

MEDITERRA

COMMUNITY DEVELOPMENT DISTRICT

May 27, 2020

BOARD OF SUPERVISORS VIRTUAL PUBLIC MEETING AGENDA

Mediterra Community Development District
OFFICE OF THE DISTRICT MANAGER
2300 Glades Road, Suite 410W•Boca Raton, Florida 33431
Phone: (561) 571-0010•Fax: (561) 571-0013•Toll-free: (877) 276-0889

May 20, 2020

Board of Supervisors
Mediterra Community Development District

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

The Board of Supervisors of the Mediterra Community Development District will hold a Virtual Public Meeting on May 27, 2020 at 3:00 p.m., via <https://us02web.zoom.us/j/85468224464> or by dialing **1-929-205-6099, meeting ID 854 6822 4464**. The agenda is as follows:

1. Call to Order/Roll Call
2. Chairman's Comments
3. Public Comments [**3 minutes per person**]
4. Presentation of Mediterra Community Development District's Audited Annual Financial Report for the Fiscal Year Ended September 30, 2019, Prepared by McDirmit Davis & Company, LLC
5. Consideration of Resolution 2020-06 Accepting the Audited Annual Financial Report for the Fiscal Year Ended September 30, 2019
6. Continued Discussion: M.R.I. Underwater Specialists, Inc. 2020 Drainage Inspection
 - A. Inspection Memo
 - B. Cleaning Quote
 - C. Outfall Inspections
7. Consideration of Resolution 2020-07, Approving Proposed Budgets for Fiscal Year 2020/2021 and Setting a Public Hearing Thereon Pursuant to Florida Law; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability; and Providing an Effective Date
8. Consideration of Resolution 2020-08, Implementing Section 190.006(3), Florida Statutes, and Requesting that the Collier County and Lee County Supervisors of Elections Begin Conducting the District's General Elections; Providing for Compensation; Setting for the

Terms of Office; Authorizing Notice of the Qualifying Period; and Providing for Severability and an Effective Date

9. Discussion: Cane Toad Remediation Program and Continuance.
10. Discussion: Approval of South Florida Water Management District Permit Modification for Lake 74 and Next Step(s)
11. Acceptance of Unaudited Financial Statements as of April 30, 2020
12. Approval of March 11, 2020 Regular Meeting Minutes
13. Staff Reports
 - A. District Counsel: *Hopping Green & Sams, P.A.*
 - B. District Engineer: *Johnson Engineering, Inc.*
 - C. District Manager: *Wrathell, Hunt and Associates, LLC*
 - I. Registered Voters in District as of April 15, 2020
 - Collier County: 723
 - Lee County: 429
 - II. NEXT MEETING DATE: June 17, 2020 at 9:00 A.M.
 - QUORUM CHECK

Mary Wheeler	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> PHONE
Kenneth J. Tarr	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> PHONE
Michael J. Bishko	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> PHONE
Robert Greenberg	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> PHONE
Thomas H. Van Tassel	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> PHONE
 - D. Operations Manager: *Wrathell, Hunt and Associates, LLC*
 - Key Activity Dates
14. Action/Agenda or Completed Items
15. Old Business
16. Supervisors' Requests

17. Public Comments

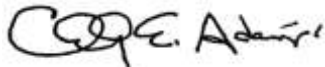
18. Adjournment

“Further, please be advised that the Florida Governor’s Office has declared a state of emergency due to the Coronavirus (COVID-19). As reported by the Center for Disease Control and World Health Organization, COVID-19 can spread from person-to-person through small droplets from the nose or mouth, including when an individual coughs or sneezes. These droplets may land on objects and surfaces. Other people may contract COVID-19 by touching these objects or surfaces, then touching their eyes, nose or mouth. Therefore, merely cleaning facilities, while extremely important and vital in this crisis, may not be enough to stop the spread of this virus.”

“That said, the District wants to encourage public participation in a safe and efficient manner. Toward that end, anyone wishing to listen and participate in the meeting by accessing <https://us02web.zoom.us/j/85468224464>, or by calling 1-929-205-6099, followed by meeting ID 854 6822 4464. Additionally, participants are encouraged to submit questions and comments to the District’s manager at adamsc@whhassociates.com.”

Should you have any questions, please do not hesitate to contact me directly at (239) 464-7114.

Sincerely,



Chesley “Chuck” E. Adams, Jr.
District Manager

OPTIONS FOR MEETING PARTICIPATION

<https://us02web.zoom.us/j/85468224464>

or

CALL-IN NUMBER: 1-929-205-6099

MEETING ID: 854 6822 4464

MEDITERRA
COMMUNITY DEVELOPMENT DISTRICT

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To the Board of Supervisors
Mediterra Community Development District

We have audited the financial statements of Mediterra Community Development District as of and for the year ended September 30, 2019, and have issued our report thereon dated May 19, 2020. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated November 18, 2019, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatements. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, and others in our firm, as appropriate, have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 2 to the financial statements. As described in Note 2 to the financial statements, during the year, the district adopted Governmental Accounting Standards Board (GASB) Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. There was no effect on beginning net position. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimate affecting the financial statements is:

Management's estimate of depreciation is based on the estimated useful lives of the capital assets. We evaluated the key factors and assumptions used to develop the depreciation estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. There were no identified misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of audit procedures. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate to the financial statements taken as a whole or applicable opinion units.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated May 19, 2020.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

This report is intended solely for the information and use of the Board of Supervisors and management of the District and is not intended to be and should not be used by anyone other than these specified parties.

McDiarmid Davis

Orlando, Florida
May 19, 2020

MEDITERRA COMMUNITY DEVELOPMENT DISTRICT

May 19, 2020

McDermitt Davis, LLC
934 North Magnolia Ave, Suite 100
Orlando, FL 32803

This representation letter is provided in connection with your audit of the governmental activities and each major fund of the Mediterra Community Development District as of September 30, 2019 and for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position, and results of operations of the various opinion units of Mediterra Community Development District in conformity with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of the date of this letter.

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated November 18, 2019 for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- We acknowledge our responsibility 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.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- We have a process to track the status of audit findings and recommendations.
- We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- There is no summary of unrecorded misstatements since all adjustments proposed by the auditor, material and immaterial, have been recorded.
- The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
- There is no summary of unrecorded misstatements since all adjustments proposed by the auditor, material and immaterial, have been recorded.

- All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
- All funds and activities are properly classified.
- All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, and GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus* as amended, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
- Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
- All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- All interfund and intra-entity transactions and balances have been properly classified and reported.
- Special items and extraordinary items have been properly classified and reported.
- Deposit and investment risks have been properly and fully disclosed.
- Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- We have reviewed capital assets and infrastructure for impairment whenever events or changes in circumstances have indicated that the carrying amount of the assets might not be recoverable and have appropriately recorded the adjustment, if necessary.
- All required supplementary information is measured and presented within the prescribed guidelines.
- With regard to investments and other instruments reported at fair value:
 - The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
 - The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
 - The disclosures related to fair values are complete, adequate, and in conformity with U.S. GAAP.
 - There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
- With respect to nonattest services provided, drafting the financial statements, we have performed the following:
 - Made all management decisions and performed all management functions;
 - Assigned a competent individual to oversee the services;
 - Evaluated the adequacy of the services performed;
 - Evaluated and accepted responsibility for the result of the service performed; and
 - Established and maintained internal controls, including monitoring ongoing activities.

Information Provided

- We have provided you with:
 - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes,⁷ and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have provided to you our analysis of the entity's ability to continue as a going concern, including significant conditions and events present, and if necessary, our analysis of management's plans, and our ability to achieve those plans.
- We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, vendors, regulators, or others.

- We are not aware of any pending or threatened litigation and claims whose effects should be considered when preparing the financial statements.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
- There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- Mediterra Community Development District has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- We have disclosed to you all guarantees, whether written or oral, under which Mediterra Community Development District is contingently liable.
- We have disclosed to you all nonexchange financial guarantees, under which we are obligated and have declared liabilities and disclosed properly in accordance with GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, for those guarantees where it is more likely than not that the entity will make a payment on any guarantee.
- For nonexchange financial guarantees where we have declared liabilities, the amount of the liability recognized is the discounted present value of the best estimate of the future outflows expected to be incurred as a result of the guarantee. Where there was no best estimate but a range of estimated future outflows has been established, we have recognized the minimum amount within the range.
- We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
- We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- There are no:
 - Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
 - Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62
 - Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
- Mediterra Community Development District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.



Craig Wrathell, Treasurer

Financial Report

September 30, 2019

Mediterra Community Development District

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Mediterra Community Development District

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, and each major fund of the *Mediterra Community Development District* (the "District"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the District as of September 30, 2019, and the respective changes in financial position thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis starting on page 3, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated May 19, 2020, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

McDiarmid Davis

Orlando, Florida
May 19, 2020

Our discussion and analysis of the *Mediterra Community Development District's* (the "District") financial performance provides an overview of the District's financial activities for the fiscal years ended September 30, 2019 and 2018. Please read it in conjunction with the District's financial statements which immediately follow this discussion.

Financial Highlights

The following are the highlights of financial activity for the year ended September 30, 2019:

- The District's total assets exceeded its liabilities at September 30, 2019 by \$24,407,007, an increase in net position of \$309,817 in comparison with the prior year.
- At September 30, 2019, the District's governmental funds reported a combined fund balance of \$1,566,626, a decrease of \$50,634 in comparison with the prior year.

Using the Annual Report

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities on pages 7-8 provide information about the activities of the district as a whole and present a longer-term view of the District's finances. Fund financial statements start on page 9. For governmental activities, these statements tell how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds.

Reporting the District as a whole - Our analysis of the District as a whole begins on page 4. One of the most important questions asked about the District's finances is, "Is the District as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position and changes in net position. You can think of the District's net position - the difference between assets and liabilities - as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors; however, such as changes in the District's assessment base and the condition of the District's infrastructure, to assess the overall health of the District. The government-wide financial statements can be found on pages 7-8 of this report.

Reporting the District's most significant funds - Our analysis of the District's major funds begins on page 5. The fund financial statements begin on page 9 and provide detailed information about the most significant funds - not the District as a whole. Some funds are required to be established by State law and by bond covenants. All of the District's funds are governmental fund-types.

All of the District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between governmental activities and governmental funds in a reconciliation with the fund financial statements.

