District** or its designee.

SECTION VIII —AMENDMENTS/ASSIGNMENTS

This Agreement represents the entire understanding between the parties.

This Agreement is non-transferable and non-assignable without the express written consent of both parties.

This Agreement may be amended only by a written addendum, addenda or amendment agreed to by both parties.

This Agreement may be executed in counterparts, all of which together shall constitute one Agreement,

This Agreement shall be governed by and construed in accordance with the Laws of the State of Florida.

SECTION IX– INDEMNIFICATION

SDS will defend, indemnify, hold harmless the **District** and its supervisors, officers, staff, lawyers, engineers and employees from and against any and all liability, claims, actions, suits, demands, assessments or judgments asserted and any and all losses, liabilities, damages, costs, court costs, and expenses, including attorneys' fees, that the **District** may hereafter incur, become responsible for, or be caused to pay out, provided, however, and notwithstanding the foregoing provision, this indemnification provision is specifically limited to those matters arising out of or relating to **SDS**'s willful and intentional failure to perform under this Agreement or at law, or negligent, reckless, and/or intentionally wrongful acts or omissions of **SDS**. **SDS**'s payment obligations under this provision are limited to **SDS**'s apportionment of liability. The indemnification provided for herein shall not be deemed exclusive of any other rights to which the **District** may be entitled and shall continue after **SDS** has ceased to be engaged under this Agreement. Additionally, in accordance with Resolution 2004-05, enacted by the **District**, **SDS** as the legally appointed District Manager, general manager and agent of the **District**, shall be entitled to the benefits, support and protections of, and shall be subject to the terms and provisions of, Resolution 2004-05 of the West Villages Improvement District upon execution of this Agreement by all parties and upon vote of approval of this Agreement by a majority of the Board of Supervisors of the **District**. However, this Section shall be deemed to be in addition to, and not in replacement of, **SDS**' rights, privileges and immunities under Florida Statutes §768.28, and including subparagraphs (5), if applicable, and (9)(a) thereof, as an agent of the **District**.

SECTION X – COMPLIANCE WITH GOVERNMENTAL REGULATIONS

In performing its obligations under this Agreement, **SDS** shall keep, observe, and perform all requirements of applicable local, State, and Federal laws, rules, regulations, and ordinances. **SDS** shall notify the **District** in writing within five (5) days of the receipt of any notice, order, required to comply notice, or a report of a violation or an alleged violation, made by a local, State, or Federal governmental body or agency or subdivision thereof with respect to the services being rendered under this Agreement, or any action of **SDS** or any of its agents, servants, employees, or materialmen, or with respect to terms, wages, hours, conditions of employment, safety appliances, or any other requirement applicable to provision of services. **SDS** shall comply with any requirement of such agency, or commence a good faith, diligent effort to comply, within five (5) days after receipt of any such notice, order, request to comply notice, or report of a violation of an alleged violation.

SECTION XI – COMPLIANCE WITH PUBLIC RECORDS LAWS

SDS understands and agrees that all documents of any kind provided to the **District** in connection with this Agreement may be public records, and, accordingly, **SDS** agrees to comply with all applicable provisions of Florida law in handling such records, including but not limited to Section 119.0701, Florida Statutes. **SDS** acknowledges that the designated public records custodian for the **District** is Todd Wodraska (“Public Records Custodian”). Among other requirements and to the extent applicable by law, the **SDS** shall 1) keep and maintain public records required by the **District** to perform the service; 2) upon request by the Public Records Custodian, provide the **District** with the requested public records or allow the records to be inspected or copied within a reasonable time period at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes; 3) ensure that public records which 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 the contract term if the **SDS** does not transfer the records to the Public Records Custodian of the **District**; and 4) upon completion of the contract, transfer to the **District**, at no cost, all public records in **SDS**’ s possession or, alternatively, keep, maintain and meet all applicable requirements for retaining public records pursuant to Florida laws. When such public records are transferred by the **SDS**, **SDS** shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the **District** in a format that is compatible with Microsoft Word or Adobe PDF formats.

IF SDS HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO ITS DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (561) 630-4922, TWODRASKA@SDSINC.ORG, AND 2501 BURNS ROAD, SUITE A, PALM BEACH GARDENS, FLORIDA 33410.

