

Tampa Palms Open Space and Transportation Community Development District

Board of Supervisors

- Brad van Rooyen, Chairperson
- Jay Krause, Vice Chairman
- Fred Pfister, Assistant Secretary
- Leah Black, Assistant Secretary
- Bob Lennon, Assistant Secretary

Mark Vega, District Manager
Vivek Babbar, District Counsel
Scott Steady, Land Use Counsel
Tonja Stewart, District Engineer
Chet Benson, Clubhouse Manager
Ed Sanchez, Assistant Clubhouse Manager

Regular Meeting Agenda

Tuesday, June 20, 2023 – 5:15 p.m.

1. Roll Call
2. Public Comments (3) Minute Time Limit
3. Consent Agenda
 - A. Approval of the April 2023 Financial Report (P.2)
 - B. Acceptance of the Fiscal Year 2022 Audit (P. 15)
4. Staff Reports
 - A. Engineer's Report
 - B. Attorney's Report
 - C. Manager's Report
 - i. Discussion of Area 7 Event Room Patio Addition (46)
 - D. Club Manager's Report
5. Supervisor Requests/New Business
6. Public Comments (3) Minute Time Limit
7. Adjournment

The next Workshop is scheduled for Tuesday, July 4, 2023 at 5:15 p.m.
The next Meeting is scheduled for Tuesday, July 18, 2023 at 5:15 p.m.

District Office:
Inframark, Community Management Services
210 N. University Drive, Suite 702
Coral Springs, FL 33071
813-991-1140

Meeting Location:
West Meadows Community Center
8401 New Tampa Boulevard
Tampa, Florida 33647
813-977-1160

**Tampa Palms Open Space and Transportation
Community Development District**

Financial Report

April 30, 2023

Prepared by



Tampa Palms Open Space and Transportation

Community Development District

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**Tampa Palms Open Space and Transportation
Community Development District**

Financial Statements

(Unaudited)

April 30, 2023

TAMPA PALMS OPEN SPACE AND TRANSPORTATION

Community Development District

Balance Sheet
 April 30, 2023

ACCOUNT DESCRIPTION	GENERAL FUND	GENERAL FUND AREA 3	GENERAL FUND AREA 6	GENERAL FUND AREA 7	TOTAL
ASSETS					
Cash - Checking Account	\$ 359,110	\$ -	\$ -	\$ -	\$ 359,110
Due From Other Funds	-	1,733,065	1,176,280	1,805,135	4,714,480
Investments:					
Money Market Account	4,407,373	-	-	-	4,407,373
Utility Deposits - TECO	-	5,082	21,108	32,960	59,150
TOTAL ASSETS	\$ 4,766,483	\$ 1,738,147	\$ 1,197,388	\$ 1,838,095	\$ 9,540,113
LIABILITIES					
Accounts Payable	\$ -	\$ 39,761	\$ 19,552	\$ 33,647	\$ 92,960
Deposits	-	-	366	14,746	15,112
Due To Other Funds	4,714,480	-	-	-	4,714,480
TOTAL LIABILITIES	4,714,480	39,761	19,918	48,393	4,822,552
FUND BALANCES					
Nonspendable:					
Deposits	-	5,082	21,108	32,960	59,150
Assigned to:					
Operating Reserves	-	112,677	146,331	226,238	485,246
Reserves - Clubhouse	-	-	-	113,680	113,680
Reserves - Clubhouse/Cabana	-	-	2,385	-	2,385
Reserves - Court Amenities	-	-	53,441	20,411	73,852
Reserves - Fences	-	-	68,217	-	68,217
Reserves- Irrigation/Landscape	-	38,500	19,246	90,020	147,766
Reserves - Monuments/Signage	-	14,644	48,500	-	63,144
Reserves - Other	-	-	86,864	196,280	283,144
Reserves - Parking Lots	-	-	28,202	-	28,202
Reserves - Playground	-	-	-	60,876	60,876
Reserves - Ponds	-	354,238	20,422	90,020	464,680
Reserves - Highwoods Streetl.	-	-	68,012	-	68,012
Reserves - Swimming Pools	-	-	5,292	196,247	201,539
Unassigned:	52,003	1,173,245	609,450	762,970	2,597,668
TOTAL FUND BALANCES	\$ 52,003	\$ 1,698,386	\$ 1,177,470	\$ 1,789,702	\$ 4,717,561
TOTAL LIABILITIES & FUND BALANCES	\$ 4,766,483	\$ 1,738,147	\$ 1,197,388	\$ 1,838,095	\$ 9,540,113

Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Period Ending April 30, 2023

ACCOUNT DESCRIPTION	ANNUAL ADOPTED BUDGET	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	VARIANCE (\$) FAV(UNFAV)	YTD ACTUAL AS A % OF ADOPTED BUD
REVENUES					
Interest - Investments	\$ 4,100	\$ 2,392	\$ 36,604	\$ 34,212	892.78%
Interest - Tax Collector	-	-	307	307	0.00%
Special Assmnts- Tax Collector	344,921	344,921	341,324	(3,597)	98.96%
Special Assmnts- Developer	135,483	135,483	-	(135,483)	0.00%
Special Assmnts- Discounts	(13,797)	(13,797)	(13,088)	709	94.86%
Other Miscellaneous Revenues	-	-	2,614	2,614	0.00%
TOTAL REVENUES	470,707	468,999	367,761	(101,238)	78.13%
EXPENDITURES					
Administration					
P/R-Board of Supervisors	8,000	4,667	2,400	2,267	30.00%
FICA Taxes	612	357	184	173	30.07%
ProfServ-Engineering	18,000	10,500	495	10,005	2.75%
ProfServ-Legal Services	2,000	1,167	432	735	21.60%
ProfServ-Mgmt Consulting	38,983	22,740	22,740	-	58.33%
ProfServ-Special Assessment	8,785	8,785	8,785	-	100.00%
ProfServ-Assessment Methodology	7,500	7,500	-	7,500	0.00%
Auditing Services	3,993	3,993	-	3,993	0.00%
Postage and Freight	165	96	92	4	55.76%
Insurance - General Liability	13,007	9,756	11,827	(2,071)	90.93%
Printing and Binding	100	58	6	52	6.00%
Legal Advertising	1,500	875	543	332	36.20%
Miscellaneous Services	500	292	398	(106)	79.60%
Misc-Assessment Collection Cost	6,898	6,898	6,565	333	95.17%
Office Supplies	75	44	-	44	0.00%
Annual District Filing Fee	54	54	54	-	100.00%
Total Administration	110,172	77,782	54,521	23,261	49.49%
Field					
Florida Retirement System	6,667	3,889	2,926	963	43.89%
ProfServ-Field Management	11,256	6,566	6,936	(370)	61.62%
Contracts-Landscape	133,164	77,679	75,521	2,158	56.71%
Electricity - Streetlights	134,000	78,167	80,137	(1,970)	59.80%
R&M-Irrigation	13,948	8,136	8,377	(241)	60.06%
R&M-Landscape Renovations	8,000	4,667	49,690	(45,023)	621.13%
R&M-Ponds	10,000	5,833	9,409	(3,576)	94.09%
Holiday Decoration	10,000	5,833	6,500	(667)	65.00%
Misc-Contingency	21,000	12,250	27,000	(14,750)	128.57%
Op Supplies - General	2,500	1,458	3,470	(2,012)	138.80%
Reserve - Ponds	10,000	10,000	-	10,000	0.00%
Total Field	360,535	214,478	269,966	(55,488)	74.88%
TOTAL EXPENDITURES	470,707	292,260	324,487	(32,227)	68.94%

Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Period Ending April 30, 2023

<u>ACCOUNT DESCRIPTION</u>	<u>ANNUAL ADOPTED BUDGET</u>	<u>YEAR TO DATE BUDGET</u>	<u>YEAR TO DATE ACTUAL</u>	<u>VARIANCE (\$) FAV(UNFAV)</u>	<u>YTD ACTUAL AS A % OF ADOPTED BUD</u>
Excess (deficiency) of revenues					
Over (under) expenditures	-	176,739	43,274	(133,465)	0.00%
Net change in fund balance	\$ -	\$ 176,739	\$ 43,274	\$ (133,465)	0.00%
FUND BALANCE, BEGINNING (OCT 1, 2022)	1,655,112	1,655,112	1,655,112		
FUND BALANCE, ENDING	\$ 1,655,112	\$ 1,831,851	\$ 1,698,386		