Government-Wide Financial Analysis

The following table reflects the condensed government-wide statements of net position as of September 30, 2019 and 2018:

Statement of Net Position

	<u>2019</u>	<u>2018</u>
Assets, excluding capital assets	\$ 1,618,047	\$ 1,650,123
Capital Assets, net of depreciation	<u>35,942,176</u>	<u>36,435,348</u>
Total assets	<u>37,560,223</u>	<u>38,085,471</u>
Deferred Outflows of Resources	<u>128,670</u>	<u>138,771</u>
Liabilities, excluding long-term liabilities	314,664	310,533
Long-term Liabilities	<u>12,967,222</u>	<u>13,816,519</u>
Total liabilities	<u>13,281,886</u>	<u>14,127,052</u>
Net Position		
Net investment in capital assets	23,103,624	22,757,600
Restricted for debt service	1,293,080	1,248,825
Unrestricted	<u>10,303</u>	<u>90,765</u>
Total net position	<u>\$ 24,407,007</u>	<u>\$ 24,097,190</u>

Changes in Net Position

	<u>2019</u>	<u>2018</u>
Revenues:		
Program revenues	\$ 2,156,643	\$ 2,158,730
General revenues	<u>4,886</u>	<u>6,027</u>
Total revenues	<u>2,161,529</u>	<u>2,164,757</u>
Expenses:		
General government	166,155	356,560
Maintenance and operations	1,019,479	854,209
Interest on long-term debt	<u>666,078</u>	<u>697,551</u>
Total expenses	<u>1,851,712</u>	<u>1,908,320</u>
Change in net position	309,817	256,437
Net position, beginning	<u>24,097,190</u>	<u>23,840,753</u>
Net position, ending	<u>\$ 24,407,007</u>	<u>\$ 24,097,190</u>

Mediterra Community Development District
Management's Discussion and Analysis

Governmental activities for the year ended September 30, 2019 increased the District's net position by \$309,817, as reflected in the table above.

The District's Funds

As the District completed the year, its governmental funds (as presented in the balance sheet on page 9 reported a combined fund balance of \$1,566,626 which is a decrease from last year's balance that totaled \$1,617,260. Significant transactions are discussed below.

- During the fiscal year ended September 30, 2019, \$668,201 of interest and \$851,500 of principal was paid on outstanding bonds and notes.

The fund balance of the Debt Service Fund increased by \$29,828 in the current year because assessment revenue exceeded current year debt service expenditures. The fund balance of the General Fund decreased by \$80,462. At September 30, 2019, the District's governmental funds reported a combined fund balance of \$1,566,626. Of this total, \$13,808 is nonspendable, \$1,556,323 is restricted and the remainder is an unassigned fund balance of \$(3,505).

Governmental Funds Budgetary Highlights

An operating budget was established by the government board for the District pursuant to the requirements of the Florida Statutes. The budget to actual comparison for the general fund, including the original budget and final adopted budget, is shown on page 12.

Capital Asset and Debt Administration

Capital Assets

At September 30, 2019, the District had approximately \$35.9 million invested in capital assets. This amount represents a net decrease of \$493,172 for current year depreciation and capital assets acquisition.

<u>September 30,</u>	<u>2019</u>	<u>2018</u>	<u>Change</u>
Capital Assets Not Being Depreciated	\$ 29,178,178	\$ 29,136,615	\$ 41,563
Capital Assets Being Depreciated	16,430,330	16,430,330	-
Total, prior to depreciation	45,608,508	45,566,945	41,563
Accumulated depreciation	(9,666,332)	(9,131,597)	(534,735)
Net capital assets	<u>\$ 35,942,176</u>	<u>\$ 36,435,348</u>	<u>\$ (493,172)</u>

More information about the District's capital assets is presented in Note 4 to the financial statements.

Debt

At September 30, 2019, the District had \$13 million in bonds and notes outstanding. This amount represents a net decrease of \$851,500 from the prior fiscal year.

<u>September 30,</u>	<u>2019</u>	<u>2018</u>	<u>Change</u>
Series 2012 Bonds	\$ 9,550,000	\$ 10,180,000	\$ (630,000)
Series 2013 Bonds	3,180,000	3,325,000	(145,000)
Series 2016 Note	271,737	348,237	(76,500)
	<u>\$ 13,001,737</u>	<u>\$ 13,853,237</u>	<u>\$ (851,500)</u>

Additional information on the District's long-term debt is presented in Note 5 to the financial statements.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the funds it receives. If you have questions about this report or need additional financial information, contact the *Mediterra Community Development District's*, Finance Department at 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431.

FINANCIAL STATEMENTS

Mediterra Community Development District
Statement of Net Position
September 30, 2019

	<u>Governmental Activities</u>
Assets:	
Cash	\$ 38,957
Assessments receivable	22,084
Prepaid	11,462
Deposits	2,346
Restricted assets:	
Temporarily restricted investments	1,543,198
Capital assets:	
Capital assets not being depreciated	29,178,178
Capital assets being depreciated, net	<u>6,763,998</u>
Total assets	<u><u>37,560,223</u></u>
 Deferred Outflows of Resources:	
Deferred charge on refunding	<u>128,670</u>
 Liabilities:	
Accounts payable and accrued expenses	51,421
Accrued interest payable	263,243
Noncurrent liabilities:	
Due within one year	840,000
Due in more than one year	<u>12,127,222</u>
Total liabilities	<u><u>13,281,886</u></u>
 Net Position:	
Net investment in capital assets	23,103,624
Restricted for debt service	1,293,080
Unrestricted	<u>10,303</u>
Total net position	<u><u>\$ 24,407,007</u></u>

Mediterra Community Development District
Statement of Activities
 Year Ended September 30, 2019

Functions/Programs	Expenses	Program Revenue		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
				Governmental Activities
Governmental activities:				
General government	\$ 166,155	\$ 268,053	\$ -	\$ 101,898
Maintenance and operations	1,019,479	416,812	-	(602,667)
Interest on long-term debt	666,078	1,436,773	35,005	805,700
Total governmental activities	\$ 1,851,712	\$ 2,121,638	\$ 35,005	304,931
General Revenues:				
				Investment income 138
				Miscellaneous 4,748
				Total general revenues 4,886
				Change in net position 309,817
				Net position, beginning 24,097,190
				Net position, ending \$ 24,407,007

Mediterra Community Development District
Balance Sheet - Governmental Funds
September 30, 2019

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
Assets:			
Cash	\$ 38,957	\$ -	\$ 38,957
Investments	-	1,543,198	1,543,198
Assessments receivable	6,242	15,842	22,084
Prepaid	11,462	-	11,462
Deposits	2,346	-	2,346
Total assets	<u>\$ 59,007</u>	<u>\$ 1,559,040</u>	<u>\$ 1,618,047</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable and accrued expenses	\$ 48,704	\$ 2,717	\$ 51,421
Total liabilities	<u>48,704</u>	<u>2,717</u>	<u>51,421</u>
Fund Balances:			
Nonspendable	13,808	-	13,808
Restricted for debt service	-	1,556,323	1,556,323
Unassigned	(3,505)	-	(3,505)
Total fund balances	<u>10,303</u>	<u>1,556,323</u>	<u>1,566,626</u>
Total liabilities and fund balances	<u>\$ 59,007</u>	<u>\$ 1,559,040</u>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 35,942,176

Deferred charge on refunding, which are expenditures in the fund statements, are deferred and amortized over the life of the bonds. 128,670

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

Accrued interest payable	(263,243)	
Bonds and notes payable	(12,967,222)	(13,230,465)
Net Position of Governmental Activities		<u>\$ 24,407,007</u>

Mediterra Community Development District
Statement of Revenues, Expenditures and Changes in the Fund Balances
Governmental Funds
Year Ended September 30, 2019

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
Revenues:			
Special assessments	\$ 684,865	\$ 1,436,773	\$ 2,121,638
Investment and other income	4,886	35,005	39,891
Total revenues	<u>689,751</u>	<u>1,471,778</u>	<u>2,161,529</u>
Expenditures:			
Current:			
General government	193,190	14,528	207,718
Maintenance and operations	484,744	-	484,744
Debt service:			
Interest	15,779	652,422	668,201
Principal	76,500	775,000	851,500
Total expenditures	<u>770,213</u>	<u>1,441,950</u>	<u>2,212,163</u>
Excess (Deficit) of Revenues Over Expenditures	<u>(80,462)</u>	<u>29,828</u>	<u>(50,634)</u>
Net change in fund balances	(80,462)	29,828	(50,634)
Fund balances, beginning of year	<u>90,765</u>	<u>1,526,495</u>	<u>1,617,260</u>
Fund balances, end of year	<u>\$ 10,303</u>	<u>\$ 1,556,323</u>	<u>\$ 1,566,626</u>

Mediterra Community Development District
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of
 Governmental Funds to the Statement of Activities**
 Year Ended September 30, 2019

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Net Change in Fund Balances - total governmental funds (page 10)	\$	(50,634)
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Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources; however, in the statement of net position the cost of those assets is recorded as capital assets. Depreciation on capital assets is not recognized in the governmental fund statement, however, depreciation is reported as an expense in the statement of net position.

Expenditures for Capital Assets	41,563
Depreciation	(534,735)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal on long-term debt uses current financial resources of governmental funds. Neither transaction however has any effect on net position.

Repayment of bonds and notes payable	851,500
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in accrued interest	14,427	
Amortization of deferred charge on refunding	(10,101)	
Amortization of bond discount	(2,203)	<u>2,123</u>
Change in Net Position of Governmental Activities (page 8)		<u><u>\$ 309,817</u></u>

Mediterra Community Development District
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended September 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Special Assessments	\$ 678,590	\$ 682,485	\$ 684,865	\$ 2,380
Investment Income	-	3,038	4,886	1,848
Total revenues	678,590	685,523	689,751	4,228
Expenditures:				
Current:				
General government	172,471	203,916	193,190	10,726
Maintenance and operations	408,319	572,373	484,744	87,629
Debt Service:				
Principal	-	-	76,500	(76,500)
Interest	-	-	15,779	(15,779)
Total expenditures	580,790	776,289	770,213	6,076
Excess (Deficit) of Revenues Over Expenditures	97,800	(90,766)	(80,462)	10,304
Net change in fund balance	97,800	(90,766)	(80,462)	10,304
Fund balance, beginning	90,765	90,765	90,765	-
Fund balance, ending	\$ 188,565	\$ (1)	\$ 10,303	\$ 10,304

NOTES TO FINANCIAL STATEMENTS

NOTE 1 NATURE OF ORGANIZATION

The Mediterra Community Development District (the "District") previously known as Mediterra South Community Development District (the "South"), was established on September 14, 1999, pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190 of the Florida Statutes, by Collier County Ordinance No. 99-67 and amended its boundaries on July 2, 2001 by Collier County Ordinance 2001-38. The Act provides, among other things, the power to manage basic services for community development, the power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

On June 11, 2018 The South merged with Mediterra North Community Development District to operate under the new name of the District.