SECTION XII- LIMITS OF LIABILITY

Nothing contained herein, or otherwise arising out of **SDS**’ performance of its duties under this Agreement, shall be deemed as a waiver of immunity or limits of liability of the **District** or of **SDS**, when acting as an agent of the **District**, beyond any statutory limited waiver of immunity or limits of liability contained in section 768.28, Florida Statutes, or other applicable statute, and nothing in this Agreement shall inure to the benefit of any third party for the purpose of allowing

any claim which would otherwise be barred under the Doctrine of Sovereign Immunity as codified by Florida Statutes and Florida appellate court decisions or otherwise by operation of law.

SECTION XIII – SCRUTINIZED COMPANIES STATEMENT.

SDS certifies that it is not in violation of section 287.135, Florida Statutes, and is not prohibited from doing business with the District under Florida law, including but not limited to Scrutinized Companies with Activities in the Sudan List or Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List. If SDS is found to have submitted a false statement, has been placed on the Scrutinized Companies with Activities in the Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or has been engaged in business operations in Cuba or Syria, or is now or in the future on the Scrutinized Companies that Boycott Israel List, or engaged in a boycott of Israel, the District may immediately terminate this Agreement.

SECTION XIV – E-VERIFY REQUIREMENTS.

SDS shall comply with and perform all applicable provisions of Section 448.095, Florida Statutes. Accordingly, beginning January 1, 2021, to the extent required by Florida Statute, SDS shall register with and use the United States Department of Homeland Security's E-Verify system to verify the work authorization status of all newly hired employees. The District may terminate this Agreement immediately for cause if there is a good faith belief that the SDS has knowingly violated Section 448.091, Florida Statutes. If the SDS anticipates entering into agreements with a subcontractor for the Services, SDS will not enter into the subcontractor agreement without first receiving an affidavit from the subcontractor regarding compliance with Section 448.095, Florida Statutes, and stating that the subcontractor does not employ, contract with, or subcontract with an unauthorized alien. SDS shall maintain a copy of such affidavit for the duration of the agreement and provide a copy to the District upon request. In the event that the District has a good faith belief that a subcontractor has knowingly violated Section 448.095, Florida Statutes, but SDS has otherwise complied with its obligations hereunder, the District shall promptly notify SDS. SDS agrees to immediately terminate the agreement with the subcontractor upon notice from the District. Further, absent such notification from the District, SDS or any subcontractor who has a good faith belief that a person or entity with which it is contracting has knowingly violated Section 448.09(1), Florida Statutes, shall promptly terminate its agreement with such person or entity. By entering into this Agreement, SDS represents that no public employer has terminated a contract with SDS under Section 448.095(2)(c), Florida Statutes, within the year immediately preceding the date of this Agreement.

SECTION XV – SEVERABILITY

In the event that any provision of this Agreement shall be determined to be unenforceable or invalid by a court of competent jurisdiction, such unenforceability or invalidity of the particular provision shall not affect the enforceability or validity of the remaining provisions of the Agreement, which shall remain in full force and effect.

SECTION XVI- MISCELLANEOUS

If either party to this Agreement shall institute any suit or legal action to enforce any of the terms or conditions of this Agreement, the substantially prevailing party shall be entitled to recover all costs incurred, including but not limited to reasonable attorney's fees, paralegal fees and expert witness fees and cost for all matters related to such litigation, and any appeal thereto. Venue for any action arising out of this Agreement shall lie in Sarasota County, Florida.

The **District** acknowledges and agrees that **SDS** is an officer, to wit: the legally appointed District Manager and general manager of the **District** and is not an attorney and may not render legal advice or opinions, nor a financial advisor registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board and is not engaged to give advice with respect to the issuance of bonds or municipal financial products.

