



**TRAILS AT MONTEREY
COMMUNITY DEVELOPMENT
DISTRICT**

**MIAMI-DADE COUNTY
REGULAR BOARD MEETING
OCTOBER 24, 2023
6:30 P.M.**

Special District Services, Inc.
8785 SW 165th Avenue, Suite 200
Miami, FL 33024

www.trailsatmontereycdd.org

786.347.2711 Telephone
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AGENDA
TRAILS OF MONTEREY
COMMUNITY DEVELOPMENT DISTRICT
Kendall Executive Center
8785 SW 165th Avenue, Suite 200
Miami, FL 33193
REGULAR BOARD MEETING
October 24, 2023
6:30 p.m.

- A. Call to Order
- B. Proof of Publication.....Page 1
- C. Establish Quorum
- D. Administer Oath of Office & Review Board Member Duties and Responsibilities (Seat 4; Exp. 2026)
- E. Election of Officers
 - Chairman
 - Vice Chairman
 - Secretary/Treasurer
 - Assistant Secretaries
- F. Additions or Deletions to Agenda
- G. Comments from the Public for Items Not on the Agenda
- H. Approval of Minutes
 - 1. August 22, 2023 Regular Board Meeting & Public Hearing Minutes.....Page 2
- I. Old Business
 - 1. Discussion Regarding Lake Bank Restoration Project
- J. New Business
 - 1. Consider Resolution No. 2023-05 Adopting a Fiscal Year 2022/2023 Amended Budget.....Page 7
 - 2. Discussion Regarding Ethics Training Requirement Memorandum.....Page 12
 - 3. Discussion Regarding 2023 Legislative Update Memorandum.....Page 17
- K. Auditor Selection Committee
 - 1. Ranking of Proposals/Consider Selection of an Auditor.....Page 22
- L. Administrative Matters
 - 1. Staff Report, as Required
- M. Board Member/Staff: Additional Comments/Requests
- N. Adjourn

Publication Date
2023-10-13

Subcategory
Miscellaneous Notices

TRAILS AT MONTEREY COMMUNITY
DEVELOPMENT DISTRICT
FISCAL YEAR 2023/2024
REGULAR MEETING SCHEDULE

NOTICE IS HEREBY GIVEN that the Board of Supervisors of the Trails at Monterey Community Development District will hold Regular Meetings at 6:30 p.m. in the Conference Room at Kendall Executive Center located at 8785 SW 165th Avenue, Suite 200, Miami, Florida 33193, on the following dates:

October 24, 2023

February 27, 2024

April 23, 2024

June 25, 2024

August 27, 2024

The purpose of the meetings is to conduct any business coming before the Board. Meetings are open to the public and will be conducted in accordance with the provisions of Florida law. Copies of the Agendas for any of the meetings may be obtained from the District's website www.trailsatmontereycdd.org or by contacting the District Manager at nnguyen@sdsinc.org and/or toll free at 1-877-737-4922.

From time to time one or two Supervisors may participate by telephone; therefore a speaker telephone will be present at the meeting location so that the Supervisors may be fully informed of the discussions taking place. Said meetings may be continued as found necessary to a time and place specified on the record.

If any person decides to appeal any decision made with respect to any matter considered at these meetings, such person will need a record of the proceedings and such person may need to insure that a verbatim record of the proceedings is made at his or her own expense and which record includes the testimony and evidence on which the appeal is based.

In accordance with the provisions of the Americans with Disabilities Act, any person requiring special accommodations or an interpreter to participate at any of these meetings should contact the District Manager at nnguyen@sdsinc.org and/or toll free at 1-877-737-4922 at least seven (7) days prior to the date of the particular meeting.

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

TRAILS AT MONTEREY COMMUNITY DEVELOPMENT DISTRICT

www.trailsatmontereycdd.org

10/13 23-62/0000688524M

**TRAILS AT MONTEREY COMMUNITY DEVELOPMENT DISTRICT
REGULAR BOARD MEETING & PUBLIC HEARING
AUGUST 22, 2023**

A. CALL TO ORDER

Ms. Nguyen called the Trails at Monterey Community Development District (the “District”) Regular Board Meeting of August 22, 2023, to order at 6:31 p.m. in the Kendall Executive Center located at 8785 SW 165th Avenue, Suite 200, Miami, Florida 33193.

NOTE: Due to the large presence of member of the public, the Regular Board Meeting was held in the main lobby of the Kendall Executive Center.

B. PROOF OF PUBLICATION

Ms. Nguyen presented proof of publication that notice of the Regular Board Meeting had been published in the *Miami Daily Business Review* on October 17, 2022, as part of the District’s Fiscal Year 2022/2023 Regular Meeting Schedule, *as legally required*.

C. ESTABLISH A QUORUM

Ms. Nguyen stated that the attendance of Chairman Juan Sanhueza, Vice Chairman Carlos Delgado and Supervisors Olga Nadal and Andy Gonzalez constituted a quorum and it was in order to proceed with the meeting.

Staff in attendance included: District Managers Nancy Nguyen and Armando Silva of Special District Services, Inc.; and General Counsel Ginger Wald of Billing, Cochran, Lyles, Mauro & Ramsey, P.A., and Juan Alvarez of Alvarez Engineers

Also in attendance were: Jorge Garcia Hernandez, Zulema Gonzalez, Katherine Castineiras, Alfredo Catineiras, Jose Gomez, Mayte Otero, Susan Smith, Maria Elena Ortiz, Paul Hamilton, Marta Moncada, Luis Sanchez, Jose Perez, Anaibis Roque, Jorge Roque, Carmen Cachola, George Cachola, Aracely Pla, Ramon Vergara, Cynthia Macloughlin, Martin Olmedo, Azalea Moran, Sebastian Hale, Ileana Suarez-Hale, Rafael Echeverry, Ana Menendez, and Marco Callado of Miami, Florida.

D. INTRODUCTION OF THE TRAILS AT MONTEREY COMMUNITY DEVELOPMENT DISTRICT

Ms. Nguyen provided an overview of the District, which included the established date, governance, infrastructure ownership, and assessment components.

E. ADDITIONS OR DELETIONS TO AGENDA

There were no additions or deletions to the agenda.

F. COMMENTS FROM THE PUBLIC FOR ITEMS NOT ON THE AGENDA

NOTE: This item was discussed after Agenda Item K.

Members of the public asked when the next District meeting will be held. They were informed that the next District Regular Board Meeting is scheduled for October 24, 2023 at 6:30 p.m. at the Kendall Executive Center located at 8785 SW 165 Avenue, Suite 200, Miami, Florida 33193.

G. APPROVAL OF MINUTES

1. June 5, 2023 Special Board Meeting Minutes

NOTE: This item was discussed after the Public Hearing.

The minutes of the June 5, 2023, Special Board Meeting were presented for approval.

There being no changes, a **MOTION** was made by Mr. Delgado, seconded by Ms. Nadal and unanimously passed approving the minutes of the June 5, 2023, Special Board Meeting, as presented.

H. OLD BUSINESS

1. Discussion Regarding Lake Bank Restoration Project

NOTE: This item was discussed after Item E.

Ms. Nguyen presented the Technical Engineering Memorandum prepared by Landshore Enterprises, LLC.

Mr. Alvarez of Alvarez Engineers introduced himself and explained that it has been noted that the five (5) District lakes are showing signs of erosion. As such, Landshore Enterprises, LLC was engaged by the District to prepare this report to include the measurement of the lake bank slopes, collection and testing of soil samples from the 5 lakes, and an analysis of the findings. Mr. Alvarez further explained that the report also includes recommendations for the remediation of the affected lake banks, as well as a cost analysis for the remediation. The report reflected the total cost for the lake bank project was estimated at approximately \$1,400,000. Mr. Alvarez provided a thorough explanation of the findings in the report.

It was stated that Landshore Enterprises was **not engaged** for the remediation of the lake banks, they were only contracted to prepare the analysis report.

NOTE: At approximately 6:30 p.m., Ms. Nguyen recessed the Regular Meeting and simultaneously opened the Public Hearing.

Ms. Nguyen stated that the purpose of this meeting was for the Board to receive comments from the public regarding the Fiscal Year 2023/2024 Final Budget. She further explained that each member of the public will be allotted a maximum of three (3) minutes to express their concerns to the Board. Following the public comments, the Board will review the Final Budget and finalize their decision. Ms. Nguyen conveyed the importance that all persons involved in discussions maintain a respectful and professional demeanor; therefore, interrupting or talking over one another will not be permitted.

I. PUBLIC HEARING

1. Proof of Publication

Ms. Nguyen presented proof of publication that notice of the Public Hearing had been published in the *Miami Daily Business Review* on August 2, 2023, and August 9, 2023, as legally required.