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Period Ending April 30, 2023

<u>ACCOUNT DESCRIPTION</u>	<u>ANNUAL ADOPTED BUDGET</u>	<u>YEAR TO DATE BUDGET</u>	<u>YEAR TO DATE ACTUAL</u>	<u>VARIANCE (\$) FAV(UNFAV)</u>	<u>YTD ACTUAL AS A % OF ADOPTED BUD</u>
<u>REVENUES</u>					
Interest - Investments	\$ 1,000	\$ 583	\$ 26,325	\$ 25,742	2632.50%
Interest - Tax Collector	-	-	307	307	0.00%
Special Assmnts- Tax Collector	667,675	667,675	658,132	(9,543)	98.57%
Special Assmnts- Discounts	(26,707)	(26,707)	(25,235)	1,472	94.49%
Other Miscellaneous Revenues	-	-	2,614	2,614	0.00%
TOTAL REVENUES	641,968	641,551	662,143	20,592	103.14%
<u>EXPENDITURES</u>					
<u>Administration</u>					
P/R-Board of Supervisors	8,000	4,667	2,400	2,267	30.00%
FICA Taxes	612	357	184	173	30.07%
ProfServ-Engineering	5,000	2,917	374	2,543	7.48%
ProfServ-Legal Services	2,500	1,458	380	1,078	15.20%
ProfServ-Mgmt Consulting	29,700	17,325	17,325	-	58.33%
ProfServ-Special Assessment	5,986	5,986	5,986	-	100.00%
Auditing Services	3,500	3,500	-	3,500	0.00%
Postage and Freight	150	88	70	18	46.67%
Insurance - General Liability	13,006	9,755	8,933	822	68.68%
Printing and Binding	75	44	4	40	5.33%
Legal Advertising	750	438	410	28	54.67%
Miscellaneous Services	1,000	583	362	221	36.20%
Misc-Assessment Collection Cost	13,354	13,354	12,658	696	94.79%
Office Supplies	99	58	-	58	0.00%
Annual District Filing Fee	41	41	41	-	100.00%
Total Administration	83,773	60,571	49,127	11,444	58.64%
<u>Field</u>					
Payroll-Pool Monitors	10,000	5,833	4,107	1,726	41.07%
FICA Taxes	765	446	314	132	41.05%
Florida Retirement System	6,667	3,889	2,926	963	43.89%
ProfServ-Field Management	11,137	6,497	6,936	(439)	62.28%
Contracts-Landscape	106,315	62,017	56,353	5,664	53.01%
Communication - Telephone	2,000	1,167	1,483	(316)	74.15%
Electricity - Streetlights	137,300	80,092	95,147	(15,055)	69.30%
Utility - Water	6,800	3,967	10,171	(6,204)	149.57%
Electricity - Fountain	1,500	875	-	875	0.00%
R&M-Court Maintenance	30,000	17,500	-	17,500	0.00%
R&M-Irrigation	20,000	11,667	29,450	(17,783)	147.25%
R&M-Landscape Renovations	35,000	20,417	17,862	2,555	51.03%
R&M-Ponds	14,568	8,498	9,247	(749)	63.47%
R&M-Pools	8,000	4,667	5,240	(573)	65.50%
R&M-Streetlights	7,500	4,375	3,057	1,318	40.76%
Misc-Holiday Lighting	5,000	2,917	7,000	(4,083)	140.00%
Misc-Contingency	71,081	41,463	44,994	(3,531)	63.30%

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Period Ending April 30, 2023

ACCOUNT DESCRIPTION	ANNUAL ADOPTED BUDGET	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	VARIANCE (\$) FAV(UNFAV)	YTD ACTUAL AS A % OF ADOPTED BUD
Op Supplies - General	4,000	2,333	8,171	(5,838)	204.28%
Reserve - Clubhouse/Cabana	2,385	2,385	-	2,385	0.00%
Reserve - Court Amenities	10,034	10,034	28,975	(18,941)	288.77%
Reserve - Fences	8,937	8,937	-	8,937	0.00%
Reserve - Irrigation/Landscape	2,594	2,594	15,780	(13,186)	608.33%
Reserve - Monuments/Signage	12,022	12,022	6,882	5,140	57.25%
Reserve - Other	21,716	21,716	-	21,716	0.00%
Reserve - Parking Lot	798	798	-	798	0.00%
Reserve - Ponds	2,888	2,888	-	2,888	0.00%
Reserve -Highwoods Streetlights	16,988	16,988	-	16,988	0.00%
Reserve - Swimming Pools	2,200	2,200	-	2,200	0.00%
Total Field	558,195	359,182	354,095	5,087	63.44%
TOTAL EXPENDITURES	641,968	419,753	403,222	16,531	62.81%
Excess (deficiency) of revenues					
Over (under) expenditures	-	221,798	258,921	37,123	0.00%
Net change in fund balance	\$ -	\$ 221,798	\$ 258,921	\$ 37,123	0.00%
FUND BALANCE, BEGINNING (OCT 1, 2022)	918,549	918,549	918,549		
FUND BALANCE, ENDING	\$ 918,549	\$ 1,140,347	\$ 1,177,470		

Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Period Ending April 30, 2023

ACCOUNT DESCRIPTION	ANNUAL ADOPTED BUDGET	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	VARIANCE (\$) FAV(UNFAV)	YTD ACTUAL AS A % OF ADOPTED BUD
REVENUES					
Interest - Investments	\$ 1,800	\$ 1,050	\$ 26,329	\$ 25,279	1462.72%
Room Rentals	5,000	2,917	3,804	887	76.08%
Interest - Tax Collector	-	-	307	307	0.00%
Special Assmnts- Tax Collector	1,139,060	1,139,060	1,123,984	(15,076)	98.68%
Special Assmnts- Discounts	(45,562)	(45,562)	(43,098)	2,464	94.59%
Other Miscellaneous Revenues	3,800	2,217	3,719	1,502	97.87%
Access Cards	1,000	583	861	278	86.10%
TOTAL REVENUES	1,105,098	1,100,265	1,115,906	15,641	100.98%

EXPENDITURES

Administration

P/R-Board of Supervisors	8,000	4,667	2,400	2,267	30.00%
FICA Taxes	612	357	184	173	30.07%
ProfServ-Dissemination Agent	1,000	1,000	-	1,000	0.00%
ProfServ-Engineering	6,000	3,500	733	2,767	12.22%
ProfServ-Legal Services	3,000	1,750	543	1,207	18.10%
ProfServ-Mgmt Consulting	57,311	33,431	33,431	-	58.33%
ProfServ-Special Assessment	11,631	11,631	11,631	-	100.00%
Auditing Services	5,035	2,937	-	2,937	0.00%
Postage and Freight	450	263	136	127	30.22%
Insurance - General Liability	17,077	12,808	20,297	(7,489)	118.86%
Printing and Binding	200	117	9	108	4.50%
Legal Advertising	1,000	583	805	(222)	80.50%
Miscellaneous Services	500	292	470	(178)	94.00%
Misc-Assessment Collection Cost	22,781	22,781	21,618	1,163	94.89%
Office Supplies	250	146	-	146	0.00%
Annual District Filing Fee	80	80	80	-	100.00%
Total Administration	134,927	96,343	92,337	4,006	68.43%

Field

Payroll-Part Time	90,000	52,500	59,981	(7,481)	66.65%
Payroll-Part Time Club Suprvsr	40,000	23,333	24,390	(1,057)	60.98%
Payroll-Site Manager	78,786	45,959	44,063	1,896	55.93%
FICA Taxes	15,972	9,317	11,008	(1,691)	68.92%
Florida Retirement System	6,667	3,889	2,926	963	43.89%
Life and Health Insurance	10,500	6,125	6,545	(420)	62.33%
Workers' Compensation	9,038	5,272	2,831	2,441	31.32%
Contracts-Security Services	3,750	2,188	3,126	(938)	83.36%
Contracts-Landscape	42,345	24,701	28,470	(3,769)	67.23%
Contracts-Irrigation	6,600	3,850	-	3,850	0.00%
Contracts-Pools	20,100	11,725	10,375	1,350	51.62%
Contracts-Lakes	4,500	2,625	-	2,625	0.00%
Contracts-Pest Control	965	563	192	371	19.90%
Communication - Mobile	1,200	700	-	700	0.00%

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Period Ending April 30, 2023