Time is of the essence as to this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

**WEST VILLAGES IMPROVEMENT
DISTRICT**

**SPECIAL DISTRICT SERVICES,
INC.**

By: _____

By: _____

Printed Name and Title

Date

Todd Wodraska, President

Printed Name and Title

Date

“Exhibit A”

SCOPE OF SERVICES General Management Services

SDS will serve as the legally mandated and appointed District Manager and agent of the District as defined and as set forth in Chapter 2004-456, Laws of Florida, as may be amended from time to time, (the “Act”) and **SDS** shall continue to be an agent of the **District** as contemplated by Section 768.28 (5), if deemed applicable, and (9)(a), Florida Statutes, and as general manager to the **District** and will provide those services necessary for the management and operation of the **District** including, but not limited to, preparation of agendas, legal advertisements, minutes of meetings; preparation and maintenance of mandated **District** website (in accordance with section 189.069, Florida Statutes), including ADA compliance monitoring, communications and coordination with other governmental agencies and **District** professionals, general supervision; and day to day management of the operations of the **District** in accordance with the provisions of Chapters 112, 119 and 189, Florida Statutes, and the Act.

SDS will assist the **District** in the selection of professionals and contractors or, if directed by the **District**, **SDS**, and general manager of the **District** will retain such professionals for the **District** in accordance with terms mutually agreed to by the parties.

SDS, as general manager of the **District**, will provide general consulting services to **District** on a continuing basis. Consulting services include, but are not limited to, budgeting, public bidding and competitive negotiation requirements for public works projects, policies and procedures, staffing and personnel requirements, and such other special district services that will need to be addressed in the immediate and long term future.

Accounting & Finance Services

SDS will maintain the **District** books, accounts, records, purchasing procedures and financial reporting procedures, governmental accounting and chart of account requirements, process all accounts payable/receivable and prepare financial reports in accordance with District policies and rules and Florida law.

SDS shall define and implement an integrated management reporting system which will allow the **District** to represent fairly and with full disclosure the financial position of the **District**. Furthermore, **SDS** will adhere to the Prompt Payment Act as it pertains to processing invoices of the vendors and contractors providing services to the **District**. Monthly financial statements will be provided in addition to a year-end audited financial statement to be prepared by a certified public accounting firm selected by the **District**. These services will be coordinated with the **District’s** auditors to assure a smooth and efficient audit of the **District’s** books.

SDS shall prepare and submit to the **District’s** Board of Supervisors a proposed annual budget and administer the adopted budget of the **District** in accordance with the Laws of the **District** and Florida Statutes.

SDS will prepare the annual assessment roll for the submittal to the **County** following adoption by the **District**. **SDS** will be responsible for any billing to developers for “off-roll” assessments.

Issuance of Debt (Bonds) Related Services

SDS will assist the **District** in the structuring or restructuring of bond issue(s) as necessary and agreed to by the **District**. Services include, but are not limited to, assistance in the preparation of the Schedule of Events, the financing plan, the Official Statement and other financing documents. A representative of **SDS** will be available to testify as an expert witness at any bond validation or other legal proceeding.

“Exhibit B”

SCOPE OF SERVICES
Operations Services

- A. *Field Operations Management.*** **SDS** shall provide the **District** with field operations management services for the **District’s** systems, facilities and infrastructure including but not limited to, lake systems, landscaping, street lighting, signage, roads, sidewalks, monuments, wells, pumps, and master irrigation utility system (the “**Improvements**”) located on property owned by the District (the “**District Property**”). **SDS** shall be responsible for, and authorized to perform on behalf of the **District**, general oversight and management of the **Improvements**, which shall include:
- i.** Coordination and oversight of maintenance services for the **Improvements** (“**Maintenance Services**”):
 - i.** Causing routine repair work or normal maintenance to be made to the District Property as may be required for the operation of the District Property, or as required under applicable government permits. Routine maintenance and repairs shall not include repairs to the District **Improvements** that significantly affect the structural integrity of the District **Improvements**.
 - ii.** Roadway maintenance and repair, including but not limited to pavement, curb and gutter, sidewalk, signage and markings within platted roadway tracts and common areas.
 - iii.** Primary irrigation facilities maintenance and repair, including but not limited to, irrigation mains, gate valves, air release valves, services, other appurtenances with platted tracts and common areas. This does not include irrigation facilities downstream of the irrigation meters on residential lots.
 - iv.** Primary drainage facilities maintenance and repair, including but not limited to, drainage lines, throat inlets, catch basins, junction boxes, headwalls, end walls, and control structures within platted drainage easements. This does not include any secondary drainage facilities located at the rear of residential lots.
 - v.** Landscaping maintenance and repair, including but not limited to, moving, trimming, and pruning of vegetation within platted roadway tracts and common areas.
 - vi.** Lake maintenance and repair, including but not limited to, aquatic weed control, littoral plantings, rip rap, fountains and lake slopes within platted lake maintenance easements.
 - ii.** Coordination with third party independent contractors to determine that all **Maintenance Services** for the **Improvements** are in compliance with contract specifications; provided, however, **SDS** shall not have legal liability for the performance, or failure to perform, on the part of third party