The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District.

The District is governed by a Board of Supervisors (the "Board"), which is composed of five members. The Supervisors are elected by qualified electors living within the District. The Board of Supervisors of the District exercises all powers granted to the District pursuant to Chapter 190, Florida Statutes.

The Board has a final responsibility for:

- Assessing and levying special assessments
- Approving budgets
- Exercising control over facilities and property
- Controlling the use of funds generated by the District
- Approving the hiring and firing of key personnel
- Financing improvements

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include or exclude a potential component unit in the reporting entity was made by applying the criteria set forth by Generally Accepted Accounting Principles (GAAP). The primary criteria for including organizations within the District's reporting entity, is defined by the Governmental Accounting Standards Board (GASB) Statement No. 14, 39 and 61. The District is financially accountable if it appoints a voting majority of the organization's governing body and (a) a separately elected governing board, (b) a governing board appointed by a higher level of government, or a jointly appointed board. Based on the foregoing criteria, no potential component units were found.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the District conform to Generally Accepted Accounting Principles (GAAP) as applicable to governments in accordance with those promulgated by the Governmental Accounting Standards Board (GASB). The following is a summary of the District's more significant accounting policies:

Government-wide and Fund Financial Statements

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

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all the non-fiduciary activities of the primary government. Governmental activities, which normally are supported by assessments, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The business-type activities are reported separately in government-wide financial statements; however, at September 30, 2019, the District did not have any significant business-type activities. Therefore, no business-type activities are reported. Assessments and other items not properly included as program revenues (i.e., charges to customers or applicants who purchase, use, or directly benefit from goods or services) are reported as general revenues.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Basis of Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the 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. However, debt service expenditures are recorded only when payment is due.

The District's Assessments are included on the property tax bill that all landowner's receive. The Florida Statutes provide that special assessments may be collected by using the Uniform Method. Under the Uniform Method, the District's Assessments will be collected together with County and other taxes. These Assessments will appear on a single tax bill issued to each landowner subject to such. The statutes relating to enforcement of County taxes provide that County taxes become due and payable on November 1 of the year when assessed or as soon thereafter as certified tax roll is received by the Tax Collector and constitute a lien upon the land from January 1 of such year until paid or barred by operation of law. Such taxes (together with any assessments, being collected by the Uniform Method) are to be billed, and landowners in the District are required to pay all such taxes and assessments, without preference in payment of any particular increment of the tax bill, such as the increment owing for the District's Assessments. Upon any receipt of moneys by the Tax Collector from the Assessments, such moneys will be delivered to the District.

All city, county, school and special district ad valorem taxes, non-ad valorem special assessments and voter-approved ad valorem taxes levied to pay principal of and interest on bonds, including the District Assessments, that are collected by the Uniform Method are payable at one time. If a taxpayer does not make complete payment of the total amount, he or she cannot designate specific line items on his or her tax bill as deemed paid in full and such partial payment is not to be accepted and is to be returned to the taxpayer, provided, however that a taxpayer may contest a tax assessment pursuant to certain conditions in Florida Statutes and other applicable law.

Under the Uniform Method, if the Assessments are paid during November when due or at any time within thirty (30) days after mailing of the original tax notice or during the following three months, the taxpayer is granted a variable discount equal to 4% in November and decreasing one percentage point per month to 1% in February. March payments are without discount. Pursuant to Section 197.222, Florida Statutes, taxpayers may elect to pay estimated taxes, which may include non-ad valorem special assessments such as the District's Assessments in quarterly installments with a variable discount equal to 6% on June 30 decreasing to 3% on December 31, with no discount on March 31. All unpaid taxes and assessments become delinquent on April 1 of the year following assessment, and the Tax Collector is required to collect taxes prior to April 1 and after that date to institute statutory procedures upon delinquency to collect assessed taxes. Delay in the mailing of the notices to taxpayers may result in a delay throughout this process.

Collection of Delinquent Assessments under the Uniform Method is, in essence, based upon the sale by the Tax Collector of "tax certificates" and remittance of the proceeds of such sale to the District for payment of the Assessment due.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assessments and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

General Fund - The General Fund is the primary operating fund of the District. It is used to account for all financial resources except those required to be accounted for in other funds.

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

For the year ended September 30, 2019, the District does not report any proprietary funds.

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

Cash, Deposits and Investments

The District maintains deposits with "Qualified Public Depositories" as defined in Chapter 280, Florida Statutes. All Qualified Public Depositories must place with the Treasurer of the State of Florida securities in accordance with collateral requirements determined by the State's Chief Financial Officer. In the event of default by a Qualified Public Depository, the State Treasurer will pay public depositors all losses. Losses in excess of insurance and collateral will be paid through assessments between all Qualified Public Depositories.

Under this method, all the District's deposits are fully insured or collateralized at the highest level of security as defined by *Governmental Accounting Standards Board, Statement Number 40, Deposits and Investment Disclosures (An Amendment of Governmental Accounting Standards Board, Statement Number 3)*.

Investments of the District are reported at fair value and are categorized within the fair value hierarchy established in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. The District's investments consist of investments authorized in accordance with Section 218.415, Florida Statutes.

Capital Assets

Capital assets, which include primarily infrastructure assets (e.g., roads, sidewalks, water management systems and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial/individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost and estimated historical cost if purchased or constructed. Donated assets are recorded at acquisition value at the date of donation.

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

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

<u>Assets</u>	<u>Years</u>
Infrastructure	10 - 30
Improvements Other than Buildings	10 - 15

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of premiums or discounts. Bond issuance costs are expensed.

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has one item that qualifies for reporting in this category for the year ended September 30, 2019.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The District does not have any item that qualifies for reporting in this category for the year ended September 30, 2019.

Net Position Flow Assumptions

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted - net position to have been depleted before unrestricted-net position is applied.

Fund Balance Flow Assumptions

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes fund balance amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The Board of Supervisors is the highest level of decision-making authority for the government that can, by adoption of an ordinance or resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance or resolution remains in place until a similar action is taken to remove or revise the limitation.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The Board of Supervisors has authorized the District Manager to assign amounts for specific purposes. The Board of Supervisors may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above and additional action is essential to either remove or revise a commitment.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

New GASB Statements Implemented

In fiscal year 2019, the District implemented Government Accounting Standards Board (GASB) Statement No. 88, Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements. This statement requires additional note disclosures for certain debt issues. There was no effect on beginning balances of the District.

Additionally, the GASB has issued Statement No. 83, Certain Asset Retirement Obligations that is effective for this fiscal year. The District has reviewed this statement and determined that this pronouncement has no discernable impact on these financial statements

Stewardship, Compliance and Accountability

Budgetary Information

The District is required to establish a budgetary system and an approved annual budget. Annual budgets are legally adopted on a basis consistent with generally accepted accounting principles for the general fund. Any revision to the budget must be approved by the District Board. The budgets are compared to actual expenditures. In instances where budget appropriations and estimated revenues have been revised during the year, budget data presented in the financial statements represent final authorization amounts.

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

- Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- A public hearing is conducted to obtain comments.
- Prior to October 1, the budget is legally adopted by the District Board.
- Certain budget changes must be approved by the District Board.
- Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

NOTE 3 DEPOSITS AND INVESTMENTS

Deposits

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

At September 30, 2019, restricted cash of \$9,985 was included in the cash balance.

Investments

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

Under GASB 72, assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted price for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining quoted prices for identical or similar assets, or liabilities, in markets that are not active. Level 3 is the least reliable, and uses significant unobservable inputs that uses the best information available under the circumstances, which includes the District's own data in measuring unobservable inputs.

Instead of establishing a written investment policy, the District elected to limit investments to those approved by Florida Statutes and the District Trust Indenture. Authorized District investments include, but are not limited to:

1. The Local Government Surplus Funds Trust Fund (SBA);
2. Securities and Exchange Commission Registered Money Market Funds with the highest credit quality rating from a nationally recognized rating agency;
3. Interest-bearing time deposits or savings accounts in qualified public depositories;
4. Direct obligations of the U.S. Treasury.

The District has the following recurring fair value measurements as of September 30, 2019:

- Money market mutual funds of \$1,543,198 are valued using Level 2 inputs.

The following is a summary of the District's investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Weighted Average Maturity</u>
First American Government Obligation Fund Y	\$ 1,543,198	AAAm	24 days
	<u>\$ 1,543,198</u>		

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial credit risk:

For an investment, custodial credit risk is the risk that the District will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The District has no formal policy for custodial risk. At September 30, 2019, all investments, except for investments in money market funds, were held in custodial accounts in the District's name by an independent custodial bank.

Concentration risk:

The District does not have a formal policy for addressing interest rate risk; however, investments are made with discretion, to see reasonable returns, preserve capital, and in general, avoid speculative investments. The District manages its exposure to declines in fair values from interest rate changes by reviewing the portfolio on an ongoing basis for changes in effective yield amounts.

Credit risk:

Florida Statutes require investments held by the District to have the highest credit quality rating from a nationally recognized rating agency. The District complies with the requirements of the Florida Statutes.

Interest rate risk:

Florida Statutes provide that the investment portfolio be structured in such a manner as to provide sufficient liquidity to pay obligations as they come due. The District complies with the requirements of the Florida Statutes.

NOTE 4 CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2019 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land and improvements	\$ 29,136,615	\$ 41,563	\$ -	\$ 29,178,178
Total capital assets, not being depreciated	29,136,615	41,563	-	29,178,178
Capital assets Being Depreciated:				
Infrastructure	15,981,380	-	-	15,981,380
Improvements other than buildings	448,950	-	-	448,950
Total capital assets being depreciated	16,430,330	-	-	16,430,330
Total capital assets	45,566,945	41,563	-	45,608,508
Less Accumulated Depreciation for:				
Infrastructure	(8,682,646)	(534,735)	-	(9,217,381)
Improvements other than buildings	(448,951)	-	-	(448,951)
Total accumulated depreciation	(9,131,597)	(534,735)	-	(9,666,332)
Total capital assets being depreciated, net	7,298,733	(534,735)	-	6,763,998
Governmental activities capital assets, net	\$ 36,435,348	\$ (493,172)	\$ -	\$ 35,942,176

Depreciation of \$534,735 was allocated to maintenance and operations in the Statement of Activities. The infrastructure for the District is completed.