2. Receive Public Comments on Fiscal Year 2023/2024 Final Budget

Ms. Nguyen opened the public comment portion of the Public Hearing to receive comments on the 2023/2024 fiscal year final budget and non-ad valorem special assessments. She presented assessment increase objection letters from Albert Maillo, Ileana Suarez-Hale, Ivonne Jimenez, Luis Sanchez, Alice and Rigoberto Galan, Jorge Garcia Hernandez, Daniel and Maria Sosa, Paul Hamilton, Azalea Moran, Julian Idarraga, and Ulises Blanco.

Public comments were received from the following:

Alfredo Castineiras, Katherin Castineiras, Zulema Gonzalez, Jose Gomez, Maria Elena Ortiz, Azalea Moran Ramon Vergara, Jorge Garcia Hernandez, Sebastian Hale, Luis Sanchez, Mayte Otero, Anaibis Roque, Jorge Roque, Marco Callado, Carmen Cachola, George Cachola, Rafael Echeverry, Paul Hamilton, Cynthia Macloughlin, Martin Olmedo, Susan Smith.

Members of the public voiced their apprehensions regarding the increase in assessments and conveyed their concerns about the substantial assessment increase in the amount of \$1,204.83, which will result in a total assessment of \$1,958.43 per unit. Several homeowners pointed out that they are on fixed incomes, and the combination of rising common goods costs and this assessment increase poses financial hardship for them. They expressed a genuine fear that they may be compelled to sell their homes due to this financial burden. Members of the public collectively urged the Board to explore alternative funding options for the lake bank erosion project. They emphasized the importance of considering less financially burdensome avenues to achieve the District's goals.

There being no further comments from the public, Ms. Nguyen closed the public comment portion of the Public Hearing.

3. Consider Resolution No. 2023-02 – Adopting a Fiscal Year 2023/2024 Final Budget

Ms. Nguyen presented Resolution No. 2023-02, entitled:

RESOLUTION NO. 2023-02

A RESOLUTION OF THE TRAILS AT MONTEREY COMMUNITY DEVELOPMENT DISTRICT ADOPTING A FISCAL YEAR 2023/2024 BUDGET.

Ms. Nguyen read the title into the record and stated that the document provides for approving and adopting the fiscal year 2023/2024 final budget and the non-ad valorem special assessment tax roll. The Board explained that the District's Proposed Budget was approved during the June 5, 2023 Special Board Meeting. At the time of the meeting, the cost estimate for the lake bank restoration had not been received, as such, several budget scenarios were presented for approval. One scenario was to provide funding for the project through the proceeds of a twenty (20) year bond, which would increase assessments by approximately \$369 per year, per unit, for twenty years. The other scenarios would fund the project directly through assessment increases at varying increases. Due to having insufficient information, such as the cost estimate, the Board elected a budget scenario that would fund the project directly through assessment increases, knowing that the budget amounts could be lowered during the August 22, 2023 Public Hearing. The scenario accepted resulted in an assessment increase of approximately \$1,205. A discussion ensued by the Board, taking into consideration the comments and concerns received from members of the public, after which:

A **MOTION** was made by Mr. Delgado, seconded by Mr. Gonzalez and unanimously passed to approve and adopt Resolution No. 2023-02, *as amended* (removing the \$450,000 allocated to the Erosion Control Shoreline Restoration Project budget line, and leaving all other budget lines the same as the fiscal year

2022/2023 Final Budget); thereby setting the 2023/2024 final budget and non-ad valorem special assessment tax roll.

NOTE: At approximately 8:34 p.m., Ms. Nguyen closed the Public Hearing and simultaneously reconvened the Regular Meeting.

J. NEW BUSINESS

1. Consider Resolution No. 2023-03 – Adopting a Fiscal Year 2023/2024 Meeting Schedule

Ms. Nguyen presented Resolution No. 2023-03, entitled:

RESOLUTION NO. 2023-03

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE TRAILS AT MONTEREY COMMUNITY DEVELOPMENT DISTRICT, ESTABLISHING A REGULAR MEETING SCHEDULE FOR FISCAL YEAR 2023/2024 AND SETTING THE TIME AND LOCATION OF SAID DISTRICT MEETINGS; AND PROVIDING AN EFFECTIVE DATE.

Ms. Nguyen provided an explanation for the document. A discussion ensued after which:

A **MOTION** was made by Mr. Sanhueza, seconded by Mr. Delgado and unanimously passed to approve and adopt Resolution No. 2023-03, as presented; thereby setting the 2023/2024 regular meeting schedule and authorizing the publication of the annual meeting schedule, as required by law.

2. Consider Resolution No. 2023-04 – Adopting a Records Retention Policy

Ms. Nguyen presented Resolution No. 2023-04, entitled:

RESOLUTION 2023-04

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE TRAILS AT MONTEREY COMMUNITY DEVELOPMENT DISTRICT PROVIDING FOR THE APPOINTMENT OF A RECORDS MANAGEMENT LIAISON OFFICER; PROVIDING THE DUTIES OF THE RECORDS MANAGEMENT LIAISON OFFICER; ADOPTING A RECORDS RETENTION POLICY; DETERMINING THE ELECTRONIC RECORD TO BE THE OFFICIAL RECORD; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

Ms. Nguyen explained that this document provides that the electronic record shall be considered the official record and any paper originals are considered duplicates which may be disposed of unless required by any applicable statute, rule or ordinance, per section 668.50, Florida Statutes.

A **MOTION** was made by Mr. Delgado, seconded by Mr. Gonzalez and unanimously passed to approve Resolution No. 2023-04; thereby adopting a Records Retention Policy.

3. Consider Appointment of Audit Committee

Ms. Nguyen stated that an audit was required for fiscal year ending September 30, 2023, and it would be in order for the Board to appoint an Audit Committee to commence the auditor selection process pursuant to 218.391, *Florida Statutes*.

A **MOTION** was made by Mr. Delgado, seconded by Mr. Gonzalez and unanimously passed to appoint the Board as the Audit Committee.

At approximately 8:45 p.m., Ms. Nguyen recessed the Regular Board Meeting and simultaneously called to order a meeting of the Audit Committee to review and approve criteria for selection of an auditor and to authorize advertising for request for proposals. Ms. Nguyen presented the selection criteria information and an outline of material for the Request for Audit Proposals for the District. A discussion ensued after which:

A **MOTION** was made by Mr. Delgado, seconded by Mr. Sanhueza and unanimously passed to approve the criteria for the selection of an auditor, as presented, and instructed the District Manager to proceed, as required, to advertise for requests for proposals (“RFP”) for the fiscal years September 30, 2023, 2024 and 2025; and to include in the proposal package an **option** for an additional 2-year renewal (2026 and 2027).

There being no further business to conduct at this time by the Audit Committee, Ms. Nguyen adjourned the Audit Committee Meeting and simultaneously reconvened the Regular Board Meeting of the District at approximately 8:46 p.m.

Ms. Nguyen stated that it would be appropriate for the Board to accept the actions of the Audit Committee as outlined herein above. A discussion ensued after which;

A **MOTION** was made by Mr. Gonzalez, seconded by Mr. Sanhueza and unanimously passed to accept the actions of the Audit Committee.

K. ADMINISTRATIVE MATTERS

1. Staff Report, as Required

There was no staff report at this time.

L. BOARD MEMBER/STAFF CLOSING COMMENTS

Ms. Nguyen stated that unless an emergency were to arise, the Board would not need to meet until October 24, 2023.

M. ADJOURNMENT

There being no further business to come before the Board, a **MOTION** was made by Mr. Delgado, seconded by Mr. Sanhueza adjourning the meeting at 9:02 p.m. The **MOTION** carried unanimously.

ATTESTED BY:

Secretary/Assistant Secretary

Chair/Vice Chair

RESOLUTION NO. 2023-05

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE TRAILS AT MONTEREY COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING AND ADOPTING AN AMENDED FINAL FISCAL YEAR 2022/2023 BUDGET (“AMENDED BUDGET”), PURSUANT TO CHAPTER 189, FLORIDA STATUTES; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board of Supervisors of the Trails at Monterey Community Development District (“District”) is empowered to provide a funding source and to impose special assessments upon the properties within the District; and,

WHEREAS, the District has prepared for consideration and approval an Amended Budget.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE TRAILS AT MONTEREY COMMUNITY DEVELOPMENT DISTRICT, THAT:

Section 1. The Amended Budget for Fiscal Year 2022/2023 attached hereto as Exhibit “A” is hereby approved and adopted.

Section 2. The Secretary/Assistant Secretary of the District is authorized to execute any and all necessary transmittals, certifications or other acknowledgements or writings, as necessary, to comply with the intent of this Resolution.

PASSED, ADOPTED and EFFECTIVE this 24th day of October, 2023.