ACCOUNT DESCRIPTION	ANNUAL ADOPTED BUDGET	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	VARIANCE (\$) FAV(UNFAV)	YTD ACTUAL AS A % OF ADOPTED BUD
Communication - Teleph - Field	4,548	2,653	3,292	(639)	72.38%
Electricity - Streetlights	245,000	142,917	176,738	(33,821)	72.14%
Utility - Water	28,000	16,333	22,471	(6,138)	80.25%
Utility - Refuse Removal	12,000	7,000	1,130	5,870	9.42%
Electricity - Fountain	3,500	2,042	3,543	(1,501)	101.23%
Rentals & Leases	9,420	5,495	6,366	(871)	67.58%
R&M-General	25,000	14,583	8,664	5,919	34.66%
R&M-Court Maintenance	10,500	6,125	1,912	4,213	18.21%
R&M-Electrical	9,500	5,542	187	5,355	1.97%
R&M-Gate	2,000	1,167	1,226	(59)	61.30%
R&M-Irrigation	4,500	2,625	3,343	(718)	74.29%
R&M-Landscape Renovations	14,000	8,167	13,175	(5,008)	94.11%
R&M-Pest Control	100	58	576	(518)	576.00%
R&M-Ponds	4,236	2,471	2,948	(477)	69.59%
R&M-Pools	15,000	8,750	4,747	4,003	31.65%
R&M-Plumbing	2,500	1,458	3,001	(1,543)	120.04%
R&M-Painting	9,000	5,250	-	5,250	0.00%
Misc-Access Cards	2,500	1,458	1,180	278	47.20%
Misc-Holiday Lighting	4,000	2,333	3,800	(1,467)	95.00%
Special Events	10,000	5,833	9,622	(3,789)	96.22%
Misc-Clubhouse Activities	4,000	2,333	-	2,333	0.00%
Misc-Contingency	8,548	4,986	26,358	(21,372)	308.35%
Misc-Web Hosting	650	379	-	379	0.00%
Cleaning Supplies	2,500	1,458	3,620	(2,162)	144.80%
Op Supplies - General	13,500	7,875	5,476	2,399	40.56%
Reserve - Clubhouse	56,944	56,944	13,088	43,856	22.98%
Reserve - Court Amenities	11,361	11,361	-	11,361	0.00%
Reserve - Other	49,070	49,070	9,500	39,570	19.36%
Reserve - Playground	6,999	6,999	-	6,999	0.00%
Reserve - Swimming Pools	70,872	70,872	13,440	57,432	18.96%
Total Field	970,171	647,284	533,310	113,974	54.97%
TOTAL EXPENDITURES	1,105,098	743,627	625,647	117,980	56.61%
Excess (deficiency) of revenues Over (under) expenditures	-	356,638	490,259	133,621	0.00%
Net change in fund balance	\$ -	\$ 356,638	\$ 490,259	\$ 133,621	0.00%
FUND BALANCE, BEGINNING (OCT 1, 2022)	1,301,685	1,301,685	1,301,685		
FUND BALANCE, ENDING	\$ 1,301,685	\$ 1,658,323	\$ 1,791,944		

**Tampa Palms Open Space and Transportation
Community Development District**

Supporting Schedules

April 30, 2023

Tampa Palms Open Space & Transportation

Community Development District

**Non Ad Valorem Special Assessments
(Hillsborough County - Monthly Collection Distributions)
For the Fiscal Year Ending September 30, 2023**

Date Received	Net Amount Received	Discount / (Penalties) Amount	Collection Costs	Gross Amount Received	ALLOCATION		
					Area 3 General Fund Assessments	Area 6 General Fund Assessments	Area 7 General Fund Assessments
Assessments Levied				\$ 2,154,247	\$ 346,276	\$ 667,680	\$ 1,140,291
Allocation %				100%	16.07%	30.99%	52.93%
11/03/22	\$ 27,270	\$ 1,426	\$ 557	\$ 29,253	\$ 4,702	\$ 9,067	\$ 15,484
11/17/22	\$ 173,404	\$ 7,373	\$ 3,539	\$ 184,315	\$ 29,627	\$ 57,126	\$ 97,562
11/22/22	\$ 107,439	\$ 4,568	\$ 2,193	\$ 114,200	\$ 18,357	\$ 35,395	\$ 60,449
11/29/22	\$ 178,179	\$ 7,576	\$ 3,636	\$ 189,391	\$ 30,443	\$ 58,699	\$ 100,249
12/07/22	\$ 1,306,773	\$ 55,554	\$ 26,669	\$ 1,388,996	\$ 223,269	\$ 430,501	\$ 735,226
12/14/22	\$ 34,641	\$ 1,341	\$ 707	\$ 36,689	\$ 5,897	\$ 11,371	\$ 19,420
01/05/23	\$ 83,804	\$ 2,892	\$ 1,710	\$ 88,406	\$ 14,210	\$ 27,400	\$ 46,795
02/02/23	\$ 24,010	\$ 557	\$ 490	\$ 25,057	\$ 4,028	\$ 7,766	\$ 13,263
03/03/23	\$ 15,153	\$ 158	\$ 309	\$ 15,620	\$ 2,511	\$ 4,841	\$ 8,268
04/06/23	\$ 50,507	\$ (23)	\$ 1,031	\$ 51,515	\$ 8,281	\$ 15,966	\$ 27,268
TOTAL	\$ 2,001,179	\$ 81,420	\$ 40,840	\$ 2,123,440	\$ 341,324	\$ 658,132	\$ 1,123,984
% COLLECTED				99%	99%	99%	99%
TOTAL OUTSTANDING				\$ 30,807	\$ 4,952	\$ 9,548	\$ 16,307

**Cash and Investment Report
4/30/2023**

<u>ACCOUNT NAME</u>	<u>BANK NAME</u>	<u>YIELD</u>	<u>MATURITY</u>	<u>BALANCE</u>
Checking Account - Operating	Valley National	4.50%	n/a	\$ 359,110
		Subtotal		<u>\$ 359,110</u>
Money Market Account	Bank United	4.50%	n/a	4,407,373
		Subtotal		<u>\$ 4,407,373</u>
		Total		<u><u>\$ 4,766,483</u></u>

**Tampa Palms Open Space and Transportation
Community Development District**

ANNUAL FINANCIAL REPORT

September 30, 2022

**Tampa Palms Open Space and Transportation
Community Development District**

ANNUAL FINANCIAL REPORT

September 30, 2022

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REPORT OF INDEPENDENT AUDITORS

To the Board of Supervisors
Tampa Palms Open Space and Transportation Community Development District
Hillsborough County, Florida

Report on Audit of the Financial Statements

Opinion

We have audited the financial statements of the governmental activities and each major fund of Tampa Palms Open Space and Transportation Community Development District (the "District"), as of and for the year ended September 30, 2022, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Tampa Palms Open Space and Transportation Community Development District as of September 30, 2022, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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.

Fort Pierce / Stuart

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To the Board of Supervisors
Tampa Palms Open Space and Transportation Community Development District

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 one year beyond the financial statement date, including currently known information that may raise substantial doubt thereafter.

Auditor's Responsibility 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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* 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 could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgement 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 judgement, 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.



To the Board of Supervisors
Tampa Palms Open Space and Transportation Community Development District

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis 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 obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated June 7, 2023 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 and contracts.

The purpose of that report is 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 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 Tampa Palms Open Space and Transportation Community Development District's internal control over financial reporting and compliance.

*Berger Toombs Elam
Gaines + Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

June 7, 2023

**Tampa Palms Open Space and Transportation Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

Management's discussion and analysis of Tampa Palms Open Space and Transportation Community Development District (the "District") financial performance provides an objective and easily readable analysis of the District's financial activities. The analysis provides summary financial information for the District and should be read in conjunction with the District's financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

The District's basic financial statements comprise three components; 1) *Government-wide financial statements*, 2) *Fund financial statements*, and 3) *Notes to financial statements*. The *Government-wide financial statements* present an overall picture of the District's financial position and results of operations. The *Fund financial statements* present financial information for the District's major funds. The *Notes to financial statements* provide additional information concerning the District's finances.

The *Government-wide financial statements* are the **statement of net position** and the **statement of activities**. These statements use accounting methods similar to those used by private-sector companies. Emphasis is placed on the net position of governmental activities and the change in net position. Governmental activities are primarily supported by special assessments.