NOTE 5 BONDS AND NOTES PAYABLE

Capital Improvement Revenue Refunding Bonds, Series 2012

On May 17, 2012, the District issued \$13,455,000 Series 2012 Capital Improvement Revenue Refunding Bonds. The Series 2012 Bonds are a combination of Serial Bonds of \$6,355,000 and Term Bonds of \$7,100,000. Serial Bonds gradually mature from May 1, 2013 through May 1, 2023 with variable interest rates ranging from 2.4% to 4.65%. The Term Bonds are due May 1, 2031 with a fixed interest rate of 5.1%. Interest is paid semi-annually on each May 1 and November 1. The Bonds were issued to refund and redeem all of the outstanding principal amount of the Series 1999A in the amount of \$3,380,000 and the Series 2001 in the amount of \$4,165,000. The District also loaned Bond funds of \$6,025,000 to the Mediterra North CDD pursuant to the Interlocal Agreement (the "North Loan") to finance the refunding and redemption of the entire outstanding principal amount of the North District's Capital Improvement Revenue Bonds, Series 2001A in the amount of \$6,025,000. As part of the merger the bond balance is consolidated in 2018 fiscal year. The Bonds are secured by the pledge of revenues derived from the collection of non-ad valorem special assessments.

The Series 2012 Bonds will be payable from and secured by the Series 1999 and 2001 Mediterra South Assessments and the Series 2001 Mediterra North Assessments, the North District has agreed to levy and collect assessments within the North District allocable to the 2001 North Project and to deposit such revenues with the Trustee in order to pay debt service of the Series 2012 Bonds. It is currently estimated that approximately 45% of the total debt service of the Series 2012 Bonds will be paid from revenue received by the Trustee from the North District.

Some of the bonds are subject to optional, mandatory and extraordinary redemption at par on a schedule of annual redemption maturity dates. The District is required to redeem the bonds at par prior to schedule from the proceeds of any assessments prepaid or if certain events occur as outlined in the Bond Indenture.

The Bond Indenture requires that the District maintain adequate funds in a reserve account to meet the debt service reserve requirements as defined in the Indenture. The requirement has been met for the fiscal year ended September 30, 2019.

The Bond Indentures have certain restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agreed to levy special assessments in annual amounts adequate to provide payment of debt service. The District is in compliance with the requirements of the Bond Indentures. In the event of default, Bonds outstanding to be due and payable immediately.

As September 30, 2019, total principal and interest remaining on the Series 2012 Bonds was \$12,940,890. For the current fiscal year, interest and principal of \$1,124,616 was paid on these bonds. Special assessment revenue pledged was \$1,115,738 in the current year.

Capital Improvement Revenue Refunding Bonds, Series 2013

On May 3, 2013, the District issued \$4,030,000 Series 2013 Capital Improvement Revenue Refunding Bonds. The Series 2013 Bonds consist of \$1,640,000 Term Bonds due May 1, 2024 with a fixed interest rate of 4.125% and \$2,390,000 Term Bonds due May 1, 2034 with a fixed interest rate of 5.0%. Interest is paid semi-annually on each May 1 and November 1. Principal on the Series 2013 Bonds is paid serially and commences on May 1, 2014. The Bonds were issued to redeem and refund the Series 2003A Bonds and are secured by the pledge of revenues derived from the collection of non-ad valorem special assessments.

The bonds are subject to optional, mandatory and extraordinary redemption at certain maturity dates. The District is required to redeem the bonds at par prior to schedule from the proceeds of any assessments prepaid or if certain events occur as outlined in the Bond Indenture.

The Bond Indenture requires that the District maintain adequate funds in a reserve account to meet the debt service reserve requirements as defined in the Indenture. The requirement has been met for the fiscal year ended September 30, 2019.

NOTE 5 BONDS AND NOTES PAYABLE (CONTINUED)

The Bond Indentures have certain restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agreed to levy special assessments in annual amounts adequate to provide payment of debt service. The District is in compliance with the requirements of the Bond Indentures. In the event of default, Bonds outstanding to be due and payable immediately.

As of September 30, 2019, total principal and interest remaining on the Series 2013 Bonds was \$4,569,570. For the current fiscal year, interest and principal of \$302,806 was paid on these bonds. Special assessment revenue pledged was \$321,035 in the current year.

Improvement Revenue Note, Series 2016 - In May 2017, the District issued \$400,000 Series 2016 Improvement Revenue Note from Florida Community Bank, N.A. with a fixed interest rate of 4.0%. Interest is paid semi-annually on each May 1 and November 1. Principal payments are due May 1 each year beginning May 1, 2018. The Note was issued to provide funds to finance a capital improvement project.

The Note is secured by special assessment and other assets of the District. The Note Agreement requires that the District maintain adequate funds in a reserve account to meet the debt service reserve requirements as defined in the Note Agreement. The requirement has been met for the fiscal year ended September 30, 2019. In the event of default, the Lender may declare the entire amount immediately due and payable without notice to the District.

As of September 30, 2019, total principal and interest remaining on the Series 2016 Note was \$291,897. For the current fiscal year, interest and principal of \$92,279 was paid on this Note. Special assessment revenue pledged was \$583,261 in the current year.

The balance of the long-term bonds at September 30, 2019 is summarized as follows:

<u>September 30</u>	<u>2019</u>
Bond Principal Balance	\$ 12,730,000
Less Unamortized Bond Discount	(34,515)
Net Balance	<u>\$ 12,695,485</u>

Long-term liability activity for the year ended September 30, 2019 was as follows:

	<u>Beginning Balance</u>	<u>Reductions</u>	<u>Amortization</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Special Assessment					
Revenue Bonds,					
Series 2012	\$ 10,180,000	\$ (630,000)	\$ -	\$ 9,550,000	\$ 610,000
Series 2013	3,325,000	(145,000)	-	3,180,000	150,000
Original Issue Discount	(36,718)	-	2,203	(34,515)	-
Improvement Revenue					
Note, Series 2016	348,237	(76,500)	-	271,737	80,000
Total	<u>\$ 13,816,519</u>	<u>\$ (851,500)</u>	<u>\$ 2,203</u>	<u>\$ 12,967,222</u>	<u>\$ 840,000</u>

NOTE 5 BONDS AND NOTES PAYABLE (CONTINUED)

At September 30, 2019, the scheduled debt service requirements on long-term debt were as follows:

Year Ending September 30,	Principal	Interest	Total
2020	\$ 840,000	\$ 631,782	\$ 1,471,782
2021	873,000	596,775	1,469,775
2022	938,737	559,121	1,497,858
2023	865,000	518,950	1,383,950
2024	910,000	479,620	1,389,620
2025 - 2029	5,310,000	1,663,220	6,973,220
2030 - 2034	3,265,000	351,152	3,616,152
	\$ 13,001,737	\$ 4,800,620	\$ 17,802,357

NOTE 6 OTHER TRANSACTIONS

During the year ended September 30, 2019, a Builder paid assessments of approximately \$76,700, for lots owned by the Builder. For the fiscal year ended September 30, 2019, the Mediterra Golf Club paid assessments totaling \$101,604.

NOTE 7 MAINTENANCE SERVICE AGREEMENT

On June 26, 2014, the District entered into a maintenance service agreement with Mediterra Community Association, Inc. ("the Association"). The Association shall provide, at no cost, routine landscape maintenance services; provided, however, installation of additional plant material of any kind shall be at the cost of the District's cost.

NOTE 8 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District maintains commercial insurance coverage to mitigate the risk of loss. Coverage may not extend to all situations. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. The District has not experienced any insurance claims under the commercial coverage in the previous three years.

NOTE 9 MANAGEMENT COMPANY

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

COMPLIANCE SECTION

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

To the Board of Supervisors
Mediterra Community Development District

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, and each major fund of the *Mediterra Community Development District* (the "District") as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated May 19, 2020.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and 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.

McDiarmid Davis

Orlando, Florida
May 19, 2020

MANAGEMENT COMMENTS

Board of Supervisors
Mediterra Community Development District
Report on the Financial Statements

We have audited the financial statements of the *Mediterra Community Development District* (the "District"), as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated May 19, 2020.

Auditor's Responsibility

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

Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated May 19, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information has been disclosed in the notes to the financial statements.

Financial Condition and Management

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

Pursuant to Sections 10.554(1)(i)5b.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the District. It is management's responsibility to monitor the District's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

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.

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 which 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.

McDiarmid Davis

Orlando, Florida
May 19, 2020



934 North Magnolia Avenue, Suite 100
Orlando, Florida 32803
407-843-5406
www.mcdermittdavis.com

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES**

Board of Supervisors
Mediterra Community Development District

We have examined Mediterra Community Development District's (the "District") compliance with the requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2019. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2019.

McDermitt Davis & Company LLC

Orlando, Florida
May 19, 2020

MEDITERRA
COMMUNITY DEVELOPMENT DISTRICT

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RESOLUTION 2020-06

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE MEDITERRA
COMMUNITY DEVELOPMENT DISTRICT HEREBY ACCEPTING THE
AUDITED FINANCIAL REPORT FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2019**

WHEREAS, the District's Auditor, McDirmit Davis & Company, LLC, has heretofore prepared and submitted to the Board, for accepting, the District's Audited Financial Report for Fiscal Year 2019;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS
OF THE MEDITERRA COMMUNITY DEVELOPMENT DISTRICT;**

1. The Audited Financial Report for Fiscal Year 2019, heretofore submitted to the Board, is hereby accepted for Fiscal Year 2019, for the period ending September 30, 2019; and
2. A verified copy of said Audited Financial Report for Fiscal Year 2019 shall be attached hereto as an exhibit to this Resolution, in the District's "Official Record of Proceedings".

PASSED AND ADOPTED this 27th day of May, 2020.