ATTEST:

**TRAILS AT MONTEREY
COMMUNITY DEVELOPMENT DISTRICT**

By: _____
Secretary/Assistant Secretary

By: _____
Chairperson/Vice Chairperson

Trails At Monterey
Community Development District

**Amended Final Budget For
Fiscal Year 2022/2023
October 1, 2022 - September 30, 2023**

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- II **AMENDED FINAL DEBT SERVICE FUND BUDGET**

AMENDED FINAL BUDGET
TRAILS AT MONTEREY COMMUNITY DEVELOPMENT DISTRICT
OPERATING FUND
FISCAL YEAR 2022/2023
OCTOBER 1, 2022 - SEPTEMBER 30, 2023

	FISCAL YEAR 2022/2023 BUDGET 10/1/22 - 9/30/23	AMENDED FINAL BUDGET 10/1/22 - 9/30/23	YEAR TO DATE ACTUAL 10/1/22 - 9/29/23
REVENUES			
ADMINISTRATIVE ASSESSMENTS	57,438	57,997	57,997
MAINTENANCE ASSESSMENTS	37,394	37,395	37,395
DEBT ASSESSMENTS	219,413	219,415	219,415
OTHER REVENUES	0	0	0
INTEREST INCOME	300	8,293	8,243
TOTAL REVENUES	\$ 314,545	\$ 323,100	\$ 323,050
EXPENDITURES			
MAINTENANCE EXPENDITURES			
AQUATIC/STORMWATER MANAGEMENT	7,350	6,240	6,240
MITIGATION MAINTENANCE	3,300	500	0
LAKE EASEMENT/LANDSCAPE MAINTENANCE	22,000	14,400	14,400
ENGINEERING/INSPECTIONS	2,500	25,000	21,375
MISCELLANEOUS MAINTENANCE (SIGNS, ETC.)	0	1,200	825
TOTAL MAINTENANCE EXPENDITURES	\$ 35,150	\$ 47,340	\$ 42,840
ADMINISTRATIVE EXPENDITURES			
SUPERVISOR FEES	5,000	4,000	4,000
PAYROLL TAXES (EMPLOYER)	400	306	306
MANAGEMENT	31,512	31,512	31,512
SECRETARIAL	3,600	3,600	3,600
LEGAL	10,500	11,200	9,700
ASSESSMENT ROLL	6,000	6,000	6,000
AUDIT FEES	3,600	3,500	3,500
INSURANCE	6,000	6,134	6,134
LEGAL ADVERTISING	750	850	546
MISCELLANEOUS	1,550	1,550	946
POSTAGE	300	535	517
OFFICE SUPPLIES	600	760	713
DUES & SUBSCRIPTIONS	175	175	175
TRUSTEE FEES	3,500	4,256	4,256
CONTINUING DISCLOSURE FEE	350	350	350
WEBSITE MANAGEMENT	750	750	750
TOTAL ADMINISTRATIVE EXPENDITURES	\$ 74,587	\$ 75,478	\$ 73,005
TOTAL EXPENDITURES	\$ 109,737	\$ 122,818	\$ 115,845
REVENUES LESS EXPENDITURES	\$ 204,808	\$ 200,282	\$ 207,205
BOND PAYMENTS	(206,248)	(209,221)	(209,221)
BALANCE	\$ (1,440)	\$ (8,939)	\$ (2,016)
COUNTY APPRAISER & TAX COLLECTOR FEE	(6,285)	(3,030)	(3,030)
DISCOUNTS FOR EARLY PAYMENTS	(12,570)	(11,574)	(11,574)
EXCESS/SHORTFALL	\$ (20,295)	\$ (23,543)	\$ (16,620)
CARRYOVER FROM PRIOR YEAR	20,295	20,295	0
NET EXCESS/SHORTFALL	\$ -	\$ (3,248)	\$ (16,620)
FUND BALANCE AS OF 9/30/22		\$220,957	
FY 2022/2023 ACTIVITY		(\$23,543)	
FUND BALANCE AS OF 9/30/23		\$197,414	

Notes

Carryover From Prior Year Of \$20,295 was used to reduce Fiscal Year 2022/2023 Assessments.
 \$22,271 Of Fund Balance To Be Used To Reduce 2023/2024 Assessments.

AMENDED FINAL BUDGET
TRAILS AT MONTEREY COMMUNITY DEVELOPMENT DISTRICT
DEBT SERVICE FUND
FISCAL YEAR 2022/2023
OCTOBER 1, 2022 - SEPTEMBER 30, 2023

	FISCAL YEAR 2022/2023 BUDGET 10/1/22 - 9/30/22	AMENDED FINAL BUDGET 10/1/22 - 9/30/22	YEAR TO DATE ACTUAL 10/1/22 - 9/29/23
REVENUES			
Interest Income	15	8,299	8,199
NAV Tax Collection	206,248	209,221	209,221
Total Revenues	\$ 206,263	\$ 217,520	\$ 217,420
EXPENDITURES			
Principal Payments	125,000	125,000	125,000
Interest Payments	74,491	76,991	76,991
Bond Redemption	6,772	0	0
Total Expenditures	\$ 206,263	\$ 201,991	\$ 201,991
Excess/ (Shortfall)	\$ -	\$ 15,529	\$ 15,429

FUND BALANCE AS OF 9/30/22	\$209,831
FY 2022/2023 ACTIVITY	\$15,529
FUND BALANCE AS OF 9/30/23	\$225,360

Notes

Reserve Fund Balance = \$103,124*. Revenue Fund Balance = \$122,236*.

Revenue Fund Balance To Be Used To Make Interest Payment On 11-1-23 Of \$35,996.

* Approximate Amounts

Series 2012 Refunding Bonds Information

Original Par Amount =	\$2,830,000	Annual Principal Payments Due:
Interest Rate =	1.75% - 4.25%	May 1st
Issue Date =	May 2012	Annual Interest Payments Due:
Maturity Date =	May 2033	May 1st & November 1st

Par Amount As Of 9/30/23 = \$1,630,000

MEMORANDUM

TO: District Manager

FROM: Billing, Cochran, Lyles, Mauro & Ramsey, P.A.
District Counsel

DATE: June 6, 2023

RE: Required Ethics Training

On May 24, 2023, the Governor signed CS/HB 199 into law as Chapter 2023-121, Laws of Florida. Section 112.3142, Florida Statutes, requires that specified constitutional officers, elected municipal officers, and commissioners complete four (4) hours of ethics training annually. This requirement is noted on page 1 of the Form 1, Statement of Financial Interests. This legislation provides that beginning January 1, 2024, elected and appointed commissioners of community redevelopment agencies and local officers of independent special districts are now required to complete four (4) hours of ethics training annually. The training must address, at a minimum, s. 8, Art. II of the Florida Constitution (ethics for public officers and financial disclosure), the Code of Ethics for Public Officers and Employees, and the Florida Public Records Law and Open Meetings laws. The legislation specifically provides that this training requirement may be satisfied by completing a continuing legal education class or other continuing professional education class or seminar if the required subject matter is covered therein.

For current supervisors and officers, it is recommended that this training requirement be completed by July 1, 2024, so that the supervisor or officer can verify compliance with the required training on his or her Form 1, Statement of Financial Interests (2023). Elected local officers of independent special districts that assume office on or before March 31st must complete annual ethics training by December 31st of the year the term begins; however, if the term starts after March 31st, the officer is not required to complete the required ethics training until December 31st of the following year. The Legislature intends for those elected officers to receive the required training as close as possible to the date that he or she assumes office. The chart below can be used as a reference:

Date elected or appointed	Annual Training Completed By
Current Officer/Supervisor	December 31, 2024 (recommend completion by July 1, 2024)
January 1 – March 31, 2024	December 31, 2024
April 1 – December 31, 2024	December 31, 2025

The legislation also amends Section 112.313(a), Florida Statutes, clarifying the conflicts exception for public officers or employees of water control districts (Chapter 298, Florida Statutes)

or a special tax districts created by general (i.e. community development districts) or special law and which is limited specifically to constructing, maintaining, managing, and financing improvements in the land area over which the district has jurisdiction. Employment with or entering into a contractual relationship with a business entity is not prohibited and is not deemed a conflict per se; however, conduct by such officer or employee that is prohibited by or otherwise frustrates the intent of Section 112.313(7), Florida Statutes, including conduct that violates subsections (6) (misuse of public position) and (8) (disclosure of information not otherwise available to the public for personal benefit) thereof is deemed an impermissible conflict of interest.

For convenience, we have included a copy of the legislation referenced in this memorandum. We request that you include this memorandum as part of the agenda packages for upcoming meetings of the governing boards of those special districts in which you serve as the District Manager and this firm serves as District Counsel. You can expect our traditional legislative memorandum in the coming weeks, where we will summarize other legislation from the 2023 Legislative Session relevant to special districts.