- independent contractor service provider, in conjunction with SDS' services and responsibilities under this Agreement.
- iii. Interface with third party independent contractors regarding deficiencies in service or need for additional services, billings/payments, and approval of certain invoices;
 - iv. Obtaining proposals for Maintenance Services as requested by the **District** and providing them to the District Manager;
- B. License.** This Agreement grants to **SDS** the right to enter and use the **District** Property for the purposes and uses described in this Agreement, and **SDS** hereby agrees to comply with all applicable laws, rules, and regulations while performing its obligations under this Agreement.
- C. Inspection.** **SDS** shall conduct periodic inspections of all District Property. In the event **SDS** discovers any irregularities of, or needs of repair to, the District Property, **SDS** shall promptly correct, or cause to be corrected, any such irregularities or repairs.
- D. Notification of Emergency Repairs.** **SDS** shall immediately notify the District Engineer and the Development team concerning the need for emergency repairs of which **SDS** is aware when such repairs are necessary for the preservation and safety of persons and/or property.
- E. Care of the Property.** **SDS** shall use commercially reasonable efforts to protect the District Property from damage by SDS, its employees or contractors. **SDS** agrees to promptly repair any damage to the District Property resulting from **SDS's** activities and work and to notify the **District** of the occurrence of such damage caused by **SDS's** activities as soon as possible.

“Exhibit C”

**COMPENSATION
Management & Administrative Services**

West Villages Improvement District	Annual Fee
Salaries & Benefits (annual)	\$200,000
Administrative Management/Finance (annual)	\$65,000
Assessment Roll (annual)	\$22,000
Website & Emails (annual)	\$6,000
Additional Services	Cost of Issuance of Debt (per series)
District Management (at issuance)	\$15,000
Methodology Consultant (at issuance)	\$20,000
Continuing Disclosure Fee (annual)	Range \$500-\$1,500

Note: The fees outlined above may be increased or otherwise amended annually as reflected in the adopted budget for the District. New fees will become effective on October 1 of the applicable fiscal year.

“Exhibit D”

**COMPENSATION
Operations Services**

West Villages Improvement District	Annual Fee
*Salaries & Benefits	\$390,000

*Salaries contemplate four full-time **SDS** employees dedicated to the **District** full-time:

1. Operations Manager
2. Operations Technician
3. Operations Technician
4. Operations Technician

Note: The fees outlined above may be increased or otherwise amended annually as reflected in the adopted budget for the District. New fees will become effective on October 1 of the applicable fiscal year.

“Exhibit E”

INSURANCE

- A. The District shall provide and maintain Public Official Liability and General Liability insurance policies, each in an amount not less than One Million Dollars (\$1,000,000.00) throughout the term of this Agreement.
- B. SDS shall provide and maintain the following levels of insurance coverage at all times throughout the term of this Agreement:
 - 1. Workers’ Compensation Insurance in accordance with the laws of the State of Florida.
 - 2. Professional Liability Insurance with limit of no less than One Million Dollars (\$1,000,000.00) per each occurrence.
 - 3. Comprehensive Automobile Liability Insurance for all vehicles used by the SDS’ staff, whether owned or hired, with a combined single limit of One Million Dollars (\$1,000,000.00).
 - 4. Occurrence basis comprehensive general liability insurance (including a broad form contractual coverage) with minimum limits of \$2,000,000.00 respectively, protecting SDS and District from claims for bodily injury (including death) and property damage which may arise from or in connection with the performance of the SDS services under this Agreement, from or out of any act or omission of SDS, its officers, directors, agents, and employees.
- C. Except with respect to Professional Liability and Workers’ Compensation insurance policies, the District and its officers, supervisors, staff, and employees will be listed as additional insureds on each insurance policy described above. None of the policies above may be canceled during the term of this Agreement (or otherwise cause the District to not be named as an additional insured where applicable) without thirty (30) days written notice to the District. SDS will furnish the District with a Certificate of Insurance evidencing compliance with this section upon request. Insurance should be from a reputable insurance carrier, licensed to conduct business in the State of Florida.
- D. If SDS fails to secure or maintain the required insurance, the District has the right (without any obligation to do so) to secure such required insurance, in which event SDS shall pay the cost for that required insurance and shall furnish, upon demand, all information that may be required in connection with the District’s obtaining the required insurance.