The **statement of net position** presents information on all assets and liabilities of the District, with the difference between assets and liabilities reported as net position. Net position is reported in three categories; 1) net investment in capital assets, 2) restricted, and 3) unrestricted. Assets, liabilities, and net position are reported for all Governmental activities.

The **statement of activities** presents information on all revenues and expenses of the District and the change in net position. Expenses are reported by major function and program revenues relating to those functions are reported, providing the net cost of all functions provided by the District. To assist in understanding the District's operations, expenses have been reported as governmental activities. Governmental activities financed by the District include general government, physical environment, and culture/recreation.

Fund financial statements present financial information for governmental funds. These statements provide financial information for the major funds of the District. Governmental fund financial statements provide information on the current assets and liabilities of the funds, changes in current financial resources (revenues and expenditures), and current available resources.

**Tampa Palms Open Space and Transportation Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Fund financial statements include a **balance sheet** and a **statement of revenues, expenditures and changes in fund balances** for all governmental funds. A **statement of revenues, expenditures, and changes in fund balances – budget and actual** is provided for the District's General Fund. *Fund financial statements* provide more detailed information about the District's activities. Individual funds are established by the District to track revenues that are restricted to certain uses or to comply with legal requirements.

The *government-wide financial statements* and the *fund financial statements* provide different pictures of the District. The *government-wide financial statements* provide an overall picture of the District's financial standing. These statements are comparable to private-sector companies and give a good understanding of the District's overall financial health and how the District paid for the various activities, or functions, provided by the District. All assets of the District, including capital assets are reported in the **statement of net position**. All liabilities, including principal outstanding on bonds are included. The **statement of activities** includes depreciation on all long-lived assets of the District, but transactions between the different functions of the District have been eliminated in order to avoid "doubling up" the revenues and expenses. The *fund financial statements* provide a picture of the major funds of the District. In the case of governmental activities, outlays for long lived assets are reported as expenditures and long-term liabilities, such as general obligation bonds, are not included in the fund financial statements. To provide a link from the *fund financial statements* to the *government-wide financial statements*, a reconciliation is provided from the *fund financial statements* to the *government-wide financial statements*.

Notes to financial statements provide additional detail concerning the financial activities and financial balances of the District. Additional information about the accounting practices of the District, investments of the District, capital assets and long-term debt are some of the items included in the *notes to financial statements*.

Financial Highlights

The following are the highlights of financial activity for the year ended September 30, 2022.

- ◆ The District's total assets exceeded total liabilities by \$5,358,027 (net position). Unrestricted net position for Governmental Activities was \$3,928,606. Net investment in capital assets was \$1,429,421.
- ◆ Governmental activities revenues totaled \$2,249,016 while governmental activities expenses totaled \$2,089,451.

**Tampa Palms Open Space and Transportation Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District

The following schedule provides a summary of the assets, liabilities and net position of the District and is presented by category for comparison purposes.

Net Position

	Governmental Activities	
	2022	2021
Current assets	\$ 4,028,687	\$ 3,774,759
Capital assets	<u>1,429,421</u>	<u>1,525,815</u>
Total Assets	<u>5,458,108</u>	<u>5,300,574</u>
Current liabilities	<u>100,081</u>	<u>102,112</u>
Net position - net investment in capital assets	1,429,421	1,525,815
Net position - unrestricted	<u>3,928,606</u>	<u>3,672,647</u>
Total Net Position	<u><u>\$ 5,358,027</u></u>	<u><u>\$ 5,198,462</u></u>

The increase in current assets and unrestricted net position is the result of revenues exceeding expenditures at the fund level in the current year.

The decrease in capital assets and net investment in capital assets was primarily due to depreciation in the current year.

**Tampa Palms Open Space and Transportation Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District (Continued)

The following schedule provides a summary of the changes in net position of the District and is presented by category for comparison purposes.

Financial Activity

	Governmental Activities	
	2022	2021
Program Revenues:		
Charges for services	\$ 2,215,838	\$ 2,115,852
General Revenues:		
Investment earnings	19,592	9,861
Miscellaneous	13,586	15,468
Total Revenues	<u>2,249,016</u>	<u>2,141,181</u>
Expenses:		
General government	309,686	242,946
Physical environment	1,487,428	1,267,130
Culture and recreation	292,337	219,663
Total Expenses	<u>2,089,451</u>	<u>1,729,739</u>
Change in Net Position	159,565	411,442
Net Position - Beginning of Year	<u>5,198,462</u>	<u>4,787,020</u>
Net Position - End of Year	<u>\$ 5,358,027</u>	<u>\$ 5,198,462</u>

The increase in general government is primarily related to the increase in engineering services in the current year.

The increase in physical environment is primarily related to the increase in bad debts, contingency and streetlight electricity expenditures in the current year.

The increase in culture/recreation is related to the increase in clubhouse reserve expenditures in the current year.

**Tampa Palms Open Space and Transportation Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Capital Assets Activity

The following schedule provides a summary of the District's capital assets activity as of September 30, 2022 and 2021:

<u>Description</u>	<u>Governmental Activities</u>	
	<u>2022</u>	<u>2021</u>
Land and improvements	\$ 274,965	\$ 274,965
Construction in progress	34,005	34,005
Buildings	638,767	664,355
Infrastructure	1,077,713	1,068,913
Equipment	415,640	395,302
Accumulated depreciation	(1,011,669)	(911,725)
Total Capital Assets, Net	<u>\$ 1,429,421</u>	<u>\$ 1,525,815</u>

The activity for the year consisted of depreciation of \$112,214, additions to equipment of \$25,588 and infrastructure of \$8,800 and the disposal of equipment and infrastructure with a net loss of \$18,568.

General Fund Budgetary Highlights

The budget exceeded governmental expenditures because reserve expenditures were less than anticipated.

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There were no amendments to the September 30, 2022 budget.

Economic Factors and Next Year's Budget

Tampa Palms Open Space and Transportation Community Development District does not expect any economic factors to have any significant effect on the financial position or results of operations of the District in fiscal year 2023.

Request for Information

The financial report is designed to provide a general overview of Tampa Palms Open Space and Transportation Community Development District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Tampa Palms Open Space and Transportation Community Development District, Inframark Infrastructure Management Services, 210 North University Drive, Suite 702, Coral Springs, Florida 33071.

Tampa Palms Open Space and Transportation Community Development District
STATEMENT OF NET POSITION
September 30, 2022

	Governmental Activities
ASSETS	
Current Assets	
Cash	\$ 3,939,702
Assessments receivable	1,743
Due from other governments	16,293
Prepaid expenses	644
Deposits	55,193
Restricted assets - cash	15,112
Total Current Assets	4,028,687
Non-current Assets	
Capital assets, not being depreciated	
Land and improvements	274,965
Construction in progress	34,005
Capital assets, being depreciated	
Buildings	638,767
Infrastructure	1,077,713
Equipment	415,640
Less: Accumulated depreciation	(1,011,669)
Total Non-current Assets	1,429,421
Total Assets	5,458,108
LIABILITIES	
Current Liabilities	
Accounts payable and accrued liabilities	84,969
Deposits payable from restricted assets	15,112
Total Liabilities	100,081
NET POSITION	
Net investment in capital assets	1,429,421
Unrestricted	3,928,606
Total Net Position	\$ 5,358,027

See accompanying notes to financial statements.

Tampa Palms Open Space and Transportation Community Development District
STATEMENT OF ACTIVITIES
September 30, 2022

Functions/Programs	Expenses	Program Revenues Charges for Services	Net (Expense) Revenues and Changes in Net Position Governmental Activities
Primary government			
Governmental Activities			
General government	\$ (309,686)	\$ 350,347	\$ 40,661
Physical environment	(1,487,428)	1,671,408	183,980
Culture/recreation	(292,337)	194,083	(98,254)
Total Governmental Activities	<u>\$ (2,089,451)</u>	<u>\$ 2,215,838</u>	<u>126,387</u>
General Revenues			
			19,592
			13,586
			<u>33,178</u>
			159,565
			5,198,462
			<u>\$ 5,358,027</u>

See accompanying notes to financial statements.