CHAPTER 2023-121

Committee Substitute for House Bill No. 199

An act relating to ethics requirements for officers and employees of special tax districts; amending s. 112.313, F.S.; specifying that certain conduct by certain public officers and employees is deemed a conflict of interest; making technical changes; amending s. 112.3142, F.S.; requiring certain ethics training for elected local officers of independent special districts beginning on a specified date; specifying requirements for such training; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Subsection (7) of section 112.313, Florida Statutes, is amended to read:

112.313 Standards of conduct for public officers, employees of agencies, and local government attorneys.—

(7) CONFLICTING EMPLOYMENT OR CONTRACTUAL RELATIONSHIP.—

(a) No public officer or employee of an agency shall have or hold any employment or contractual relationship with any business entity or any agency which is subject to the regulation of, or is doing business with, an agency of which he or she is an officer or employee, excluding those organizations and their officers who, when acting in their official capacity, enter into or negotiate a collective bargaining contract with the state or any municipality, county, or other political subdivision of the state; nor shall an officer or employee of an agency have or hold any employment or contractual relationship that will create a continuing or frequently recurring conflict between his or her private interests and the performance of his or her public duties or that would impede the full and faithful discharge of his or her public duties.

1. When the agency referred to is that certain kind of special tax district created by general or special law and is limited specifically to constructing, maintaining, managing, and financing improvements in the land area over which the agency has jurisdiction, or when the agency has been organized pursuant to chapter 298, then employment with, or entering into a contractual relationship with, such business entity by a public officer or employee of such agency is shall not be prohibited by this subsection or be deemed a conflict per se. However, conduct by such officer or employee that is prohibited by, or otherwise frustrates the intent of, this section, including conduct that violates subsections (6) and (8), is shall be deemed a conflict of interest in violation of the standards of conduct set forth by this section.

2. When the agency referred to is a legislative body and the regulatory power over the business entity resides in another agency, or when the regulatory power which the legislative body exercises over the business entity or agency is strictly through the enactment of laws or ordinances, then employment or a contractual relationship with such business entity by a public officer or employee of a legislative body shall not be prohibited by this subsection or be deemed a conflict.

(b) This subsection shall not prohibit a public officer or employee from practicing in a particular profession or occupation when such practice by persons holding such public office or employment is required or permitted by law or ordinance.

Section 2. Paragraphs (d) and (e) of subsection (2) of section 112.3142, Florida Statutes, are redesignated as paragraphs (e) and (f), respectively, present paragraph (e) of that subsection is amended, and a new paragraph (d) is added to that subsection, to read:

112.3142 Ethics training for specified constitutional officers, elected municipal officers, and commissioners of community redevelopment agencies, and elected local officers of independent special districts.—

(2)

(d) Beginning January 1, 2024, each elected local officer of an independent special district, as defined in s. 189.012, and each person who is appointed to fill a vacancy for an unexpired term of such elective office must complete 4 hours of ethics training each calendar year which addresses, at a minimum, s. 8, Art. II of the State Constitution, the Code of Ethics for Public Officers and Employees, and the public records and public meetings laws of this state. This requirement may be satisfied by completion of a continuing legal education class or other continuing professional education class, seminar, or presentation, if the required subject matter is covered by such class, seminar, or presentation.

(f)(e) The Legislature intends that a constitutional officer, or elected municipal officer, or elected local officer of an independent special district who is required to complete ethics training pursuant to this section receive the required training as close as possible to the date that he or she assumes office. A constitutional officer, or elected municipal officer, or elected local officer of an independent special district assuming a new office or new term of office on or before March 31 must complete the annual training on or before December 31 of the year in which the term of office began. A constitutional officer, or elected municipal officer, or elected local officer of an independent special district assuming a new office or new term of office after March 31 is not required to complete ethics training for the calendar year in which the term of office began.

Section 3. This act shall take effect July 1, 2023.

Approved by the Governor May 24, 2023.

Filed in Office Secretary of State May 24, 2023.

MEMORANDUM

TO: District Manager

FROM: Billing, Cochran, Lyles, Mauro & Ramsey, P.A.
District Counsel

DATE: July 20, 2023

RE: 2023 Legislative Update

As District Counsel, throughout the year we continuously monitor pending legislation that may be applicable to the governance and operation of our Community Development District and other Special District clients. It is at this time of year that we summarize those legislative acts that have become law during the most recent legislative session, as follows:

1. Chapter 2023 – 134, Laws of Florida (SB 346). The legislation requires contracts for construction services between a local government entity and a contractor to include a “punch list”¹ of items required to render complete, satisfactory, and acceptable the construction services contracted for, which punch list outlines the estimated cost of each item necessary to complete the work. The law requires local governments to pay all portions of the contract balance, except for 150 percent of the portion of the contract balance attributed to those projects on the punch list, within 20 days after the punch list is created, subject to certain exceptions. The legislation limits a local government’s ability to withhold payment of certain amounts under the contract to only those subject to a written good faith dispute or claims against public surety bonds. The law clarifies that a local government must pay the undisputed portions of a contract within 20 days of the request for payment. Lastly, the legislation amends the definition of “public works project” in section 255.0992, F.S., to include any construction, maintenance, repair, renovation, remodeling, or improvement activity that is paid for with state-appropriated funds. The effective date of this act is July 1, 2023.

2. Chapter 2023 – 17, Laws of Florida (SB 102). The legislation makes various changes and additions to affordable housing related programs and policies at both the state and local level. With regard to local governments, the law:

- Preempts local government requirements regarding zoning, density, and height to allow for streamlined development of affordable housing in commercial and mixed-use zoned areas under certain circumstances. Developments that meet the requirements may not require a zoning change or comprehensive plan amendment.

¹ The punch list is created within a contractually-specified timeframe after the contractor reaches substantial completion of the construction services as defined in the contract, or if that is not defined, then after the project reaches beneficial occupancy or use. If the contract is valued at less than \$10 million, then the punch list must be developed within 30 calendar days; if the contract is valued at \$10 million or more, then the punch list must be developed within 45 calendar days.

- Removes a local government’s ability to approve affordable housing on residential parcels by bypassing state and local laws that may otherwise preclude such development, while retaining such right for commercial and industrial parcels.
- Removes a provision that allows local governments to impose rent control under certain circumstances, preempting rent control ordinances entirely.
- Requires counties and cities to update and electronically publish the inventory of publicly owned properties, for counties including property owned by a dependent special district, which may be appropriate for affordable housing development.
- Authorizes the Florida Housing Finance Corporation, through contract with the Florida Housing Coalition, to provide technical assistance to local governments to facilitate the use or lease of county or municipal property for affordable housing purposes.
- Requires local governments to maintain a public written policy outlining procedures for expediting building permits and development orders for affordable housing projects.
- Provides that the Keys Workforce Housing Initiative is an exception to evacuation time requirements and that comprehensive plan and land use amendments approved under that initiative are valid.

The effective date of this act is July 1, 2023.

3. Chapter 2023 – 31, Laws of Florida (SB 1604). The law makes a number of changes relating to comprehensive plans and land development regulations. Of interest to special districts, section 4 of the legislation amends section 189.031, F.S., to preclude independent special districts from complying with the terms of any development agreement, which is executed within three months preceding the effective date of a law, which modifies the manner of selecting members of the governing body of the special district from election to appointment or appointment to election. The newly elected or appointed governing body of the special district must review within four months of taking office any such development agreement and vote on whether to seek readoption of the agreement. The law applies to any development agreement that is in effect on, or is executed after July 1, 2023, which is the effective date of this law. Section 4 of the Act expires July 1, 2028, unless reviewed and reenacted by the Legislature.

4. Chapter 2023 – 28, Laws of Florida (HB 3). This legislation codifies and extends the policy adopted by the Trustees² requiring all investment decisions relating to the state retirement system be based solely on pecuniary factors³. The law extended that policy to all funds managed by the State Board of Administration (SBA), all funds of the state Treasury, all local government retirement plans, investments of local government surplus funds, and investments of funds raised by citizen support and direct-support organizations. Investment managers who invest public funds on behalf of any of these entities may not sacrifice investment return or take additional investment risk to promote any non-pecuniary factor. The law requires any contract between a governmental

² The Governor, Chief Financial Officer, and Attorney General serve as the SBA’s Board of Trustees.

³ The term “pecuniary factor” is defined as a factor that is expected “to have a material effect on the risk or return of an investment based on appropriate investment horizons consistent with applicable investment objectives and funding policy. The term does not include the consideration of the furtherance of any social, political, or ideological interests.”

entity⁴ and an investment manager executed, amended, or renewed on or after July 1, 2023, to contain a provision requiring the investment manager to include a disclaimer in an external communication, if the communication is to a company in which the investment manager has invested public funds and discusses social, political, or ideological interests. The required disclaimer must state: “The views and opinions expressed in this communication are those of the sender and do not reflect the views and opinions of the people of the state of Florida.” All contracts with investment managers executed, amended, or renewed on or after July 1, 2023, may be unilaterally terminated if certain communications of an investment manager include discussion of social, political, or ideological interests and omit the required disclaimer.