The above contractual insurance requirements are not to be construed to be, nor shall they be deemed as an acknowledgement or agreement that SDS, or the District, shall have waived any and all rights to sovereign immunity or statutory immunity available under Florida law.

Date of Issuance:	Effective Date:
Owner: West Villages Improvement District	Owner's Contract No.: N/A
Contractor: The deMoya Group, Inc.	Contractor's Project No.: N/A
Engineer: Dewberry Engineers, Inc.	Engineer's Project No.: N/A
Project: Wellen Park Blvd. Roundabout & US 41/SR 45 Improvements Project	Contract Name: N/A

The Contract is modified as follows upon execution of this Change Order:

Description: Additional quantity not bid for Temporary Base, Temporary Pavement, 18" Pipe. Work previously completed.

Attachments: de Moya Group Request for Change Order #11.

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES [note changes in Milestones if applicable]
Original Contract Price: \$9,305,602.04	Original Contract Times: Substantial Completion: <u>540 days</u> Ready for Final Payment: <u>570 days</u> days or dates
[Increase] [Decrease] from previously approved Change Orders No. <u>10</u> to No. <u>11</u> : \$37,800.00	[Increase] [Decrease] from previously approved Change Orders No. <u>10</u> to No. <u>11</u> : Substantial Completion: <u>0 days</u> Ready for Final Payment: <u>0 days</u> days
Contract Price prior to this Change Order: \$10,900,834.83	Contract Times prior to this Change Order: Substantial Completion: <u>714 days</u> Ready for Final Payment: <u>744 days</u> days or dates
[Increase] [Decrease] of this Change Order (circle one): \$61,510.00	[Increase] [Decrease] of this Change Order: Substantial Completion: <u>0 days</u> Ready for Final Payment: <u>0 days</u> days or dates
Contract Price incorporating this Change Order: \$10,926,234.83	Contract Times with all approved Change Orders: Substantial Completion: <u>714 days</u> Ready for Final Payment: <u>744 days</u> days or dates

RECOMMENDED:	RECOMMENDED:	ACCEPTED:
By: _____ Engineer	By: <u>Robert Hill</u> Digitally signed Contract Administrator Date: 2024.08.09 09:18:50 -04'00'	By: <u>Alex Lawrence</u> Contract Administrator Date: 2024.08.09 09:18:50 -04'00'
Title: _____	Title: _____	Title: _____
Date: _____	Date: _____	Date: _____

APPROVED BY OWNER:

By: _____
Title: Chairman, Board of Supervisors
Date: _____

Request for Change Order

RCO Date: 8/9/2024

RCO #: 11

Project Name: WELLEN PARK VILLAGE D ROUNDABOUT

Reason/Description: 1) Additonal Quantity not bid on Temporary Base, Temporary Pavement, 18" Pipe.

Pay Item#	Description	Quantity	UOM	Unit Price	Total
VILLAGE D MISCELLANOUS ITEMS					
0102-2200	Special Detour- Temporary Pavement	638	SY	\$ 20.00	\$12,760.00
0102-XXXX	Special Detour- Temporary Base	835	SY	\$ 50.00	\$41,750.00
0430-175-118	PIPE CULVERT, OPTIONAL MATERIAL, ROUND, 18" S/CD	70	LF	\$ 100.00	\$7,000.00

NET CHANGE: \$61,510.00

These changes will Add (0) Days to the Construction Schedule

Qualifications/Exclusions:

- 1 Proposal valid for 30 days
- 2
- 3

We agree to the work of this RCO proposal and this work is hereby incorporated into the scope of work of the contract and The de Moya Group can proceed with this work accordingly. Further, we agree that The de Moya Group will be paid for this work in the pay period the work is performed and there is no further approvals necessary which may delay payment. For all intents and purposes and upon signature below, this document is a change order to the contract.