**MEDITERRA COMMUNITY DEVELOPMENT
DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

MEDITERRA
COMMUNITY DEVELOPMENT DISTRICT

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17891 Wetstone Rd.
 North Fort Myers, Fl. 33917
 239-984-5241 Office
 239-707-5034 Cell
 239-236-1234 Fax

February 11, 2020

Mediterra CDD – 2020 Drainage Inspection

M.R.I. Underwater Specialists has completed the 2020 inspection of the community district maintained lake interconnects, curb inlets, junction boxes, and storm structures within the Mediterra community. We also inspected the five outfall structures that allow of the storm water to flow off property (OS-Coco1, OS-Coco2, OS-Oak1, OS-Oak2, and Os-Oak3).

M.R.I. utilizes divers to dive each storm structure to physically inspect and determine the condition and any blockages present. We have provided a detailed inspection report, showing our findings and if each structure is recommended for cleaning.


Drainage Overview

Of the **344** structures inspected within the community, it has been determined that there are **123** structures which were found to be 25% or more with sand, debris and blockage and require attention.

It is important to note the following which was found upon inspection of the community:

All 5 outfall structures were inspected and found to be clean, however, outfall #167 exhibits a structural defect and repair is recommended. The repair of this structure has been included in the cleaning cost.

Like the other structures in the community, the diver enters each outfall structure and inspects up to two pipe lengths in to ensure the condition. We have provided a proposal cost to complete an ROV video inspection of all 5 control structures. The ROV camera is a remotely operated underwater camera that can provide more thorough results as is it capable of penetrating deep into the pipes and transmits real-time video footage. That ROV camera can detect pipe defects and blockages that the diver may not be able to detect.

Outfall Number	Location	2020 Condition
10A	OS-Coco1	10% Sediment and debris
64	OS-Coco2	Clean
114	OS-Oak1	Clean
167	OS-Oak2	The structure is clean, however the concrete lid is off-set and needs to be re-aligned and repaired with hydro cement. 
171	OS-Oak3	Clean

Sinkhole Line

It is also important to note that there is still visible signs of a sinkhole between Structure 68 and 68A which was noted in previous year's inspection reports.

During the repair of a previous sinkhole we pulled out large boulders from this area which were put in by others. The large size of these boulders back-filled the pipe causing breaks, which has weekend the integrity of the pipe and allowed the pipe to fill with sand.



Debris Barrier Fabric

Upon review of the report, you will see that there are four structures which require debris barrier fabric, or the replacement of old fabric with new fabric. These structures are located in areas that have a large amount of sand or landscaping material (mulch, foliage, etc.) present and would benefit with extra prevention to prevent debris intrusion. We have included the cost to install the new debris barrier fabric in the cleaning estimate.

Structures included in this cost include: 144A, 208, 211, and 260A.



Buried Manhole Junction Boxes

You will find that there are some structures that were found to be “buried” that are not recommended for cleaning. These structures are junction boxes which have a manhole cover preventing sediment and debris from entering. From our experience, it is highly likely that these structures are clean since they do not have a grate or opening for sediment to access and infiltrate the line. Typically these structures are buried in landscaping areas or many inches under the ground and do not require to be dug up.

If a structure was found to be buried and should be uncovered (e.g. lake pipe end and grated inlet) we have recommended it for cleaning and it is included in the proposal.

There are various factors that can contribute to blockages and buildups in the storm drain system –Including run off from the streets, landscaping material, and pre-construction material that accumulates over time. Leaves, sticks, cans, bottles, trash, bags and other large debris can infiltrate a storm system through curbside inlets and grates. Significant amounts of sand and gravel can also build up on the bottom of storm structures and lines. The accumulated debris prevents the storm water from draining effectively, causing backups that flood streets. It is M.R.I.’s recommendation to have your storm system inspected every year to two years for preventative maintenance. Recommendations for cleanings are determined after the inspection, as not every structure on the system may require cleaning. It is our suggestion to have all structures found to contain 25% or more sand and debris to be cleaned for optimum flow.

Thank you,

Mike Radford

M.R.I. Underwater Specialists, Inc.

239-984-5241

MEDITERRA
COMMUNITY DEVELOPMENT DISTRICT

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RESOLUTION 2020-07

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE MEDITERRA COMMUNITY DEVELOPMENT DISTRICT APPROVING PROPOSED BUDGETS FOR FISCAL YEAR 2020/2021 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW; ADDRESSING TRANSMITTAL, POSTING AND PUBLICATION REQUIREMENTS; ADDRESSING SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District Manager has heretofore prepared and submitted to the Board of Supervisors (“**Board**”) of the Mediterra Community Development District (“**District**”) prior to June 15, 2020, proposed budgets (“**Proposed Budget**”) for the fiscal year beginning October 1, 2020 and ending September 30, 2021 (“**Fiscal Year 2020/2021**”); and

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

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

1. **PROPOSED BUDGET APPROVED.** The Proposed Budget prepared by the District Manager for Fiscal Year 2020/2021 attached hereto as **Exhibit A** is hereby approved as the basis for conducting a public hearing to adopt said Proposed Budget.

2. **SETTING A PUBLIC HEARING.** A public hearing on said approved Proposed Budget is hereby declared and set as follows:

DATE: August 19, 2020

HOUR: 9:00 A.M.

The hearing may be conducted remotely, pursuant to communication media technology and/or by telephone pursuant to Executive Orders 20-52, 20-69, and 20-112 issued by Governor DeSantis on March 9, 2020, March 20, 2020, and April 29, 2020, as such orders may be extended, respectively, and pursuant to Section 120.54(5)(b)2., *Florida Statutes*. In the event that conditions allow the meeting to be held in person, it will be held at the following location:

LOCATION: Sports Club at Mediterra
(Bella Vita 1 Room)
15735 Corso Mediterra Circle
Naples, Florida 34110

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

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

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

6. **SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

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

PASSED AND ADOPTED THIS 27th DAY OF MAY, 2020.

ATTEST:

**MEDITERRA COMMUNITY DEVELOPMENT
DISTRICT**

Secretary/Assistant Secretary

By: _____
Its: _____

EXHIBIT A: FY2020/2021 PROPOSED BUDGET

**MEDITERRA
COMMUNITY DEVELOPMENT DISTRICT
FISCAL YEAR 2021
PROPOSED BUDGET
PREPARED MAY 13, 2020**

**MEDITERRA
COMMUNITY DEVELOPMENT DISTRICT
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**MEDITERRA
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND 001 BUDGET
FISCAL YEAR 2021**

	Fiscal Year 2020				Proposed Budget FY 2021
	Adopted Budget FY 2020	Actual through 3/31/2020	Estimated through 9/30/2020	Total Actual and Estimated	
REVENUES					
Assessment levy: on-roll - gross	\$ 660,851				\$ 660,851
Allowable Discounts (4%)	(26,434)				(26,434)
Assessment levy: on-roll - net	634,417	\$ 607,208	\$ 27,209	\$ 634,417	634,417
Assessment levy: off-roll	112,055	56,028	56,027	112,055	112,055
Interest and miscellaneous	-	109	100	209	-
Total revenues	<u>746,472</u>	<u>663,345</u>	<u>83,336</u>	<u>746,681</u>	<u>746,472</u>
EXPENDITURES					
Professional & admin					
Supervisors	6,600	4,091	2,509	6,600	6,600
Management	48,000	24,000	24,000	48,000	48,000
Accounting	16,700	8,350	8,350	16,700	16,700
Audit	10,000	-	10,000	10,000	10,000
Legal	10,000	6,001	3,999	10,000	10,000
Field management	15,300	7,650	7,650	15,300	15,300
Engineering	35,000	28,861	6,139	35,000	35,000
Trustee	10,000	-	10,000	10,000	10,000
Dissemination agent	4,000	2,000	2,000	4,000	4,000
Arbitrage rebate calculation	1,500	-	1,500	1,500	1,500
Assessment roll preparation	5,000	2,500	2,500	5,000	5,000
Telephone	259	129	130	259	259
Postage	1,000	793	207	1,000	1,000
Insurance	11,750	11,462	-	11,462	11,750
Printing & binding	1,714	857	857	1,714	1,714
Legal advertising	2,000	3,529	2,000	5,529	4,000
Contingencies	2,500	934	1,566	2,500	2,500
Annual district filing fee	175	175	-	175	175
Website	705	705	-	705	705
ADA website compliance	200	199	-	199	210
Total professional & admin	<u>182,403</u>	<u>102,236</u>	<u>83,407</u>	<u>185,643</u>	<u>184,413</u>

**MEDITERRA
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND 001 BUDGET
FISCAL YEAR 2021**

	Fiscal Year 2020				Proposed Budget FY 2021
	Adopted Budget FY 2020	Actual through 3/31/2020	Estimated through 9/30/2020	Total Actual and Estimated	
Water management					
Contractual services	203,980	90,350	121,130	211,480	211,500
Aquascaping/lake banks/pipe cleanout	100,000	8,280	91,720	100,000	100,000
Streetsweeping	8,000	3,075	-	3,075	-
Electricity	33,000	13,670	16,000	29,670	31,500
Future aeration replacement	17,400	4,129	13,271	17,400	57,840
Capital outlay-aeration FCB loan pymt	89,960	6,030	83,930	89,960	89,960
Total water management	<u>452,340</u>	<u>125,534</u>	<u>326,051</u>	<u>451,585</u>	<u>490,800</u>
Other fees and charges					
Property appraiser	10,699	333	10,366	10,699	10,699
Tax collector	8,030	8,139	-	8,139	8,030
Total other fees and charges	<u>18,729</u>	<u>8,472</u>	<u>10,366</u>	<u>18,838</u>	<u>18,729</u>
Total expenditures and other uses	<u>653,472</u>	<u>236,242</u>	<u>419,824</u>	<u>656,066</u>	<u>693,942</u>
Excess/(deficiency) of revenues over/(under) expenditures	93,000	427,103	(336,488)	90,615	52,530
Fund balance - beginning (unaudited)	87,094	10,304	437,407	10,304	100,919
Fund balance - ending (projected)	<u>\$ 180,094</u>	<u>\$ 437,407</u>	<u>\$ 100,919</u>	<u>\$ 100,919</u>	<u>\$ 153,449</u>

Assessment Summary

Description	Units	FY 2020	FY 2021	Total Revenue
		Actual Assessment	Proposed Assessment	
On-roll assessments	926.00	\$ 713.66	\$ 713.66	\$ 660,850.54
Off-roll assessments	168.53	\$ 664.89	\$ 664.89	\$ 112,055.46
Total Units:	<u>1,094.53</u>		Total Revenue:	<u>\$ 772,906.00</u>