In addition, the legislation prohibits bond issuers⁵ from issuing an environmental, social, and corporate governance (ESG) bond or paying for a third-party verifier that certifies or verifies that a bond may be designated or labeled as an ESG bond⁶, renders opinions or produces a report on ESG compliance, among other ESG-related services. Issuers are also prohibited from contracting with a rating agency whose ESG scores for the issuer will have a direct, negative impact on the issuer’s bond ratings.

The act further prohibits consideration of social, political, or ideological beliefs in state and local government contracting, and explicitly notes that this includes all political subdivisions of the state. Specifically, the law prohibits an awarding body from (1) requesting documentation or considering a vendor’s social, political, or ideological beliefs when determining if the vendor is a responsible vendor; or (2) giving a preference to a vendor based on the vendor’s social, political, or ideological beliefs.

Lastly, the legislation amends the definition of a “qualified public depository” to prohibit government entities from depositing funds in banks that make it a practice to deny or cancel services of their customers based on a person’s political opinions, speech, affiliations, lawful ownership or sales of firearms, production of fossil fuels or other factors related to ESG. Pursuant to current law, all public deposits may only be deposited in a qualified public depository. The effective date of this legislation is July 1, 2023.

5. Chapter 2023 – 32, Laws of Florida (SB 258). The legislation bans the use of prohibited applications⁷ on devices issued to an employee or officer by a public employer, or otherwise used on a network that is owned, operated, or maintained by a public employer. This law requires the Department of Management Services (DMS) to create and maintain a list of prohibited applications of any Internet application that it deems to present a security risk in the form of

⁴ The law defines “governmental entity” to mean a state, regional, county, municipal, special district, or other political subdivision whether executive, judicial, or legislative, including, but not limited to, a department, division, board, bureau, commission, authority, district, or agency thereof, or a public school, Florida College System institution, state university, or associated board.

⁵ Any public body corporate and politic authorized or created by general or special law and granted the power to issue bonds.

⁶ An ESG bond is any bond that has been designated or labeled as a bond that will be used to finance a project with an ESG purpose, including, but not limited to, green bonds, Certified Climate Bonds, GreenStar designated bonds, and other environmental bonds marketed as promoting a generalized or global environmental objective; social bonds marketed as promoting a social objective; and sustainability bonds and sustainable development goal bonds marketed as promoting both environmental and social objectives. It includes bonds self-designated by the issuer as ESG-labeled bonds and those designated as ESG-labeled bonds by a third-party verifier.

⁷ A “prohibited application” is defined as any application that participates in certain activities, such as conducting cyber-espionage against a public employer, and that is created, maintained, or owned by a foreign principal.

unauthorized access to, or temporary unavailability of the public employer’s records, digital assets, systems, networks, servers, or information. Public employers must block access to any prohibited application via their wireless networks and virtual private networks; restrict access to any prohibited application on any government cell phone, laptop, desktop computer, tablet computer, or other electronic device that can connect to the Internet that has been issued to an employee or officer for a work-related purpose; and retain the ability to remotely wipe and uninstall any prohibited application from any such device that is believed to have been adversely impacted by a prohibited application. The legislation requires an employee or officer of a CDD to remove any prohibited application from his or her government-issued device within 15 days of the DMS’ publication of its list of prohibited applications, and within 15 days of any subsequent update to the list of prohibited applications. The effective date of this legislation is July 1, 2023.

6. Chapter 2023 – 33, Laws of Florida (SB 264). The legislation restricts the issuance of government contracts or economic development incentives to foreign entities that are owned by, controlled by or organized under the laws of a foreign country of concern⁸. The law further prohibits a foreign principal⁹ from owning or acquiring agricultural land or other interests in real property on or within 10 miles of a military installation or critical infrastructure facility. A foreign principal that owns agricultural land acquired before July 1, 2023, may continue to hold such land and must register with the Florida Department of Agriculture and Consumer Services (DACS) by January 1, 2024. If the property owned or acquired before July 1, 2023, is on or within 10 miles of a military installation or critical infrastructure facility, the foreign principal must similarly register with the Department of Economic Opportunity by December 31, 2023. The law prohibits the People’s Republic of China, the Chinese Communist Party, its officials and members, other political party official or members, other legal entities or subsidiaries organized under the laws of, or having a principal place of business in, China or its political subdivisions, or other persons domiciled in China, who are not U.S. citizens or lawful permanent residents of the United States, from purchasing or acquiring an interest in, real property in Florida. Finally, the act amends s. 836.05, F.S., relating to criminal threats and extortion, to provide that a person who violates the statute while acting as a foreign agent for the purpose of benefitting a foreign country of concern, commits a first degree felony. The effective date of this legislation is July 1, 2023.

7. Chapter 2023 – 264, Laws of Florida (SB 7008). The legislation amends Section 119.071(3)(c)1., F.S., to save from repeal, the public records exemption for information relating to the following information held by an agency:

- Building plans;
- Blueprints;
- Schematic drawings; and

⁸ The People’s Republic of China, The Russian Federation, The Islamic Republic of Iran, The Democratic People’s Republic of Korea, The Republic of Cuba, The Venezuelan Regime of Nicolas Maduro, or The Syrian Arab Republic, including any agency of or other entity within significant control of such foreign country of concern.

⁹ “Foreign principal” means: The government or any official of the government of a foreign country of concern; A political party or member of a political party or any subdivision of a political party in a foreign country of concern; A partnership, association, corporation, organization, or other combination of persons organized under the laws of, or having its principal place of business in, a foreign country of concern, or a subsidiary of such entity; or o Any person who is domiciled in a foreign country of concern and is not a citizen or lawful permanent resident of the United States.

- Diagrams, including draft, preliminary, and final formats, which depict the internal layout or structural elements of an attractions and recreation facility, entertainment or resort complex, industrial complex, retail and service development, office development, health care facility, or hotel or motel development.

The effective date of this act is October 1, 2023.

8. Chapter 2023 – 75, Laws of Florida (HB 7007). The legislation removes the scheduled repeal date of the public record and public meeting exemptions for security or fire safety system plans under Sections 119.071(3)(a) and 286.0113(1), F.S., thereby maintaining the public record and public meeting exemptions for such plans. The effective date of this act is October 1, 2023.

For convenience, we have included copies of the legislation referenced in this memorandum. We request that you include this memorandum as part of the agenda packages for upcoming meetings of the governing boards of those special districts in which you serve as the District Manager and this firm serves as District Counsel. For purposes of the agenda package, it is not necessary to include the attached legislation, as we can provide copies to anyone requesting the same. Copies of the referenced legislation are also accessible by visiting this link: <http://laws.flrules.org/>.

October 24, 2023

RE: Trails At Monterey Community Development District

The Trails At Monterey Community Development District is required to select an auditor to perform the audit for the district for the years ending September 30, 2023, September 30, 2024 and September 30, 2025; with an option for an additional two-year renewal.

In accordance with the Auditor Selection procedures as outlined by Florida Statute 218.391, the District has established the auditor selection criteria and has placed a legal advertisement requesting proposals from qualified audit firms.

The current auditor for the Trails At Monterey Community Development District is the firm of Grau & Associates.

Grau & Associates was the only firm to respond to the legal advertisement requesting proposals to perform the fiscal year ending September 30, 2023, September 30, 2024 and September 30, 2025 audits. The proposed fee for the audit for fiscal year ending September 30, 2023 is \$3,400.00. The proposed fee for the audit for fiscal year ending September 30, 2024 is \$3,500.00. The proposed fee for the audit for fiscal year ending September 30, 2025 audit is \$3,600.00. The proposed fee for the audit for fiscal year ending September 30, 2026 (option year) is \$3,700.00. And the proposed fee for the audit for fiscal year ending September 30, 2027 (option year) is \$3,800.00. The approved fee for the fiscal year ending September 30, 2022 audit, which Grau & Associates has completed, was \$3,500.00. The proposed Audit Fee budget for Fiscal Year 2023/2024 is \$3,700.00.

Management would like to report that it is pleased with the professionalism and the competence of the Grau and Associates, partners and supporting staff.

It is recommended at this time that Grau & Associates be hired to perform the September 30, 2023, September 30, 2024 and September 30, 2025 annual government audits and also be selected, subject to fee adjustments for inflation, to perform the fiscal year end audits for the following two years (FYE 9/30/26 and 9/30/27).

Special District Services, Inc.