Agreed to:

BY: _____

Title: _____

Date: _____

WORK AUTHORIZATION #3
AMENDMENT 04

October 01, 2024

West Villages Improvement District

Subject: **Work Authorization #3 Amendment 04**
 West Villages Improvement District

Dear Chairman, Governing Board:

Kimley-Horn and Associates, Inc. ("Engineer") is pleased to submit this Work Authorization to provide project engineering services for the West Villages Improvement District ("District"). We will provide these services pursuant to our current agreement dated June 23, 2015 (the "Agreement") as follows:

I. Scope of Work

West Villages Improvement District will engage the services of the Engineer, as Project Engineer to perform those services as outlined in **Exhibit A** attached to this Work Authorization, and attendance at meetings of the District's Governing Board as requested by the District. The purpose of this amendment is to extend the Work Authorization from October 1, 2024 to October 1, 2025 and supplement Work Authorization fees by an additional \$150,000, thereby increasing total value from contract inception from not to exceed \$300,000 to not to exceed \$450,000.

II. Fees

West Villages Improvement District will compensate Engineer in the amount set forth in the attached **Exhibit A**, pursuant to the hourly rate schedule contained in the Agreement in accordance with the terms of the Agreement. The District will reimburse Engineer all direct costs which include items such as printing, drawings, travel, deliveries, et cetera, pursuant to the Agreement.

This Work Authorization #3 Amendment 04, together with the Agreement, represents the entire understanding between the West Villages Improvement District and Engineer with regard to the referenced Work Authorization. If you wish to accept this work authorization, please sign both copies where indicated, and return one complete copy to our office. Upon receipt, we will promptly schedule our services.

Thank you for considering Kimley-Horn and Associates, Inc. We look forward to working with you.


<p>APPROVED AND ACCEPTED</p> <p>By: _____ Authorized Representative of West Villages Improvement District Date: _____</p>	<p>Sincerely,</p>  <p>By: _____ B. Kelley Klepper, Vice President Kimley-Horn and Associates, Inc. Date: <u>October 1, 2024</u></p>
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EXHIBIT A

WORK AUTHORIZATION #3 PROFESSIONAL SERVICES FOR REGULATORY ASSISTANCE SERVICES FOR REUSE DISTRIBUTION SYSTEM FDEP PERMIT

PROJECT BACKGROUND

The West Villages Improvement District (District) Reuse Distribution System consists of a Florida Department of Environmental Protection (FDEP) permitted 4.82 million-gallons per day (MGD), annual average daily flow (AADF), slow-rate public access reuse system. The FDEP Permit (No. FLAB07114) was issued on March 17, 2020, and reporting became effective May 2020. Land application (R-001) is a reuse system which consists of a general reuse service area to provide existing and potential users with Part III public access reclaimed water provided by the Southwest Wastewater Reclamation Facility (SWWWRF), Englewood Water District Water Reclamation Facility (EWDWRF), and the Sarasota County South Master Reuse System (SCSMRS). Reclaimed water may be supplemented by ground water from well(s) permitted by the Southwest Florida Water Management District. Reclaimed water from the SWWWRF, EWDWRF, and SCSMRS facilities along with the supplemental ground water well(s) is stored in the PIL-3 (Gran Paradiso) and PIL-4 (Village K) storage ponds.

PURPOSE

The purpose of this scope of services is to provide the District assistance to meet and maintain compliance with the FDEP Reuse Distribution System permit. The assistance includes developing documentation, schedules, manuals, reports, and databases with the goal to establish systems that can be provided to District operations staff to maintain the Reuse Distribution System in compliance with the permit and an increase in Work Authorization fees from not to exceed \$300,000 to not to exceed \$450,000, for continuing these services through October 01, 2025 and an extension of the Work Authorization schedule to October 01, 2025.

SCOPE OF SERVICES

TASK 1 - MONTHLY AND ANNUAL REPORTING PREPARATION

The Engineer will prepare the monthly and quarterly Discharge Monitoring Report (DMR). The prepared DMRs will be provided to the District for submittal to FDEP. The Engineer will provide the prepared DMRs prior to the FDEP deadline for submittal of the DMR. The District will provide the data that is required to complete the DMR, this includes collecting and testing samples for water quality as required in the FDEP Permit. The District will provide all laboratory results as backup to the Engineer.