**MEDITERRA
COMMUNITY DEVELOPMENT DISTRICT
DEFINITION OF GENERAL FUND EXPENDITURES**

EXPENDITURES

Supervisors	\$ 6,600
Supervisors pay is statutorily set at \$200 , per Supervisor, (plus applicable taxes) for each meeting of the Board of Supervisors not to exceed \$4,800, per Supervisor, for each fiscal year. It is anticipated the Board will meet 6 times a year.	
Management	48,000
Wrathell, Hunt and Associates, LLC , specializes in managing community development districts in the State of Florida by combining the knowledge, skills and experience of a team of professionals to ensure compliance with all governmental requirements of the District, develop financing programs, oversee the issuance of tax exempt bonds, and operate and maintain the assets of the community.	
Accounting	16,700
Fees related to all aspects of accounting for the District funds, including budget and financial statement preparation, cash management and accounts payable. These functions are performed by Wrathell, Hunt and Associates, LLC , on behalf of the District.	
Audit	10,000
The District are required to complete annual, independent examinations of their accounting records and procedures. These audit is conducted pursuant to Florida Law and the Rules of the Florida Auditor General.	
Legal	10,000
Fees for on-going general counsel and legal representation on behalf of the District.	
Field management	15,300
Wrathell, Hunt & Associates, LLC , is responsible for day-to-day field operations. These responsibilities include, but are not limited to, preparing and bidding services, contract administration, hiring and maintaining qualified personnel, preparing operating schedules and policies, ensuring compliance with operating permits, preparing and implementing field operating budgets, providing District-related information to the public and attending board meetings.	
Engineering	35,000
Johnson Engineering, Inc. provides an array of engineering, consulting, and construction services to the District, assisting them in crafting solutions with sustainability for the long-term interests of the community, while recognizing the needs of the government, environment and maintenance of the community's facilities.	
Trustee	10,000
Annual fees paid to U.S. Bank for acting as trustee, paying agent and registrar.	
Dissemination agent	4,000
The District must annually disseminate financial information in order to comply with the requirements of Rule 15c2-12 under the Securities & Exchange Act of 1934. The District has amended their contracts with Wrathell, Hunt and Associates, LLC to provide this service.	
Arbitrage rebate calculation	1,500
To ensure the District's compliance with all tax regulations, annual computations are necessary to calculate arbitrage rebate liability.	
Assessment roll preparation	5,000
The District has amended their contracts with Wrathell, Hunt and Associates, LLC to provide assessment roll management services.	
Telephone	259
Telephone and fax machine services.	
Postage	1,000
Mailing of agenda packages, overnight deliveries, correspondence, etc.	

**MEDITERRA
COMMUNITY DEVELOPMENT DISTRICT
DEFINITION OF GENERAL FUND EXPENDITURES**

EXPENDITURES (continued)

Insurance	11,750
<p>The District carries public officials liability, general liability and fire damage insurance. The District has a general liability insurance limit of \$1,000,000 (\$2,000,000 general aggregate limit), a public officials liability limit of \$1,000,000 (\$2,000,000 general aggregate limit) and a fire damage liability limit of \$50,000.</p>	
Printing & binding	1,714
<p>Letterhead, envelopes, copies, etc.</p>	
Legal advertising	4,000
<p>Required advertisements for monthly meetings, special meetings, public hearings, bidding, etc.</p>	
Contingencies	2,500
<p>Bank charges, automated AP routing and miscellaneous expenses incurred throughout the year.</p>	
Annual district filing fee	175
<p>Annual fee paid to the Department of Economic Opportunity.</p>	
Website	705
ADA website compliance	210
Contractual services	211,500
<p>Contracts entered into by the District for water management related professional services, including lake and wetland maintenance, as well as water quality testing and Cane Toad removal.</p>	
Aquascaping/lake banks/pipe cleanout	100,000
<p>Addresses the continued supplementation of the lake perimeter beneficial aquatic plant program as well as inspection and cleanout of District owned drainage pipes and structures on a rotational basis. It is also anticipated that the District will begin a lake repair and aesthetic enhancement program in 2020.</p>	
Electricity	31,500
<p>Electrical expenses incurred relating to water management of the District.</p>	
Future aeration replacement	57,840
<p>In 2018 the District adopted an aeration major component replacement schedule. The budgeted amount is per that schedule</p>	
Capital outlay-aeration FCB loan pymt	89,960
<p>In 2017 the District completed the remaining aeration systems and began repaying the 5 year loan from FCB during fiscal year 2018 maturing during fiscal year 2023.</p>	
Property appraiser	10,699
<p>The property appraiser's fee is \$1.00 per parcel in Lee County. The property appraiser's fee is 2% of assessments levied in Collier County.</p>	
Tax collector	8,030
<p>The tax collector's fee is 1.5% of assessments collected.</p>	
Total expenditures	<u><u>\$ 693,942</u></u>

**MEDITERRA
COMMUNITY DEVELOPMENT DISTRICT
DEBT SERVICE FUND BUDGET - SERIES 2012 (\$6,025,000 and \$7,430,000)
REFUNDING MEDITERRA SOUTH SERIES 1999 & 2001
FISCAL YEAR 2021**

	Fiscal Year 2020				Proposed Budget FY 2021
	Adopted Budget FY 2020	Actual through 3/31/2020	Estimated through 9/30/2020	Total Actual and Estimated	
REVENUES					
Assessment levy: on-roll - gross	\$ 1,148,645				\$ 1,112,497
Allowable Discounts (4%)	(45,946)				(44,500)
Assessment levy: on-roll - net	1,102,699	\$ 1,055,587	\$ 47,112	\$ 1,102,699	1,067,997
Interest	-	9,345	-	9,345	-
Total Revenues	1,102,699	1,064,932	47,112	1,112,044	1,067,997
EXPENDITURES					
Debt service					
Principal	610,000	-	610,000	610,000	615,000
Principal prepayment	-	-	270,000	270,000	-
Interest	469,998	234,999	234,999	469,998	431,010
Total debt service	1,079,998	234,999	1,114,999	1,349,998	1,046,010
Other fees & charges					
Property appraiser	9,729	-	9,729	9,729	9,423
Tax collector	12,972	14,149	-	14,149	12,564
Total other fees & charges	22,701	14,149	9,729	23,878	21,987
Total expenditures	1,102,699	249,148	1,124,728	1,373,876	1,067,997
Excess/(deficiency) of revenues over/(under) expenditures	-	815,784	(1,077,616)	(261,832)	-
Beginning fund balance (unaudited)	1,280,453	1,315,581	2,131,365	1,315,581	1,053,749
Ending fund balance (projected)	\$1,280,453	\$2,131,365	\$1,053,749	\$1,053,749	1,053,749
Use of fund balance					
Debt service reserve account balance (required)					(804,268)
Interest expense - November 1, 2021					(201,975)
Projected fund balance surplus/(deficit) as of September 30, 2021					\$ 47,506

Mediterra

Community Development District

Series 2012 (Refunded Mediterra North CDD Series 2001 and Mediterra South CDD Series 1999 & 2001)
\$6,025,000 and \$7,430,000

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
11/01/2020	-	-	215,505.00	215,505.00
05/01/2021	615,000.00	4.400%	215,505.00	830,505.00
11/01/2021	-	-	201,975.00	201,975.00
05/01/2022	640,000.00	4.500%	201,975.00	841,975.00
11/01/2022	-	-	187,575.00	187,575.00
05/01/2023	670,000.00	4.650%	187,575.00	857,575.00
11/01/2023	-	-	171,997.50	171,997.50
05/01/2024	705,000.00	5.100%	171,997.50	876,997.50
11/01/2024	-	-	154,020.00	154,020.00
05/01/2025	745,000.00	5.100%	154,020.00	899,020.00
11/01/2025	-	-	135,022.50	135,022.50
05/01/2026	780,000.00	5.100%	135,022.50	915,022.50
11/01/2026	-	-	115,132.50	115,132.50
05/01/2027	825,000.00	5.100%	115,132.50	940,132.50
11/01/2027	-	-	94,095.00	94,095.00
05/01/2028	865,000.00	5.100%	94,095.00	959,095.00
11/01/2028	-	-	72,037.50	72,037.50
05/01/2029	910,000.00	5.100%	72,037.50	982,037.50
11/01/2029	-	-	48,832.50	48,832.50
05/01/2030	960,000.00	5.100%	48,832.50	1,008,832.50
11/01/2030	-	-	24,352.50	24,352.50
05/01/2031	955,000.00	5.100%	24,352.50	979,352.50
Total	\$8,670,000.00	-	\$2,841,090.00	\$11,511,090.00

**MEDITERRA
COMMUNITY DEVELOPMENT DISTRICT
DEBT SERVICE FUND 204 BUDGET - SERIES 2013 BONDS
FISCAL YEAR 2021**

	Fiscal Year 2020				Proposed Budget FY 2021
	Adopted Budget FY 2020	Actual through 3/31/2020	Estimated through 9/30/2020	Total Actual and Estimated	
REVENUES					
Assessment levy: on-roll - gross	\$ 329,677				\$ 329,677
Allowable discounts (4%)	(13,187)				(13,187)
Assessment levy: on-roll - net	316,490	\$ 302,916	\$ 13,574	\$ 316,490	316,490
Interest	-	1,888	-	1,888	-
Total revenues	316,490	304,804	13,574	318,378	316,490
EXPENDITURES					
Debt service					
Principal	150,000	-	150,000	150,000	155,000
Interest	151,825	75,912	78,903	154,815	145,638
Total debt service	301,825	75,912	228,903	304,815	300,638
Other fees & charges					
Property appraiser	4,945	-	4,945	4,945	4,945
Tax collector	6,594	4,060	2,534	6,594	6,594
Total other fees & charges	11,539	4,060	7,479	11,539	11,539
Total expenditures	313,364	79,972	236,382	316,354	312,177
Excess/(deficiency) of revenues over/(under) expenditures	3,126	224,832	(222,808)	2,024	4,313
Beginning fund balance (unaudited)	225,791	240,742	465,574	240,742	242,766
Ending fund balance (projected)	<u>\$228,917</u>	<u>\$465,574</u>	<u>\$242,766</u>	<u>\$ 242,766</u>	<u>247,079</u>
Use of fund balance					
Debt service reserve account balance (required)					(75,000)
Interest expense - November 1, 2021					(69,622)
Projected fund balance surplus/(deficit) as of September 30, 2021					<u>\$ 102,457</u>