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

Proposal to Provide Financial Auditing Services:

TRAILS AT MONTEREY

Community Development District

Proposal Due: September 27, 2023
4:00PM

Submitted to:

Trails at Monterey
Community Development District
c/o SDS
2501A Burns Road
Palm Beach Gardens, Florida 33410

Submitted by:

Antonio J. Grau, Partner
Grau & Associates
951 Yamato Road, Suite 280
Boca Raton, Florida 33431

Tel (561) 994-9299
(800) 229-4728

Fax (561) 994-5823

tgrau@graucpa.com

www.graucpa.com



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Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

September 27, 2023

Trails at Monterey Community Development District
C/o SDS
2501A Burns Road
Palm Beach Gardens, Florida 33410

Re: Request for Proposal for Professional Auditing Services for the fiscal year ended September 30, 2023-2025, with an option for two (2) additional annual renewals.

Grau & Associates (Grau) welcomes the opportunity to respond to the Trails at Monterey Community Development District's (the "District") Request for Proposal (RFP), and we look forward to working with you on your audit. We are an energetic and robust team of knowledgeable professionals and are a recognized leader of providing services to Community Development Districts. As one of Florida's few firms to primarily focus on government, we are especially equipped to provide you an effective and efficient audit.

Special district audits are at the core of our practice: **we have a total of 360 clients, 329 or 91% of which are special districts.** We know the specifics of the professional services and work products needed to meet your RFP requirements like no other firm. With this level of experience, we are able to increase efficiency, to provide immediate and continued savings, and to minimize disturbances to client operations.

Why Grau & Associates:

Knowledgeable Audit Team

Grau is proud that the personnel we assign to your audit are some of the most seasoned auditors in the field. Our staff performs governmental engagements year round. When not working on your audit, your team is refining their audit approach for next year's audit. Our engagement partners have decades of experience and take a hands-on approach to our assignments, which all ensures a smoother process for you.

Servicing your Individual Needs

Our clients enjoy personalized service designed to satisfy their unique needs and requirements. Throughout the process of our audit, you will find that we welcome working with you to resolve any issues as swiftly and easily as possible. In addition, due to Grau's very low turnover rate for our industry, you also won't have to worry about retraining your auditors from year to year.

Developing Relationships

We strive to foster mutually beneficial relationships with our clients. We stay in touch year round, updating, collaborating and assisting you in implementing new legislation, rules and standards that affect your organization. We are also available as a sounding board and assist with technical questions.

Maintaining an Impeccable Reputation

We have never been involved in any litigation, proceeding or received any disciplinary action. Additionally, we have never been charged with, or convicted of, a public entity crime of any sort. We are financially stable and have never been involved in any bankruptcy proceedings.

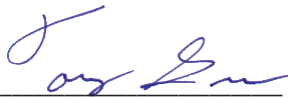
Complying With Standards

Our audit will follow the Auditing Standards of the AICPA, Generally Accepted Government Auditing Standards, issued by the Comptroller General of the United States, and the Rules of the Auditor General of the State of Florida, and any other applicable federal, state and local regulations. We will deliver our reports in accordance with your requirements.

This proposal is a firm and irrevocable offer for 90 days. We certify this proposal is made without previous understanding, agreement or connection either with any previous firms or corporations offering a proposal for the same items. We also certify our proposal is in all respects fair, without outside control, collusion, fraud, or otherwise illegal action, and was prepared in good faith. Only the person(s), company or parties interested in the project as principals are named in the proposal. Grau has no existing or potential conflicts, and anticipates no conflicts during the engagement. Our Federal I.D. number is 20-2067322.

We would be happy to answer any questions or to provide any additional information. We are genuinely excited about the prospect of serving you and establishing a long-term relationship. Please do not hesitate to call or email either of our Partners, Antonio J. Grau, CPA (tgrau@graucpa.com) or Racquel McIntosh, CPA (rmcintosh@graucpa.com) at 561.994.9299. We thank you for considering our firm's qualifications and experience.

Very truly yours,
Grau & Associates



Antonio J. Grau

Firm Qualifications



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

Grau's Focus and Experience

Our Team



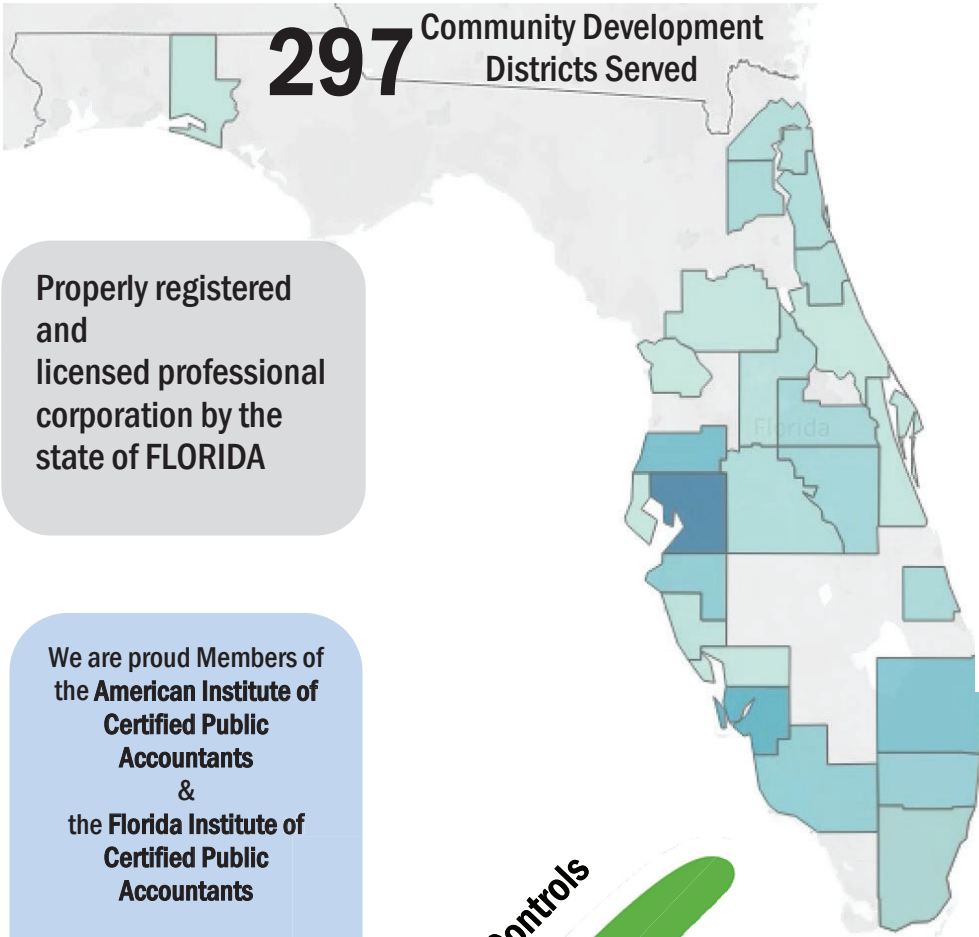
3 Partners
10 Professional Staff
2 Administrative Professionals



2005

Year founded

Services Provided



Properly registered and licensed professional corporation by the state of FLORIDA

We are proud Members of the American Institute of Certified Public Accountants & the Florida Institute of Certified Public Accountants

Quality Controls



- ⇒ External quality review program: consistently receives a pass
- ⇒ Internal: ongoing monitoring to maintain quality



AICPA | FICPA | GFOA | FASD | FGFOA

See next page for report and certificate



Florida Institute of Certified Public Accountants

FICPA Peer Review Program
Administered in Florida
by The Florida Institute of CPAs



Peer Review
Program

AICPA Peer Review Program
Administered in Florida
by the Florida Institute of CPAs

March 17, 2023

Antonio Grau
Grau & Associates
951 Yamato Rd Ste 280
Boca Raton, FL 33431-1809

Dear Antonio Grau:

It is my pleasure to notify you that on March 16, 2023, the Florida Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is December 31, 2025. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation.