Tampa Palms Open Space and Transportation Community Development District
BALANCE SHEET –
GOVERNMENTAL FUNDS
September 30, 2022

	General
ASSETS	
Cash	\$ 3,954,814
Assessments receivable	1,743
Due from other governments	16,293
Prepaid expenses	644
Deposits	55,193
Total Assets	\$ 4,028,687
 LIABILITIES AND FUND BALANCES	
Liabilities	
Accounts payable and accrued liabilities	\$ 84,969
Deposits payable	15,112
Total Liabilities	100,081
 Fund Balances	
Nonspendable	
Prepaid expense	644
Deposits	55,193
Assigned	
Operating reserves	485,246
Capital reserves - Area 3	407,382
Capital reserves - Area 6	400,581
Capital reserves - Area 7	767,534
Unassigned	1,812,026
Total Fund Balances	3,928,606
Total Liabilities and Fund Balances	\$ 4,028,687

See accompanying notes to financial statements.

**Tampa Palms Open Space and Transportation Community Development District
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2022**

Total Governmental Fund Balances	\$ 3,928,606
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>	
Capital assets not being depreciated, land and improvements, \$274,965, and construction in progress, \$34,005, used in governmental activities are not current financial resources and therefore, are not reported at the fund level.	308,970
Capital assets being depreciated, infrastructure, \$1,077,713, buildings, \$638,767, and equipment, \$415,640, net of accumulated depreciation \$(1,011,669) used in governmental activities are not current financial resources and therefore, are not reported at the fund level.	<u>1,120,451</u>
Net Position of Governmental Activities	<u><u>\$ 5,358,027</u></u>

See accompanying notes to financial statements.

Tampa Palms Open Space and Transportation Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
For the Year Ended September 30, 2022

	General
Revenues	
Special assessments	\$ 2,215,838
Investment earnings	19,592
Miscellaneous revenues	13,586
Total Revenues	2,249,016
Expenditures	
Current	
General government	309,686
Physical environment	1,477,425
Culture/recreation	171,558
Capital outlay	34,388
Total Expenditures	1,993,057
Net Change in Fund Balance	255,959
Fund Balances - October 1, 2021	3,672,647
Fund Balances - September 30, 2022	\$ 3,928,606

See accompanying notes to financial statements.

**Tampa Palms Open Space and Transportation Community Development District
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 For the Year Ended September 30, 2022**

Net Change in Fund Balances - Total Governmental Funds	\$	255,959
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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, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation. This is the amount that depreciation, \$(112,214) and the loss on disposal of assets, \$(18,568), exceeded capital outlay, \$34,388, in the current period.		<u>(96,394)</u>
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Change in Net Position of Governmental Activities	\$	<u><u>159,565</u></u>
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See accompanying notes to financial statements.

Tampa Palms Open Space and Transportation Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND
For the Year Ended September 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Special assessments	\$ 2,201,073	\$ 2,201,073	\$ 2,215,838	\$ 14,765
Investment earnings	6,700	6,700	19,592	12,892
Miscellaneous revenues	5,100	5,100	13,586	8,486
Total Revenues	<u>2,212,873</u>	<u>2,212,873</u>	<u>2,249,016</u>	<u>36,143</u>
Expenditures				
Current				
General government	302,401	302,401	309,686	(7,285)
Physical environment	1,361,299	1,361,299	1,477,425	(116,126)
Culture/recreation	311,563	311,563	171,558	140,005
Capital outlay	237,610	237,610	34,388	203,222
Total Expenditures	<u>2,212,873</u>	<u>2,212,873</u>	<u>1,993,057</u>	<u>219,816</u>
Net Change in Fund Balances	-	-	255,959	255,959
Fund Balances - October 1, 2021	<u>-</u>	<u>-</u>	<u>3,672,647</u>	<u>3,672,647</u>
Fund Balances - September 30, 2022	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,928,606</u>	<u>\$ 3,928,606</u>

See accompanying notes to financial statements.

Tampa Palms Open Space and Transportation Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District's more significant accounting policies are described below.

1. Reporting Entity

The District was established on January 31, 1990, by the Florida Land and Water Adjudicatory Commission and Chapter 190, Florida Statutes. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure within the District. The District is authorized to issue bonds for the purpose, among others, of financing, funding and planning basic infrastructure projects within or without the boundaries of the Tampa Palms Open Space and Transportation Community Development District. The District is governed by a five-member Board of Supervisors who are elected for four-year terms. The District operates within the criteria established by Chapter 190, Florida Statutes.

The District is located within the City of Tampa and encompasses three different areas:

Area 3 – Encompasses approximately 785 acres (367 acres can be developed).

Area 6 – Encompasses approximately 565 acres and is also known as Richmond Place.

Area 7 – Encompasses approximately 1,240 acres (513 acres can be developed) and is known as West Meadows.

As required by GAAP, these financial statements present the Tampa Palms Open Space and Transportation Community Development District (the primary government) as a stand-alone government. The reporting entity for the District includes all functions of government in which the District's Board exercises oversight responsibility including, but not limited to, financial interdependency, selection of governing authority, designation of management, significant ability to influence operations and accountability for fiscal matters.

Based upon the application of the above-mentioned criteria as set forth by the Governmental Accounting Standards Board the District has identified no component units.

2. Measurement Focus and Basis of Accounting

The basic financial statements of the District are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to financial statements

Tampa Palms Open Space and Transportation Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

a. Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Government-wide financial statements report all non-fiduciary information about the reporting government as a whole. These statements include all the governmental activities of the primary government. The effect of interfund activity has been removed from these statements.

Governmental activities are supported by special assessments. Program revenues include charges for services and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the Statement of Activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets, rather than reported as an expenditure. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as an other financing source.

Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

b. Fund Financial Statements

The underlying accounting system of the District is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental funds are presented after the government-wide financial statements. These statements display information about major funds individually.

Governmental Funds

The District classifies fund balance according to Governmental Accounting Standards Board Statement 54 – Fund Balance Reporting and Governmental Fund Type Definitions. The Statement requires the fund balance for governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

**Tampa Palms Open Space and Transportation Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds (Continued)

The District has various policies governing the fund balance classifications.

Nonspendable Fund Balance – This classification consists of amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

Assigned Fund Balance – This classification consists of the Board of Supervisors' intent to be used for specific purposes, but are neither restricted nor committed. The assigned fund balances can also be assigned by the District's management company.

Fund Balance Spending Hierarchy – For all governmental funds except special revenue funds, when restricted, committed, assigned, and unassigned fund balances are combined in a fund, qualified expenditures are paid first from restricted or committed fund balance, as appropriate, then assigned and finally unassigned fund balances.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collected within the current period or soon thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Interest associated with the current fiscal period is considered to be an accrual item and so has been recognized as revenue of the current fiscal period.

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

**Tampa Palms Open Space and Transportation Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds (Continued)

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources are expended, rather than as fund assets. The proceeds of long-term debt are recorded as an other financing source rather than as a fund liability.

Debt service expenditures are recorded only when payment is due.

3. Basis of Presentation

a. Governmental Major Funds

General Fund – The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

b. Non-current Governmental Assets/Liabilities

GASB Statement 34 requires that non-current governmental assets, such as land and buildings, and non-current governmental liabilities, such as general obligation bonds, be reported in the governmental activities column in the government-wide Statement of Net Position.

4. Assets, Liabilities, and Net Position or Equity

a. Cash and Investments

Florida Statutes require state and local governmental units to deposit monies with financial institutions classified as "Qualified Public Depositories," a multiple financial institution pool whereby groups of securities pledged by the various financial institutions provide common collateral from their deposits of public funds. This pool is provided as additional insurance to the federal depository insurance and allows for additional assessments against the member institutions, providing full insurance for public deposits.

Tampa Palms Open Space and Transportation Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Assets, Liabilities, and Net Position or Equity (Continued)

a. Cash and Investments (Continued)

The District is authorized to invest in those financial instruments as established by Section 218.415, Florida Statutes. The authorized investments consist of:

1. Direct obligations of the United States Treasury;
2. The Local Government Surplus Funds Trust or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperative Act of 1969;
3. Interest-bearing time deposits or savings accounts in authorized qualified public depositories;
4. Securities and Exchange Commission, registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

b. Restricted Assets

Certain net positions of the District will be classified as restricted assets on the statement of net position because their use is limited either by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors. In a fund with both restricted and unrestricted assets, qualified expenses are considered to be paid first from restricted net position and then from unrestricted net position.

c. Capital Assets

Capital assets, which include land, construction in progress, buildings, infrastructure, and equipment, are reported in the governmental activities column.