The Engineer will prepare the 2024 Annual Reuse Report and provide the report for the District to review prior to submittal to the FDEP by January 1, 2025. The District will provide the data that is required to complete the 2024 Annual Reuse Report.

TASK 2 – DEVELOP REUSE DISTRIBUTION SYSTEM REQUIRED DOCUMENTATION

The Engineer will develop the following list of documents as required by the FDEP permit:

- Cross Connection Control Program Manual
- Operation and Maintenance Manual
- Certification (including sign and seal by Professional Engineer) of Record Drawings
- Reuse System User Notification

The Engineer will provide the documents for District review prior to submittal to FDEP. The District will provide available information as necessary to complete the documents.

TASK 3 – MAINTAIN REPORTING DATABASE, DOCUMENTS, AND SCHEDULE

The Engineer will maintain the following information in spreadsheets:

- Historical flows and quality required to be reported by the permit
- Reuse storage pond inventory
- Schedule of permit requirements

TASK 4 – MISCELLANEOUS ASSISTANCE

The Engineer will assist or complete the following task on an as needed basis at the direction of the District:

- Additional reporting not included in Task 1
- Permit Applications for new users
- Training of WVID to complete monthly and quarterly reporting and maintaining documents and databases.
- Application to renew the existing FDEP facility permit

Additional Services if Required

Services requested that are not specifically described in the Scope of Services above will be considered additional services and may be provided as a work authorization amendment. These services may include but are not limited to the following:

- Hydrogeological Services
- Water Quality Testing
- Environmental Services
- Major or Minor Permit Modifications

Schedule

The work shall commence upon execution of this Work Order and will be provided as mutually agreed with the District. It is anticipated that the services listed in the scope will meet the permitting requirements through October 1, 2025.

Fees and Expenses

Professional will complete the above scope of services on a time and material basis, pursuant to the hourly rate schedule contained in the Agreement and not to exceed \$450,000 in total value since contract inception. Client agrees to pay all permitting fees.

Time and materials fee will be invoiced monthly based on hours complete and expenses incurred. Payment will be due within twenty-five (25) days of your receipt of the invoice and should include the invoice number and the Kimley-Horn project number.

**CONSIDER RESOLUTION NO. 2024-24
DEMAND FOR PAYMENT OF WELL
AVAILABILITY FEES**

**TO BE DISTRIBUTED
UNDER SEPARATE COVER**



BUD BENNINGTON
Senior Litigation Partner
Member Florida & Colorado Bar
SHUTTS & BOWEN LLP
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EMAIL BBENNINGTON@SHUTTS.COM

September 17, 2024

VIA EMAIL (Joseph.Brown@kutarock.com)

Joseph A. Brown, Esq.
Kutak Rock LLP
P.O. Box 10230
Tallahassee, FL 32302

Re: Demand for Payment of Well Availability Fees

**Irrigation Water Supply Agreement (2018) between West Villages
Improvement District and The Ranch Land Operations, LLLP, and Thomas
Ranch Intangibles, LLLP**

Dear Mr. Brown:

As you know, our firm represents The Ranch Land Operations, LLLP, and Thomas Ranch Intangibles, LLLP (collectively, the "Ranch Entities"), in the litigation filed by Gran Paradiso Property Owners Association, Inc. ("Gran Paradiso") against your client, the West Villages Improvement District ("WVID"), as well as (most recently), the Ranch Entities and Lennar Homes LLC ("Lennar") (not yet served with process), in Sarasota County, Florida, Case No. 2022-CA-005368-SC (the "Litigation"). This letter follows up on our colleagues', Manson Bolves Donaldson & Tanner, P.A., correspondence to WVID, dated September 22, 2023, regarding the Irrigation Water Supply Agreement, executed December 4, 2018 ("Irrigation Agreement"). Please accept this letter as our clients' effort, and a demand, to resolve the outstanding issues regarding the payment of "well availability fees" attendant to the Gran Paradiso community, as well as all other communities for which WVID is escrowing or withholding well availability fees.