Sincerely,

FICPA Peer Review Committee

Peer Review Team
FICPA Peer Review Committee

850.224.2727, x5957

cc: Daniel Hevia, Racquel McIntosh

Firm Number: 900004390114

Review Number: 594791

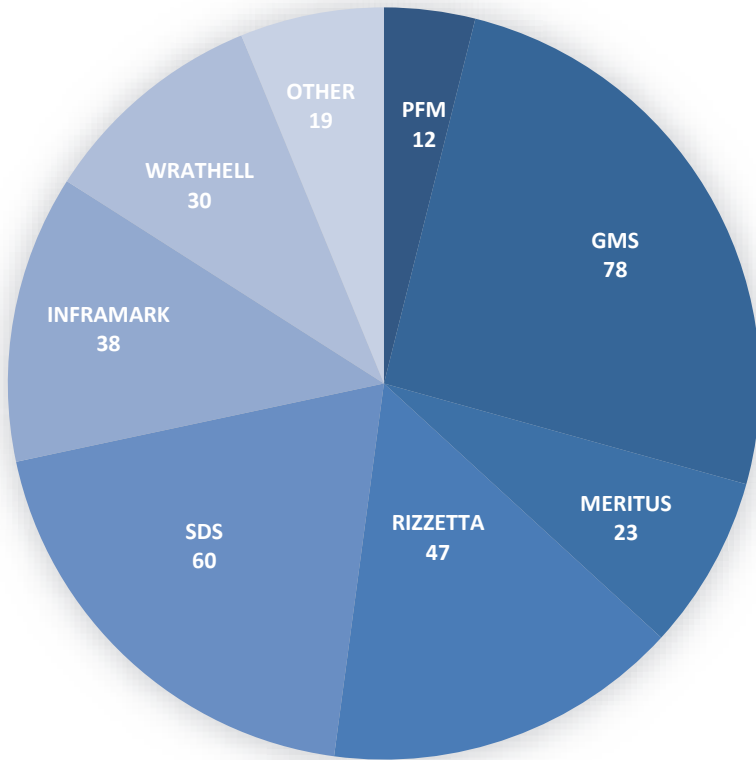
119 S Monroe Street, Suite 121 | Tallahassee, FL 32301 | 850.224.2727, in Florida | www.ficpa.org

Firm & Staff Experience



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

GRAU AND ASSOCIATES COMMUNITY DEVELOPMENT DISTRICT EXPERIENCE BY MANAGEMENT COMPANY



Profile Briefs:

Antonio J GRAU, CPA (Partner)

*Years Performing Audits: 35+
CPE (last 2 years): Government Accounting, Auditing: 24 hours; Accounting, Auditing and Other: 58 hours
Professional Memberships: AICPA, FICPA, FGFOA, GFOA*

Racquel McIntosh, CPA (Partner)

*Years Performing Audits: 18+
CPE (last 2 years): Government Accounting, Auditing: 38 hours; Accounting, Auditing and Other: 56 hours
Professional Memberships: AICPA, FICPA, FGFOA, FASD*

“Here at Grau & Associates, staying up to date with the current technological landscape is one of our top priorities. Not only does it provide a more positive experience for our clients, but it also allows us to perform a more effective and efficient audit. With the every changing technology available and utilized by our clients, we are constantly innovating our audit process.”

- Tony Grau

“Quality audits and exceptional client service are at the heart of every decision we make. Our clients trust us to deliver a quality audit, adhering to high standards and assisting them with improvements for their organization.”

-Racquel McIntosh

YOUR ENGAGEMENT TEAM

Grau's client-specific engagement team is meticulously organized in order to meet the unique needs of each client. Constant communication within our solution team allows for continuity of staff and audit team.

Grau contracts with an outside group of IT management consultants to assist with matters including, but not limited to; network and database security, internet security and vulnerability testing.

An advisory consultant will be available as a sounding board to advise in those areas where problems are encountered.



The assigned personnel will work closely with the partner and the District to ensure that the financial statements and all other reports are prepared in accordance with professional standards and firm policy. Responsibilities will include planning the audit; communicating with the client and the partners the progress of the audit; and determining that financial statements and all reports issued by the firm are accurate, complete and are prepared in accordance with professional standards and firm policy.

The Engagement Partner will participate extensively during the various stages of the engagement and has direct responsibility for engagement policy, direction, supervision, quality control, security, confidentiality of information of the engagement and communication with client personnel. The engagement partner will also be involved directing the development of the overall audit approach and plan; performing an overriding review of work papers and ascertain client satisfaction.



**Antonio 'Tony' J. Grau, CPA
Partner**

Contact: tgrau@graucpa.com | (561) 939-6672

Experience

For over 30 years, Tony has been providing audit, accounting and consulting services to the firm's governmental, non-profit, employee benefit, overhead and arbitrage clients. He provides guidance to clients regarding complex accounting issues, internal controls and operations.

As a member of the Government Finance Officers Association Special Review Committee, Tony participated in the review process for awarding the GFOA Certificate of Achievement in Financial Reporting. Tony was also the review team leader for the Quality Review of the Office of Management Audits of School Board of Miami-Dade County. Tony received the AICPA advanced level certificate for governmental single audits.

Education

University of South Florida (1983)
Bachelor of Arts
Business Administration

Clients Served (partial list)

(>300) Various Special Districts, including:

- | | |
|--|--|
| Bayside Improvement Community Development District | St. Lucie West Services District |
| Dunes Community Development District | Ave Maria Stewardship Community District |
| Fishhawk Community Development District (I,II,IV) | Rivers Edge II Community Development District |
| Grand Bay at Doral Community Development District | Bartram Park Community Development District |
| Heritage Harbor North Community Development District | Bay Laurel Center Community Development District |
| Boca Raton Airport Authority | |
| Greater Naples Fire Rescue District | |
| Key Largo Wastewater Treatment District | |
| Lake Worth Drainage District | |
| South Indian River Water Control | |

Professional Associations/Memberships

- American Institute of Certified Public Accountants Florida Government Finance Officers Association
 Florida Institute of Certified Public Accountants Government Finance Officers Association Member
 City of Boca Raton Financial Advisory Board Member

Professional Education (over the last two years)

<u>Course</u>	<u>Hours</u>
Government Accounting and Auditing	24
Accounting, Auditing and Other	<u>58</u>
Total Hours	<u>82</u> (includes of 4 hours of Ethics CPE)



Racquel C. McIntosh, CPA

Partner

Contact: rmcintosh@graucpa.com | (561) 939-6669

Experience

Racquel has been providing government audit, accounting and advisory services to our clients for over 14 years. She serves as the firm's quality control partner; in this capacity she closely monitors engagement quality ensuring standards are followed and maintained throughout the audit.

Racquel develops in-house training seminars on current government auditing, accounting, and legislative topics and also provides seminars for various government organizations. In addition, she assists clients with implementing new accounting software, legislation, and standards.

Education

Florida Atlantic University (2004)
 Master of Accounting
 Florida Atlantic University (2003)
 Bachelor of Arts:
 Finance, Accounting

Clients Served (partial list)

(>300) Various Special Districts, including:
 Carlton Lakes Community Development District
 Golden Lakes Community Development District
 Rivercrest Community Development District
 South Fork III Community Development District
 TPOST Community Development District

Westchase Community Development District
 Monterra Community Development District
 Palm Coast Park Community Development District
 Long Leaf Community Development District
 Watergrass Community Development District

East Central Regional Wastewater Treatment Facilities
 Indian Trail Improvement District
 Pinellas Park Water Management District
 Ranger Drainage District
 South Trail Fire Protection and Rescue Service District

Professional Associations/ Memberships

American Institute of Certified Public Accountants
 Florida Institute of Certified Public Accountants
 FICPA State & Local Government Committee
 FGFOA Palm Beach Chapter

Professional Education (over the last two years)

<u>Course</u>	<u>Hours</u>
Government Accounting and Auditing	38
Accounting, Auditing and Other	56
Total Hours	<u>94</u> <small>(includes of 4 hours of Ethics CPE)</small>

References



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

We have included three references of government engagements that require compliance with laws and regulations, follow fund accounting, and have financing requirements, which we believe are similar to the District.

Dunes Community Development District

Scope of Work	Financial audit
Engagement Partner	Antonio J. Grau
Dates	Annually since 1998
Client Contact	Darrin Mossing, Finance Director 475 W. Town Place, Suite 114 St. Augustine, Florida 32092 904-940-5850

Two Creeks Community Development District

Scope of Work	Financial audit
Engagement Partner	Antonio J. Grau
Dates	Annually since 2007
Client Contact	William Rizzetta, President 3434 Colwell Avenue, Suite 200 Tampa, Florida 33614 813-933-5571

Journey's End Community Development District

Scope of Work	Financial audit
Engagement Partner	Antonio J. Grau
Dates	Annually since 2004
Client Contact	Todd Wodraska, Vice President 2501 A Burns Road Palm Beach Gardens, Florida 33410 561-630-4922

Specific Audit Approach



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

AUDIT APPROACH

Grau's Understanding of Work Product / Scope of Services:

We recognize the District is an important entity and we are confident our firm is eminently qualified to meet the challenges of this engagement and deliver quality audit services. ***You would be a valued client of our firm and we pledge to commit all firm resources to provide the level and quality of services (as described below) which not only meet the requirements set forth in the RFP but will exceed those expectations.*** Grau & Associates fully understands the scope of professional services and work products requested. Our audit will follow the Auditing Standards of the AICPA, *Generally Accepted Government Auditing Standards*, issued by the Comptroller General of the United States, and the Rules of the Auditor General of the State of Florida and any other applicable Federal, State or Local regulations. **We will deliver our reports in accordance with your requirements.**

Proposed segmentation of the engagement

Our approach to the audit engagement is a risk-based approach which integrates the best of traditional auditing techniques and a total systems concept to enable the team to conduct a more efficient and effective audit. The audit will be conducted in three phases, which are as follows:



Phase I - Preliminary Planning

A thorough understanding of your organization, service objectives and operating environment is essential for the development of an audit plan and for an efficient, cost-effective audit. During this phase, we will meet with appropriate personnel to obtain and document our understanding of your operations and service objectives and, at the same time, give you the opportunity to express your expectations with respect to the services that we will provide. Our work effort will be coordinated so that there will be minimal disruption to your staff.