Mediterra

Community Development District

Series 2013

\$4,030,000

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
11/01/2020	-		72,818.75	72,818.75
05/01/2021	155,000.00	4.125%	72,818.75	227,818.75
11/01/2021	-		69,621.88	69,621.88
05/01/2022	165,000.00	4.125%	69,621.88	234,621.88
11/01/2022	-		66,218.75	66,218.75
05/01/2023	170,000.00	4.125%	66,218.75	236,218.75
11/01/2023	-		62,712.50	62,712.50
05/01/2024	180,000.00	4.125%	62,712.50	242,712.50
11/01/2024	-		59,000.00	59,000.00
05/01/2025	185,000.00	5.000%	59,000.00	244,000.00
11/01/2025	-		54,375.00	54,375.00
05/01/2026	195,000.00	5.000%	54,375.00	249,375.00
11/01/2026	-		49,500.00	49,500.00
05/01/2027	210,000.00	5.000%	49,500.00	259,500.00
11/01/2027	-		44,250.00	44,250.00
05/01/2028	220,000.00	5.000%	44,250.00	264,250.00
11/01/2028	-		38,750.00	38,750.00
05/01/2029	230,000.00	5.000%	38,750.00	268,750.00
11/01/2029	-		33,000.00	33,000.00
05/01/2030	240,000.00	5.000%	33,000.00	273,000.00
11/01/2030	-		27,000.00	27,000.00
05/01/2031	255,000.00	5.000%	27,000.00	282,000.00
11/01/2031	-		20,625.00	20,625.00
05/01/2032	265,000.00	5.000%	20,625.00	285,625.00
11/01/2032	-		14,000.00	14,000.00
05/01/2033	280,000.00	5.000%	14,000.00	294,000.00
11/01/2033	-		7,000.00	7,000.00
05/01/2034	280,000.00	5.000%	7,000.00	287,000.00
Total	\$3,030,000.00		\$1,237,743.75	\$4,267,743.75

**Mediterra
Community Development District
FY 2020-2021 Final Assessments**

*****PRELIMINARY*****

Lee County "North" 2012 Series A Bond Issue - Refinanced 2001 Bonds

**Lee County
10 years remaining**

Neighborhoods	Parcel	Bond Designation	Debt Service Assessment	O & M Assessment	Total Assessment	Outstanding Principal after 2020-2021 tax payment
Teramo	115	Manor 2	\$2,970.69	\$ 713.66	\$ 3,684.35	\$21,509.21
Il Cuore Ct	115A	Manor A	4,263.16	713.66	4,976.82	30,867.24
Verona (Lots 1-5,31-34)	117	Manor 3	3,050.99	713.66	3,764.65	22,090.62
Cortile (lots 1-5, 37-48)	118	Villa 1	1,405.06	713.66	2,118.72	10,173.27
Treviso (Lots 2 - 10)	120	Manor 1	2,890.40	713.66	3,604.06	20,927.87
Marcello	114	Estate 1	2,890.40	713.66	3,604.06	20,927.87
Marcello	114	Estate 1A	3,680.40	713.66	4,394.06	26,647.82
Amarone	124	Estate 1	2,890.40	713.66	3,604.06	20,927.87
Positano	116	Villa 1	1,405.06	713.66	2,118.72	10,173.27
Villalago	121	Villa 2	1,124.04	713.66	1,837.71	8,138.61
Terrazza	123	Villa 2	1,124.04	713.66	1,837.71	8,138.61
Serata	122A	Villa 2	1,124.04	713.66	1,837.71	8,138.61
Serata II	122A	Villa 2A	1,885.66	713.66	2,599.32	13,653.04
Brendisi	119	Coach 1	838.09	713.66	1,551.75	6,068.16
Calabria	122B	Coach 1	838.09	713.66	1,551.75	6,068.16
Porta Vecchio	113	Coach	802.89	713.66	1,516.55	5,813.32

Fiscal year 2019-2020 Assessments:	Manor 1	\$ 2,984.32	\$ 713.66	\$ 3,697.98	\$23,227.21
	Manor 2	3,067.22	713.66	3,780.88	23,872.42
	Manor 3	3,150.13	713.66	3,863.79	24,517.71
	Manor A	4,401.68	713.66	5,115.34	34,258.62
	Estate 1	2,984.32	713.66	3,697.98	23,227.21
	Estate 1A	3,799.99	713.66	4,513.65	29,575.61
	Villa 1	1,450.71	713.66	2,164.37	11,291.00
	Villa 2	1,160.57	713.66	1,874.23	9,032.80
	Villa 2A	1,946.93	713.66	2,660.59	15,153.09
	Coach 1	865.32	713.66	1,578.98	6,734.87
	Coach	828.98	713.66	1,542.64	6,452.03

**Mediterra
Community Development District
FY 2020-2021 Final Assessments**

*****PRELIMINARY*****

Collier County "South" 2012 Series Bond Issue - REFINANCED 1999 Bonds

**Collier County
10 years remaining**

Phase I Neighborhoods	Parcel	Bond Designation	Debt Service Assessment	O & M Assessment	Total Assessment	Outstanding Principal after 2020-2021 tax payment
Benvenuto	100	Manor SF	\$ 2,380.03	\$ 713.66	\$ 3,093.69	\$ 17,232.55
IL Corsini	108	Manor SF	2,380.03	713.66	3,093.69	17,232.55
IL Trebbio Lots 1-14	101	Estate SF	2,380.03	713.66	3,093.69	17,232.55
Savona	102	Estate SF	2,380.03	713.66	3,093.69	17,232.55
Medici	107	Villa A	948.54	713.66	1,662.20	6,867.87
Milan	105/106	Villa B	948.54	713.66	1,662.20	6,867.87
Villoresi	103	Villa C	948.54	713.66	1,662.20	6,867.87
Monterosso	104	Coach	711.41	713.66	1,425.07	5,150.94
Fiscal year 2019-2020 Assessments:		Manor SF	\$2,457.37	\$ 713.66	\$ 3,171.03	\$19,125.88
		Estate SF	2,457.37	713.66	3,171.03	\$19,125.88
		Villa A,B,C	979.36	713.66	1,693.02	7,622.44
		Coach	734.53	713.66	1,448.19	5,716.87

**Mediterra
Community Development District
FY 2020-2021 Final Assessments**

*****PRELIMINARY*****

Collier County "South" 2012 A-1 Series Bond Issue - REFINANCED 2001 Bonds

**Collier County
10 years remaining**

Phase II Neighborhoods	Parcel	Bond Designation	Debt Service Assessment	O & M Assessment	Total Assessment	Outstanding Principal after 2020-2021 tax payment
Bello Lago	109	Manor SF B	\$ 2,808.03	\$ 713.66	\$ 3,521.69	\$ 20,331.44
Padova (Lots 28-35)	110	Manor SF C	2,340.03	713.66	3,053.69	16,942.94
Ravello	111	Manor SF B	2,808.03	713.66	3,521.69	20,331.44
Cortile (lots 6-18,26-36)	118A	Villa A	1,460.94	713.66	2,174.60	10,577.91
Cortile (lots 19-25)	118B	Manor SF A	2,496.02	713.66	3,209.69	18,072.39
Treviso (Lot 1)	120	Manor SF B	2,808.03	713.66	3,521.69	20,331.44
IL Trevvio Lots (15-22)	101A	Estate SF A	2,340.03	713.66	3,053.69	16,942.94
Padova Lots 1-27	110	Estate SF A	2,340.03	713.66	3,053.69	16,942.94
Verona (lots 6-30)	117	Estate SF B	2,964.04	713.66	3,677.70	21,461.03
Bellezza	112	Villa B	1,092.01	713.66	1,805.67	7,906.67
Porta Vecchio (Bldgs 13,14)	113	Coach	780.01	713.66	1,493.67	5,647.62
Fiscal year 2019-2020 Assessments:		Manor SF A	\$ 2,577.13	\$ 713.66	\$ 3,290.79	\$ 20,058.00
		Manor SF B	2,899.27	713.66	3,612.93	22,565.25
		Manor SF C	2,416.07	713.66	3,129.73	18,804.45
		Estate SF A	2,416.07	713.66	3,129.73	18,804.45
		Estate SF B	3,060.35	713.66	3,774.01	23,818.95
		Villa A	1,508.41	713.66	2,222.07	11,740.10
		Villa B	1,127.49	713.66	1,841.15	8,775.37
		Coach	805.35	713.66	1,519.01	6,268.12

**Mediterra
Community Development District
FY 2020-2021 Final Assessments**

*****PRELIMINARY*****

Collier County "South" 2013 Series Bond Issue (Phase III) - REFINANCED 2003 Bonds

**Collier County
13 years remaining**

Phase III Neighborhoods	Parcel	Bond Designation	Debt Service Assessment	O & M Assessment	Total Assessment	Outstanding Principal after 2020-2021 tax payment
Lucarno	125	Villa C	\$ 1,379.40	\$ 713.66	\$ 2,093.06	\$ 12,029.31
Lucarno	126	Villa C	1,379.40	713.66	2,093.06	12,029.31
Felicita	127	SF - 90	2,758.81	713.66	3,472.47	24,058.62
Cellini	128	SF - 90	2,758.81	713.66	3,472.47	24,058.62
Celebrita	129	SF - 90	2,758.81	713.66	3,472.47	24,058.62
Buonasera	130	SF - 90	2,758.81	713.66	3,472.47	24,058.62
Cabreo	131	Villa C	1,379.40	713.66	2,093.06	12,029.31
Caminetto						
Fiscal year 2019-2020 Assessments:		SF - 90	\$ 2,758.81	\$ 713.66	\$ 3,472.47	\$ 25,355.69
		Villa C	1,379.40	713.66	2,093.06	12,677.85

MEDITERRA
COMMUNITY DEVELOPMENT DISTRICT

8

RESOLUTION 2020-08

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE MEDITERRA COMMUNITY DEVELOPMENT DISTRICT IMPLEMENTING SECTION 190.006(3), FLORIDA STATUTES, AND REQUESTING THAT THE COLLIER COUNTY AND LEE COUNTY SUPERVISORS OF ELECTIONS BEGIN CONDUCTING THE DISTRICT'S GENERAL ELECTIONS; PROVIDING FOR COMPENSATION; SETTING FOR THE TERMS OF OFFICE; AUTHORIZING NOTICE OF THE QUALIFYING PERIOD; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE

WHEREAS, the Mediterra Community Development District ("District") is a local unit of special-purpose government created and existing pursuant to Chapter 42QQQ-1 Florida Administrative, rules and regulations of the Land and Water Adjudicatory Commission Code Florida Statutes, being situated within Collier and Lee Counties, Florida; and

WHEREAS, the Board of Supervisors ("Board") of Mediterra Community Development District seeks to implement section 190.006(3), Florida Statutes, and to instruct the Collier-County and Lee County Supervisors of Elections ("Supervisors") to conduct the District's General Elections.