As you are aware, under the Irrigation Agreement, the Ranch Entities are the sole and exclusive provider of groundwater to WVID for irrigation of the relevant communities, including Gran Paradiso. To facilitate the provision of ground water, the Ranch Entities authorized WVID to use quantities of water pursuant to the Southwest Florida Water Management District Water Use Permit No. 20 003872.019. In return, WVID is contractually obligated to pay well availability fees to the Ranch Entities on a quarterly basis. Noteworthy is that the obligation to pay outstanding well availability fees survives the expiration or termination of the Irrigation Agreement.

For all communities, including Gran Paradiso, the last time period for which WVID paid the requisite fees to the Ranch Entities was July thru September of 2022. As a result, and through no fault of their own, the Ranch Entities have not received the critical and necessary consideration that was bargained for in the Irrigation Agreement. Instead, the Ranch Entities are effectively allowing WVID use and have access to water for zero remuneration. This must be resolved forthwith.

For additional context regarding Gran Paradiso, in Litigation, on May 17, 2023, prior to the Ranch Entities being parties to the Litigation, the Court entered an Injunction, prohibiting WVID from applying the Irrigation Agreement to Gran Paradiso, and further ordering Gran Paradiso to pay WVID's irrigation fee invoices into an escrow account. Notwithstanding that Order, nothing in the Injunction excuses WVID's non-payment of the well availability fees to the Ranch Entities for several reasons:

First, the Irrigation Agreement is between WVID and the Ranch Entities. The contractual requirement to pay fees directly to the Ranch Entities is WVID's contractual obligation, and not one between Gran Paradiso and the Ranch Entities. This is consistent with the Irrigation Agreement's express terms stating that obligations to pay such fees survive the expiration or termination of the Agreement.

Second, and for the reasons stated in Manson Bolves' September 22, 2023, correspondence (to avoid repetition), the Irrigation Agreement's Force Majeure clause likewise does not excuse WVID's obligation to pay the fees to the Ranch Entities because the Court's Injunction was prompted, created, and/or caused by events under the control of WVID.

Third, pursuant to Section 8(c) of the Irrigation Agreement, in the event that a property association fails to pay WVID its portion of the well availability fees, WVID is only excused from paying fees to the Ranch Entities as long as WVID diligently pursues collection of the delinquent fees, assesses any legally permissible penalties, and discontinues the supply of irrigation water to the defaulting association.

Finally, regarding communities other than Gran Paradiso, the well availability fees owed to the Ranch Entities are likewise delinquent, and WVID has not been excused from making the requisite payments.

In response to this correspondence, if WVID takes the position that the Irrigation Agreement is unenforceable due to the Court's Injunction, then the Ranch Entities, in turn, have no obligation to WVID, on the whole, to permit access and use of irrigation water. While the Court's Injunction may currently enjoin WVID from discontinuing irrigation water to Gran Paradiso, the Injunction does not order the Ranch Entities to continue providing irrigation water to Gran Paradiso, the other communities, or WVID, especially for free.

For the past two years, the Ranch Entities have continuously provided the access and use of water that was contracted with WVID. However, it has not been compensated pursuant to the

Irrigation Agreement. Now that the Ranch Entities are parties to the subject Litigation, the outstanding water availability fees owed by WVID to the Ranch Entities for Gran Paradiso must be paid current in the amount of **\$139,557.39** for the time period of October 2022 thru June 2024. For all other communities, the outstanding fees must be paid current in the amount of **\$395,181.54**. The Ranch Entities hereby demand payment of those amounts. Additionally, when WVID receives invoices for the current quarter ending September 30, 2024, the Ranch Entities will also expect timely payment. While the Ranch Entities are hopeful to reach an amicable resolution, if one cannot be reached, the Ranch Entities will be left with no alternative than to further explore all available options and legal remedies.

Lastly, we understand that WVID has requested all documents and information regarding Gran Paradiso's escrow of fees pursuant to the Court's Injunction. Please promptly provide copies of all items that are produced and/or any other documentation previously produced which memorializes an accounting of the escrowed funds.

Please cause your client to remit payment to the Ranch Entities no later than September 30th, 2024. Thank you for your client's prompt attention to the within.

Very truly yours,

SHUTTS & BOWEN LLP

/s/ Bud Bennington