During this phase we will perform the following activities:

- » Review the regulatory, statutory and compliance requirements. This will include a review of applicable federal and state statutes, resolutions, bond documents, contracts, and other agreements;
- » Read minutes of meetings;
- » Review major sources of information such as budgets, organization charts, procedures, manuals, financial systems, and management information systems;
- » Obtain an understanding of fraud detection and prevention systems;
- » Obtain and document an understanding of internal control, including knowledge about the design of relevant policies, procedures, and records, and whether they have been placed in operation;
- » Assess risk and determine what controls we are to rely upon and what tests we are going to perform and perform test of controls;
- » Develop audit programs to incorporate the consideration of financial statement assertions, specific audit objectives, and appropriate audit procedures to achieve the specified objectives;
- » Discuss and resolve any accounting, auditing and reporting matters which have been identified.

Phase II – Execution of Audit Plan

The audit team will complete a major portion of transaction testing and audit requirements during this phase. The procedures performed during this period will enable us to identify any matter that may impact the completion of our work or require the attention of management. Tasks to be performed in Phase II include, but are not limited to the following:

- » Apply analytical procedures to further assist in the determination of the nature, timing, and extent of auditing procedures used to obtain evidential matter for specific account balances or classes of transactions;
- » Perform tests of account balances and transactions through sampling, vouching, confirmation and other analytical procedures; and
- » Perform tests of compliance.

Phase III - Completion and Delivery

In this phase of the audit, we will complete the tasks related to year-end balances and financial reporting. All reports will be reviewed with management before issuance, and the partners will be available to meet and discuss our report and address any questions. Tasks to be performed in Phase III include, but are not limited to the following:

- » Perform final analytical procedures;
- » Review information and make inquiries for subsequent events; and
- » Meeting with Management to discuss preparation of draft financial statements and any potential findings or recommendations.

You should expect more from your accounting firm than a signature in your annual financial report. Our concept of truly responsive professional service emphasizes taking an active interest in the issues of concern to our clients and serving as an effective resource in dealing with those issues. In following this approach, we not only audit financial information with hindsight but also consider the foresight you apply in managing operations.

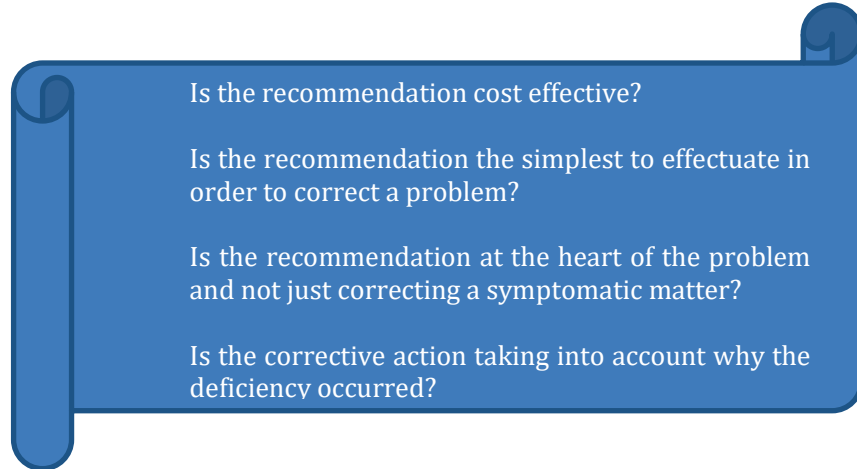
Application of this approach in developing our management letter is particularly important given the increasing financial pressures and public scrutiny facing today's public officials. We will prepare the management letter at the completion of our final procedures.

In preparing this management letter, we will initially review any draft comments or recommendations with management. In addition, we will take necessary steps to ensure that matters are communicated to those charged with governance.

In addition to communicating any recommendations, we will also communicate the following, if any:

- » Significant audit adjustments;
- » Significant deficiencies or material weaknesses;
- » Disagreements with management; and
- » Difficulties encountered in performing the audit.

Our findings will contain a statement of condition describing the situation and the area that needs strengthening, what should be corrected and why. Our suggestions will withstand the basic tests of corrective action:



To assure full agreement with facts and circumstances, we will fully discuss each item with Management prior to the final exit conference. This policy means there will be no “surprises” in the management letter and fosters a professional, cooperative atmosphere.

Communications

We emphasize a continuous, year-round dialogue between the District and our management team. We regularly communicate through personal telephone calls and electronic mail throughout the audit and on a regular basis.

Our clients have the ability to transmit information to us on our secure client portal with the ability to assign different staff with separate log on and viewing capability. This further facilitates efficiency as all assigned users receive electronic mail notification as soon as new information has been posted into the portal.

Cost of Services



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

Our proposed all-inclusive fees for the financial audit for the fiscal years ended September 30, 2023-2027 are as follows:

<u>Year Ended September 30,</u>	<u>Fee</u>
2023	\$3,400
2024	\$3,500
2025	\$3,600
2026	\$3,700
2027	<u>\$3,800</u>
TOTAL (2023-2027)	<u>\$18,000</u>

The above fees are based on the assumption that the District maintains its current level of operations. Should conditions change or additional debt is issued the fees would be adjusted accordingly upon approval from all parties concerned.

Supplemental Information



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

PARTIAL LIST OF CLIENTS

SPECIAL DISTRICTS	Governmental Audit	Single Audit	Utility Fund	Current Client	Year End
Boca Raton Airport Authority	✓	✓		✓	9/30
Captain's Key Dependent District	✓			✓	9/30
Central Broward Water Control District	✓			✓	9/30
Collier Mosquito Control District	✓			✓	9/30
Coquina Water Control District	✓			✓	9/30
East Central Regional Wastewater Treatment Facility	✓		✓		9/30
Florida Green Finance Authority	✓				9/30
Greater Boca Raton Beach and Park District	✓			✓	9/30
Greater Naples Fire Control and Rescue District	✓	✓		✓	9/30
Green Corridor P.A.C.E. District	✓			✓	9/30
Hobe-St. Lucie Conservancy District	✓			✓	9/30
Indian River Mosquito Control District	✓				9/30
Indian Trail Improvement District	✓			✓	9/30
Key Largo Wastewater Treatment District	✓	✓	✓	✓	9/30
Lake Padgett Estates Independent District	✓			✓	9/30
Lake Worth Drainage District	✓			✓	9/30
Loxahatchee Groves Water Control District	✓				9/30
Old Plantation Control District	✓			✓	9/30
Pal Mar Water Control District	✓			✓	9/30
Pinellas Park Water Management District	✓			✓	9/30
Pine Tree Water Control District (Broward)	✓			✓	9/30
Pinetree Water Control District (Wellington)	✓				9/30
Ranger Drainage District	✓	✓		✓	9/30
Renaissance Improvement District	✓			✓	9/30
San Carlos Park Fire Protection and Rescue Service District	✓			✓	9/30
Sanibel Fire and Rescue District	✓			✓	9/30
South Central Regional Wastewater Treatment and Disposal Board	✓			✓	9/30
South-Dade Venture Development District	✓			✓	9/30
South Indian River Water Control District	✓	✓		✓	9/30
South Trail Fire Protection & Rescue District	✓			✓	9/30
Spring Lake Improvement District	✓			✓	9/30
St. Lucie West Services District	✓		✓	✓	9/30
Sunshine Water Control District	✓			✓	9/30
West Villages Improvement District	✓			✓	9/30
Various Community Development Districts (297)	✓			✓	9/30
TOTAL	332	5	3	327	

ADDITIONAL SERVICES

CONSULTING / MANAGEMENT ADVISORY SERVICES

Grau & Associates also provide a broad range of other management consulting services. Our expertise has been consistently utilized by Governmental and Non-Profit entities throughout Florida. Examples of engagements performed are as follows:

- Accounting systems
- Development of budgets
- Organizational structures
- Financing alternatives
- IT Auditing
- Fixed asset records
- Cost reimbursement
- Indirect cost allocation
- Grant administration and compliance

ARBITRAGE

The federal government has imposed complex rules to restrict the use of tax-exempt financing. Their principal purpose is to eliminate any significant arbitrage incentives in a tax-exempt issue. We have determined the applicability of these requirements and performed the rebate calculations for more than 150 bond issues, including both fixed and variable rate bonds.

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Current
Arbitrage
Calculations

We look forward to providing **Trails at Monterey Community Development District with our resources and experience to accomplish not only those minimum requirements set forth in your Request for Proposal, but to exceed those expectations!**

**For even more information on Grau & Associates
please visit us on www.graucpa.com.**