The District defines capital assets as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of two year. The valuation basis for all assets is historical cost.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

**Tampa Palms Open Space and Transportation Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Assets, Liabilities, and Net Position or Equity (Continued)

c. Capital Assets (Continued)

Depreciation of capital assets is computed and recorded by utilizing the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows:

Equipment	10-20 years
Buildings	50 years
Infrastructure	20 years

d. Budgets

Budgets are prepared and adopted after public hearings for the governmental funds, pursuant to Chapter 190, Florida Statutes. The District utilizes the same basis of accounting for budgets as it does for revenues and expenditures in its various funds. Formal budgets are adopted for the general fund. The legal level of budgetary control is at the fund level. As a result, deficits in the budget columns of the accompanying financial statements may occur. All budgeted appropriations lapse at year end.

NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

“Total fund balances” of the District’s governmental funds, \$3,928,606, differs from “net position” of governmental activities, \$5,358,027, reported in the Statement of Net Position. This difference primarily results from the long-term economic focus of the Statement of Net Position versus the current financial resources focus of the Governmental Fund Balance Sheet. The effect of the differences is illustrated as follows.

Capital related items

When capital assets (improvements and infrastructure that are to be used in governmental activities) are purchased or constructed, the cost of those assets is reported as expenditures in governmental funds. However, the Statement of Net Position included those capital assets among the assets of the District as a whole.

Land and improvements	\$ 274,965
Construction in progress	34,005
Buildings	638,767
Infrastructure	1,077,713
Equipment	415,640
Accumulated depreciation	(1,011,669)
Total	<u>\$ 1,429,421</u>

**Tampa Palms Open Space and Transportation Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022**

NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

2. Explanation of Differences Between the Governmental Fund Operating Statements and the Statement of Activities

The “net change in fund balances” for government funds, \$255,959, differs from the “change in net position” for governmental activities, \$159,565, reported in the Statement of Activities. The differences arise primarily from the long-term economic focus of the Statement of Activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

Capital related items

When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the Statement of Activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation. As a result, fund balances decrease by the amount of financial resources expended, whereas net position decreases by the amount of depreciation charged for the year.

Depreciation	\$ (112,214)
Capital outlay	34,388
Loss on disposal of assets	(18,568)
Total	\$ (96,394)

NOTE C – CASH AND INVESTMENTS

All deposits are held in qualified public depositories and are included on the accompanying balance sheet as cash and investments.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk; however, they follow the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2022, the District's bank balance was \$3,971,937 and the carrying value was \$3,954,814. Exposure to custodial credit risk was as follows. The District maintains all deposits in a qualified public depository in accordance with the provisions of Chapter 280, Florida Statutes, which means that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes.

**Tampa Palms Open Space and Transportation Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022**

NOTE C – CASH AND INVESTMENTS (CONTINUED)

Investments

The District's investment policy allows management to invest funds in investments permitted under Section 218.415, Florida Statutes.

As of September 30, 2022, the District had no investments.

Interest Rate Risk

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

Credit Risk

The District has no investment policy that would further limit its investment choices.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one fund.

Tampa Palms Open Space and Transportation Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE D – CAPITAL ASSETS

Capital Asset activity for the year ended September 30, 2022 was as follows:

	Balance October 1, 2021	Additions	Deletions	Balance September 30, 2022
<u>Governmental Activities:</u>				
Capital assets, not depreciated				
Land and improvements	\$ 274,965	\$ -	\$ -	\$ 274,965
Construction in progress	34,005	-	-	34,005
Total Capital Assets, Not Depreciated	<u>308,970</u>	<u>-</u>	<u>-</u>	<u>308,970</u>
Capital assets, being depreciated:				
Infrastructure	1,068,913	8,800	-	1,077,713
Buildings	664,355	-	(25,588)	638,767
Equipment	395,302	25,588	(5,250)	415,640
Total Capital Assets, Being Depreciated	<u>2,128,570</u>	<u>34,388</u>	<u>(30,838)</u>	<u>2,132,120</u>
Less accumulated depreciation for:				
Infrastructure	(478,132)	(58,673)	-	(536,805)
Buildings	(237,074)	(25,382)	7,676	(254,780)
Equipment	(196,519)	(28,159)	4,594	(220,084)
Total Accumulated Depreciation	<u>(911,725)</u>	<u>(112,214)</u>	<u>12,270</u>	<u>(1,011,669)</u>
Total Capital Assets Being Depreciated, Net	<u>1,216,845</u>	<u>(77,826)</u>	<u>(18,568)</u>	<u>1,120,451</u>
Total Capital Assets, Net	<u>\$ 1,525,815</u>	<u>\$ (77,826)</u>	<u>\$ (18,568)</u>	<u>\$ 1,429,421</u>

Depreciation was charged to physical environment for \$10,003, and culture and recreation for \$102,211.

NOTE E – RISK MANAGEMENT

The government is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. These risks are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage over the past three years.



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INDEPENDENT AUDITORS' 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
Tampa Palms Open Space and Transportation Community Development District
Hillsborough County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements, as listed in the table of contents, of Tampa Palms Open Space and Transportation Community Development District, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the basic financial statements and have issued our report thereon dated June 7, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit, we considered Tampa Palms Open Space and Transportation Community Development District's internal control over financial reporting (internal control) as a basis for designing 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 Tampa Palms Open Space and Transportation Community Development District's internal control. Accordingly, we do not express an opinion on the effectiveness of Tampa Palms Open Space and Transportation Community Development 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 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.



To the Board of Supervisors
Tampa Palms Open Space and Transportation Community Development District

Report on Compliance and Other Matters

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

Purpose of this Report

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

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

June 7, 2023



Berger, Toombs, Elam, Gaines & Frank

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MANAGEMENT LETTER

To the Board of Supervisors
Tampa Palms Open Space and Transportation Community Development District
Hillsborough County, Florida

Report on the Financial Statements

We have audited the financial statements of the Tampa Palms Open Space and Transportation Community Development District as of and for the year ended September 30, 2022, and have issued our report thereon dated June 7, 2023.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States; 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 Financial Statements Performed in Accordance with *Government Auditing Standards* and our Independent Auditor's Report on an examination conducted in accordance with *AICPA Professionals Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 7, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings or recommendations in the preceding audit.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not Tampa Palms Open Space and Transportation Community Development District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that Tampa Palms Open Space and Transportation Community Development District did not meet any of the conditions described in Section 218.503(1) Florida Statutes.

To the Board of Supervisors
Tampa Palms Open Space and Transportation Community Development District

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for Tampa Palms Open Space and Transportation Community Development District. It is management's responsibility to monitor the Tampa Palms Open Space and Transportation Community Development District's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same as of September 30, 2022.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Specific Information

The information provided below was provided by management and has not been audited; therefore, we do not express an opinion or provide any assurance on the information.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Tampa Palms Open Space and Transportation Community Development District reported:

- 1) The total number of district employees compensated in the last pay period of the District's fiscal year: 0
- 2) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year: 12
- 3) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: \$0
- 4) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: \$277,834
- 5) Each construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1, 2021, together with the total expenditures for such project: The District had no construction projects during the year.
- 6) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes: The budget was not amended.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)8, Rules of the Auditor General, the Tampa Palms Open Space and Transportation Community Development District reported:

- 1) The rate or rates of non-ad valorem special assessments imposed by the District: General Fund \$211 - \$732.
- 2) The amount of special assessments collected by or on behalf of the District: Total special assessments collected was \$2,215,838.
- 3) The total amount of outstanding bonds issued by the District and the terms of such bonds: The District had no outstanding bonds.



To the Board of Supervisors
Tampa Palms Open Space and Transportation Community Development District

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate 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 warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

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, the Board of Supervisors, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

June 7, 2023

PROFESSIONAL SERVICES AGREEMENT

May 18, 2023

AGREEMENT FOR ARCHITECTURAL/SERVICES BETWEEN ARCHITECT AND CLIENT**PARTIES TO THE AGREEMENT:**

- **DRAWSMITH ARCHITECTURE LLC, THE ARCHITECT**
- **TAMPA PALMS OPEN SPACE AND TRANSPORTATION COMMUNITY DEVELOPMENT DISTRICT (TPOST-CDD), TAMPA, FL**

THE PROJECT**Overview / Background**

TPOST-CDD, (Client) has requested DrawSmith Architecture, LLC (The Architect), to provide a proposal for Architectural Professional Services for the above referenced project.

Scope of Services

- I. Covered veranda at the rear of the existing meeting room.
- II. Add a new French door and opening in the existing back wall.
- III. Modify the existing electrical to add lighting.
- IV. Add sidewalk access.

THE ARCHITECT'S RESPONSIBILITIES

Architect's Basic Services: The Architect shall provide Architectural consulting services including, structural, M.E.P., engineering - consistent with standards of professional care and orderly progress of the work.

A. As-Built Phase: Not Included In This Agreement**B. Schematic Design Phase: Not Included In This Agreement**

C. Design Development Phase: Based on the approval of Schematic Design Documents, and any adjustments authorized by the Client in the Program, schedule, or construction budget, the Architect shall prepare, for approval by the Client, Design Development Documents consisting of computer aided drafting documents (CADD) to fix and describe the size and character of the project for approval by the Client. The documents consist of floor plans, exterior elevations, roof plan, and site plan.

D. Animation Phase: Not Included In This Agreement

E. Construction Documents Phase: Based on approved Design Development Documents and any further adjustments in the scope of quality of the Project or the construction budget authorized by the Client, The Architect shall prepare, for approval by the Client, Construction Documents consisting of Drawings and Specifications setting forth the requirements for the construction of the Project.

F. Bidding and Negotiation: The Architect shall assist the Client in establishing a list of prospective contractors. Following the Client's approval of the Construction Documents, the Architect shall assist the Client in (1) obtaining either competitive bids or negotiated

proposals; (2) confirming responsiveness of bids or proposals; (3) determining the successful bid or proposal, if any; and, (4) awarding and preparing contracts for construction.

COMPETITIVE BIDDING

Bidding Documents shall consist of bidding requirements and proposed Contract Documents.

The Architect shall assist the Client in bidding the Project by

1. procuring the reproduction of Bidding Documents for distribution to prospective bidders;
2. distributing the Bidding Documents to prospective bidders, requesting their return upon completion of the bidding process, and maintaining a log of distribution and retrieval and of the amounts of deposits, if any, received from and returned to prospective bidders;
3. organizing and conducting a pre-bid conference for prospective bidders;
4. preparing responses to questions from prospective bidders and providing clarifications and interpretations of the Bidding Documents to all prospective bidders in the form of addenda; and
5. organizing and conducting the opening of the bids, and subsequently documenting and distributing the bidding results, as directed by the Client.

The Architect shall consider requests for substitutions, if the Bidding Documents permit substitutions, and shall prepare and distribute addenda identifying approved substitutions to all prospective bidders.

NEGOTIATED PROPOSALS

Proposal Documents shall consist of proposal requirements and proposed Contract Documents.

The Architect shall assist the Client in obtaining proposals by

1. procuring the reproduction of Proposal Documents for distribution to prospective contractors, and requesting their return upon completion of the negotiation process;
2. organizing and participating in selection interviews with prospective contractors; and
3. participating in negotiations with prospective contractors, and subsequently preparing a summary report of the negotiation results, as directed by the Client.

G. Construction Administration: The Architect shall be a representative of and shall advise and consult with the Client during construction until final payment to the Contractor is due. The Architect shall visit the site at intervals appropriate to the state of construction to become generally familiar with the progress and quality of the work completed and to determine in general if the work is being performed in a manner indicating that the work when completed will be in accordance with the construction documentation and the Construction Contract between Client and Contractor.

However, the Architect shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the work. On the basis of on-site observations, the Architect shall keep the Client informed of the progress and quality of the work, and shall endeavor to guard the Client against defects and deficiencies in the work. The Architect shall review and approve or take other appropriate action upon Contractor's submittals, such as Shop Drawings, Product Data and Samples, but only for limited purpose of checking for conformance with the construction documentation. The Architect shall not have control over or charge of and shall not be responsible for construction means, methods, techniques, sequences or procedures, schedules, unmet-deadlines, or safety precautions and programs in connection with the work, since these are solely the Contractor's responsibility under the Construction Contract between the Client and Contractor.

Therefore, the Architect shall not be responsible for the Contractor's failure to carry out the work. Based on the Architect's observations and evaluations of the Contractor's

(TPOST-CDD) |
Page 3 of 6

Applications for payment, the Architect shall review and certify the amounts due the Contractor. **All work described above shall be billed per hourly work costs listed below.**

Contingent Additional Services: The following services are not included in the Architect's Basic Services:

Revisions: Making revisions to Drawings, Specifications or other documents when such revisions are: (1) inconsistent with approvals or instructions previously given by the Client, including revisions made necessary by adjustments in the Client's program or Project budget; (2) required by the enactment or revision of codes, laws or regulations subsequent to the preparation of such documents; or (3) due to changes required as a result of the Client's failure to render decisions in a timely manner.

CLIENT'S RESPONSIBILITIES

The Client shall provide full information regarding requirements for the project, including a program, which shall set forth the Client's objectives, schedule, constraints and criteria, budget, space and design requirements and site requirements.

The Client shall furnish the following services and therefore are not included in this contract: information, surveys and reports at the Client's own expense and the Architect shall be entitled to rely upon the accuracy and completeness thereof:

- Surveys describing physical characteristics, legal limitations and utility locations for the site of the Project and a written legal description of the site.
- The services of geotechnical engineers when such services are required. Such services may include, but not be limited to, test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials.
- The service of additional consultants when such service is reasonably required by the scope of the Project.
- Chemical, air and water pollution test for hazardous materials, and other laboratory and environmental tests, inspections and reports required by law or the Contract Documents.
- Landscape architecture, Grading plans, Well-Septic-Transformer locations, Interior Design, Pool Design, Civil Engineering, Fire Protection engineering.

(TPOST-CDD) |
Page 4 of 6

COMPENSATION

Design Development Phase	\$3,000.00
Construction Document Phase	\$10,000.00
Consultants Phase	\$5,000.00
Bidding and Negotiation Phase (Optional)	\$2,500.00
Construction Administration Phase (Optional)	\$4,000.00
Total Fee	\$24,500.00

HOURLY WORK COSTS

Additional work, requested by Client, that is not set forth in this agreement, shall be billed to client at the hourly rates listed below. Both parties, prior to any work being performed, shall agree on this additional work.

Principal	\$250.00/hour
Sr. Architect	\$225.00/hour
Designer	\$180.00/hour
Architect/Project Manager	\$150.00/hour
CADD	\$ 130.00/hour
Clerical	\$ 75.00/hour

OTHER CONDITIONS

REIMBURSABLE EXPENSES

This fee does not include "Reimbursable Expenses" which are in addition to the compensation for basic and additional services. Reimbursable items shall include blue-line printing; CAD plots, express mailing, mileage and travel etc. Reimbursable expenses shall be billed at the actual expenditure plus service fee of 15% or \$20.00 minimum, to cover Office time for handling and bookkeeping.

PUBLICITY

It is understood that the Architect will be given due consideration in any public listing of firms performing services on this project, with the Architect's name included in the graphic displays at the site or in the news announcements and promotional literature. In any event, the Architect shall be permitted to place his standard sign at the site during the construction phase of the project. The Architect is permitted to use the project for marketing purposes including but not limited to printed materials, digital marketing platforms, website, social media.

BILLING AND PAYMENT

Payment is due upon receipt of invoice. Fees shall be invoiced on monthly basis for the portion of the project carried out to the billing date. All moneys not paid to the Architect when due shall bear interest at the rate of 1.5 percent monthly (18% per annum) compounded monthly. If the Client should fail to pay any bill within thirty (30) days of the due date, Architect may stop work on the project, hold all work materials and file a mechanic's lien on the entire project.

AMERICANS WITH DISABILITIES ACT

The Americans with Disabilities Act (ADA) provides that it is a violation of the ADA to design and construct a facility for first occupancy later than January 26, 1993, that does not meet the accessibility and usability requirements of the ADA except where any entity can demonstrate that it is structurally impractical to meet such requirements. The Client acknowledges that the requirements of the ADA will be subject to various and possibly contradictory interpretations. The Architect, therefore, will use his or her reasonable professional efforts to interpret applicable ADA requirements and other federal, state and local laws, rules, codes, ordinances and regulations as they apply to the project and cause the project to be designed accordingly. The Architect, however, cannot and does not warrant or guarantee that the Client's project will comply with interpretations of ADA requirements as they apply to the Project.

CLIENTSHIP/ALTERATIONS OF DOCUMENTS

Client agrees that any designs, documents or other materials provided to Architect for modification have been legally obtained and that Client is the owner of all said documents and materials and has full authorization for both modification and reuse. Furthermore, Client agrees to indemnify, hold harmless, and defend Architect (including without limitation attorney's fees) against all damages, claims, and losses of any kind including copyright disputes arising from the modification or use of any Client provided materials.

(TPOST-CDD) |
Page 5 of 6

The designs, drawings and other documents prepared by The Architect for the project are instruments of The Architect's service. The Architect shall be deemed the exclusive author of these documents, all designs and media. The Architect retains all common law, statutory and other reserved rights, including all copyrights. There is no mutual intent to share authorship or ownership in the designs or plans that The Architect provides under this Agreement. Unless and until stated otherwise in a writing signed by The Architect, CLIENT can build multiple structures on land owned by CLIENT using the plans purchased from The Architect. CLIENT has no reproduction or modification rights or license for the drawings or architectural works provided by The Architect.

DIGITAL/ PAPER BACK-UP

The Architect is not responsible for archiving of digital and/or paper back-up files after initial deliverables have been provided to Client.

RELEASE OF ELECTRONIC AUTOCAD FILES

The DRAFTER may release CAD files in whole or in part to a third party vendor or Client as a professional courtesy. The release of a CAD file does not alter or release Drafter's intellectual property rights in the same. The Client understands that the transfer and conversion of the data from the system and format as used by Architect to another system or format cannot be accomplished without the possible introduction of inexactitudes, anomalies, and errors. There's also the possibility that data delivered in a machine, readable format may be altered, whether inadvertently or otherwise, and that changes or modifications to Architect's data, introduced by anyone other than the Architect, may result in adverse consequences which the Architect can neither predict nor control.

The Architect reserves the right to revise, update, and improve its electronically stored data without notice and assumes no responsibility for any damages which may arise as a result of the use of its data. The Architect makes efforts to ensure this data is virus free; however, the Architect assumes no responsibility for damages caused by the installation of this data. Client fully and forever releases and discharges the Architect and its affiliates and their officers, directors, employees, successors and assigns, present and future, from all liability, damages, claims and costs (known or unknown) incurred, or which may hereafter be incurred, arising out of or relating to any data on the electronic or digital media which the Architect provided to Recipient at Client's request. Client expressly agrees to hold harmless, defend and indemnify the Architect for all claims, cost, demands, losses, and damages, including attorney's fees, arising out of or related to any subsequent usage by any person of any data provided on electronic or digital media by the Architect to Client.

COLLECTION OF FEES

The Architect shall be entitled to collect reasonable fees and costs (including attorney's fees and interest) should it be required to obtain collection of any amount due under this agreement by a court action or settlement without court action.

AUTHORIZATION TO PROCEED

Execution of this Agreement by the Client shall be authorization for the Architect to proceed with the services and acceptance of the Standard Terms and Conditions. The Architect shall be entitled to collect reasonable fees and costs (including attorney's fees and interest) should it be required to obtain collection of any amount due under this agreement by a court action or settlement without court action.

ACCESS TO THE SITE

Unless otherwise noted, the Architect will have access to the site for activities necessary for the performance of the services. The Architect will take precautions to minimize damage due to these activities but has not included in the fee the restoration of any resulting damage.

ESTIMATE OF COST

It is understood that the Architect's Estimates of Cost, when provided, are usually based on recent bids of construction contractors on similar work; that the Architect cannot control or be responsible for amounts of construction bids and that the Architect's estimates do not constitute a guarantee of construction costs.

APPLICABLE LAW

This Agreement and the interpretation and enforcement of the same shall be governed by and construed in accordance with the laws of the State of Florida and venue for any action or arbitration shall only be appropriate in Hillsborough County, Florida.

RENEGOTIATION OF FEES

Where applicable, unless otherwise noted in this Agreement, the Architect reserves the right to renegotiate fixed fees on an annual basis to reflect changes in price indices and pay scales applicable to the period when services are, in fact being rendered. If authorized by the Client, overtime work shall be charged at a higher rate than regular fees. This proposal is valid for **6 months** from the contracts date stated on page one. Upon expiration of this Agreement, fees could increase 20% unless a renegotiated Agreement between The Architect and CLIENT is signed within 60 days of expiration.

INDEMNIFICATION

Client agrees to indemnify, defend and hold harmless Architect against any and all liability, loss, damages, and expenses, including reasonable attorneys' fees and costs (including but not limited to fees and costs incurred in connection with appellate proceedings), that Architect may incur by reason of, resulting from, or arising out of any claim brought by any person or entity in connection with the use of Architect's Documents, regardless of whether the damages are alleged to have occurred in whole or in part as a result of or due to Architect's negligent or willful conduct, or in connection with a breach of Architect's obligations herein. In the event the damages are alleged to have occurred in whole or in part as a result of or due to Architect's negligent or willful conduct, or in connection with a breach of Architect's obligations herein Client's obligation to defend and hold harmless Architect is limited to \$100,000.00 or the amount paid by Client to Architect pursuant to this Agreement, whichever is lower.

LIMIT OF LIABILITY.

In recognition of the consideration paid and relative risks and benefits of the use of Architect's Documents to both Architect and Client, the risks have been allocated such that the Client agrees, to the fullest extent permitted by law, to limit the liability of Architect to Client or any third party for any and all claims, losses, costs, attorney fees, damages of any nature whatsoever arising in any way from Architect's Documents to the amount paid by Client to Architect pursuant to



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this Agreement. Additionally, under no circumstances is Architect liable for any incidental, special, consequential, or indirect damages of any kind, including, but not limited to, loss of anticipated profits, business opportunity or other economic loss arising out of the use of services or any Architect's Documents received from Architect, whether the same are alleged as resulting from breach of contract, warranty, the negligence of Architect or otherwise; even if Architect has been advised of the possibility of such damages.

Architect shall not be held responsible for any delays including but not limited to delays caused by government requirements or delays caused by lack of action on the Client's part. Architect shall not be held liable for Client deadlines unless deadlines are specifically agreed to in writing by both parties. Architect may be asked from time to time to recommend other professionals to complete tasks required for permitting or other reasons. Architect may or may not make recommendations, and if made, shall not be held responsible for the timeliness or quality of said professional. All other professionals, including professionals recommended by Architect, shall be directly employed by Client and Client shall be responsible for any payment due to said professionals. The above shall be the case even if Architect advances fees or costs of other professionals.

Pursuant to section 558.035, Florida Statutes, the individual employee(s) or agent(s) of Architect may not be held individually liable for negligence.

TERMINATION

The obligation to provide further services under this Agreement may be terminated by either party upon thirty (30) days written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the termination party. In the event of termination, the Client shall pay the Architect for all services rendered to date, together with reimbursable expenses then due.

PERMIT AND APPLICATION FEES

Unless otherwise specified in the Agreement, all permit and/or application fees are the responsibility of the Client.

ARBITRATION

The Parties agree that any dispute brought by Client or any other person or entity regarding The Architect's Documents or any dispute arising from this Agreement in any way as to its meaning or enforcement or otherwise, whether in tort or contract, shall be submitted for the determination of a single arbitrator, pursuant to a confidential arbitration proceeding governed by the rules of the American Arbitration Association. Client shall ensure that any contract it has with any person or entity who will use or benefit from The Architect's Documents, contains the requirement that said person or entity is required to arbitrate any dispute it has, that pertains to The Architect's Documents, in accordance with this paragraph. The party filing the arbitration claim shall bear all of the AAA fees and costs and shall pay all fees and costs of the Arbitrator, which shall not be subject to reallocation under the arbitration award.

WAIVER OF JURY TRIAL

EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

SEVERABILITY

In the event that any term or paragraph of this Agreement is deemed invalid, all remaining terms, conditions, recitals and paragraphs shall remain in full force and effect.

CONTRACT DOCUMENTS

In addition to this Agreement, the Parties may be party to a Master License Agreement for use of Copyrighted Conceptual Drawings and shall exchange purchase orders and invoices, which shall become part of this Agreement. The terms of this Agreement shall be incorporated as if stated in any of the Parties' documents. In the event of a conflict between the terms of any of the Parties' documents, the terms of this Agreement control.

A retainer in the amount of **\$3,000.00** is required to initiate this Agreement and will be credited to the total amount of the contract.

ACCEPTANCE

Jeff W. Smith, V.P.
DrawSmith Architecture LLC

Date

Mark Vega
TPOST-CDD
2654 Cypress Ridge Blvd., Suite 101
Tampa, FL 33544

Date