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

1. **GENERAL ELECTION SEATS.** Seat 3, currently held by Michael Bishko, Seat 4, currently held by Robert Greenberg and Seat 5, currently held by Thomas Van Tassel are scheduled for the General Election in November 2020. The District Manager is hereby authorized to notify the Supervisor of Elections as to what seats are subject to General Election for the current election year, and for each subsequent election year.

2. **QUALIFICATION PROCESS.** For each General Election, all candidates shall qualify for individual seats in accordance with Section 99.061, *Florida Statutes*, and must also be a qualified elector of the District. A qualified elector is any person at least 18 years of age who is a citizen of the United States, a legal resident of the State of Florida and of the District, and who is registered to vote with the Collier County or Lee County Supervisors of Elections. Campaigns shall be conducted in accordance with Chapter 106, *Florida Statutes*.

3. **COMPENSATION.** Members of the Board receive \$200 per meeting for their attendance and no Board member shall receive more than \$4,800 per year.

4. **TERM OF OFFICE.** The term of office for the individuals to be elected to the Board in the General Election is four years. The newly elected Board members shall assume office on the second Tuesday following the election.

5. **REQUEST TO SUPERVISOR OF ELECTIONS.** The District hereby requests the Supervisor to conduct the District's General Election in November, 2020, and for each subsequent General Election unless otherwise directed by the District's Manager. The District understands that it will be responsible to pay for its proportionate share of the General Election cost and agrees to pay same within a reasonable time after receipt of an invoice from the Supervisor.

6. **PUBLICATION.** The District Manager is directed to publish a notice of the qualifying period for each General Election, in a form substantially similar to **Exhibit A** attached hereto.

7. **SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

8. **EFFECTIVE DATE.** This Resolution shall become effective upon its passage.

PASSED AND ADOPTED THIS 27th DAY OF MAY, 2020.

**MEDITERRA COMMUNITY DEVELOPMENT
DISTRICT**

CHAIR/VICE CHAIR, BOARD OF SUPERVISORS

ATTEST:

SECRETARY/ASSISTANT SECRETARY

Exhibit A

NOTICE OF QUALIFYING PERIOD FOR CANDIDATES FOR THE BOARD OF SUPERVISORS OF THE
MEDITERRA COMMUNITY DEVELOPMENT DISTRICT

Notice is hereby given that the qualifying period for candidates for the office of Supervisor of the Mediterra Community Development District will commence at noon on June 8, 2020, and close at noon on June 12, 2020. Candidates must qualify for the office of Supervisor with the Department of State, Division of Elections, located at Room 316, R.A. Gray Building, 500 South Bronough Street, Tallahassee, Florida 32399-0250. All candidates shall qualify for individual seats in accordance with Section 99.061, Florida Statutes, and must also be a qualified elector of the District. A qualified elector is any person at least 18 years of age who is a citizen of the United States, a legal resident of the State of Florida and of the District, and who is registered to vote with the Collier County or Lee County Supervisors of Elections. Campaigns shall be conducted in accordance with Chapter 106, Florida Statutes.

The Mediterra Community Development District has three (3) seats up for election, specifically seats 3, 4 and 5. Each seat carries a four-year term of office. Elections are nonpartisan and will be held at the same time as the general election on November 3, 2020, in the manner prescribed by law for general elections.

For additional information, please contact the Department of State, Division of Elections.

Chesley E. Adams, Jr.
District Manager

MEDITERRA
COMMUNITY DEVELOPMENT DISTRICT

10



TO: Mediterra Board of Supervisors

DATE: May 11, 2020

FROM: Andy Tilton

RE: Pond 74

Following the “good news” as delivered by the manager earlier, the site now has a South Florida Water Management District (SFWMD) Permit Modification to allow the excess pond area to be filled. The filling will result in a pond that matches the original design plan by the developer and was reflected in the original permit. I wanted to give the Board an update of where the project has been and where it could go in the future.

The start of the project was to look at the permitting needed to accomplish the pond’s partial filling. A scope of services and fees was generated anticipating working with the United States Army Corps of Engineers (USACE), SFWMD, and Collier County. The local USACE office was not able to find a previous permit on the site. Based on that, two tasks were outlined in the scope. The first task was to determine if a USACE permit was necessary. If the answer was yes, then the second task would be to apply for such a permit. There was surveying work needed to obtain current land elevations to be used as part of the permit process. It was a given that a permit modification would be required with SFWMD and Collier County. These two were made as separate tasks. These five tasks were in one authorization with fees for each task and culminating with a total for all five tasks.

The Board considered the proposal and after discussion decided to take a phased approach, which had not been initially contemplated, but some of the items could be easily separated and were. The first approval was for Task 1, Determination of Need for USACE permit. Following the preparation and submittal, the USACE determined that no permit would be required from the federal government on this project. The work was completed under budget and made Task 2, Apply for USACE Permit, unnecessary.

Upon further discussion, the Board authorized Tasks 4 and 5 of the original scope to apply for a permit modification from SFWMD and to obtain the ground elevation information to support that application along with the future application to Collier County. The survey work was accomplished and the application to SFWMD was made. The survey work went as anticipated. The preparation for the SFWMD permit modification took additional time and effort to track the past activities, provide a model to replicate the original modeling, and to show that the oversized pond was not needed to support the surrounding community. Additional effort was also required to keep all the work to accomplish the filling on the Community Development District property and not involve any of the adjacent property owned by the Mediterra Community Association (MCA). All of this was accomplished but took more time than anticipated.

The future work on this project from a permitting perspective is with Collier County. Task 3 of the original scope covers this work. It has been left to the end to make sure the federal and state permits were attainable if necessary. Now that they have been deemed unnecessary and approved respectively, the next step is to apply for local approval from Collier County.

MEMO To: Mediterra Board of Supervisors

DATE: May 11, 2020

PAGE: -2-

Other future steps beyond permitting will include the construction of filling the pond followed by the actual end use of the property. The end use of the property as now contemplated for some type of community center will require some type of cooperative agreement with the MCA as portions of the property needed are owned by them.

Coming back to the present, the cost to acquire a decision from the USACE was less than anticipated. The cost to acquire a permit modification from SFWMD was more than anticipated by almost the underspending on the USACE task. The cost of the survey work was as planned. The following table summarizes those costs and differential. We respectfully request a change order to pay for the additional work for the SFWMD application/permit modification.

TASK #	DESCRIPTION	BUDGET	ACTUAL	DIFFERENTIAL
1	Determine need of USACE permit	\$12,500.00	\$4,927.50	\$7,572.50
2	Apply for USACE permit	\$22,500.00	0	0
3	Apply for Collier County permit	\$58,000.00	\$58,000.00	0
4	Apply for ERP from SFWMD	\$12,000.00	\$19,475.00	-\$7,475.00
5	Topographic Survey	\$7,500.00	\$7,500.00	0
	TOTAL	\$112,500.00	\$89,902.50	\$97.50

The "Differential" column excludes the savings by not needing to do Task 2 and if the entire cost of Task 4 is authorized.

Your consideration of this request will be appreciated.

MEDITERRA
COMMUNITY DEVELOPMENT DISTRICT

11

**MEDITERRA
COMMUNITY DEVELOPMENT DISTRICTS
FINANCIAL STATEMENTS
UNAUDITED
APRIL 30, 2020**

**MEDITERRA
COMMUNITY DEVELOPMENT DISTRICTS
BALANCE SHEET
GOVERNMENTAL FUNDS
APRIL 30, 2020**

	Governmental Funds			Total Governmental Funds
	General	Debt Service Series 2012	Debt Service Series 2013	
ASSETS				
Cash				
Operating	\$ 342,226	\$ -	\$ -	\$ 342,226
BB&T - CDARS	1,496	-	-	1,496
Series 2012				
Revenue	-	1,061,228	-	1,061,228
Reserve	-	801,219	-	801,219
Prepayment	-	275,022	-	275,022
Series 2013				
Revenue	-	-	392,253	392,253
Reserve	-	-	75,000	75,000
Series 2017 Note				
Reserve	10,000	-	-	10,000
Undeposited funds	56,028	-	-	56,028
Due from general fund	-	27,304	7,835	35,139
Due from other	8	-	-	8
Electric deposit	2,346	-	-	2,346
Total assets	<u>\$ 412,104</u>	<u>\$ 2,164,773</u>	<u>\$ 475,088</u>	<u>\$ 3,051,965</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Due to debt service - series 2012	\$ 27,304	\$ -	\$ -	\$ 27,304
Due to debt service - series 2013	7,835	-	-	7,835
Total liabilities	<u>35,139</u>	<u>-</u>	<u>-</u>	<u>35,139</u>
Fund Balances				
Restricted for:				
Debt service	-	2,164,773	475,088	2,639,861
Unassigned	376,965	-	-	376,965
Total fund balances	<u>376,965</u>	<u>2,164,773</u>	<u>475,088</u>	<u>3,016,826</u>
Total liabilities and fund balances	<u>\$ 412,104</u>	<u>\$ 2,164,773</u>	<u>\$ 475,088</u>	<u>\$ 3,051,965</u>

**MEDITERRA
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES , EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND 001
FOR THE PERIOD ENDED APRIL 30, 2020**

	Current Month	Year to Date	Budget	% of Budget
REVENUE				
Special assessment: on roll	\$ 18,934	\$ 626,143	\$ 634,417	99%
Special assessment: off-roll	56,028	112,055	112,055	100%
Interest and miscellaneous	15	124	-	N/A
Total revenues	<u>74,977</u>	<u>738,322</u>	<u>746,472</u>	99%
EXPENDITURES				
Administrative				
Supervisors	-	4,091	6,600	62%
Management	4,000	28,000	48,000	58%
Accounting	1,392	9,742	16,700	58%
Audit	-	-	10,000	0%
Legal	533	6,534	10,000	65%
Field management	1,275	8,925	15,300	58%
Engineering	13,379	42,240	35,000	121%
Trustee	-	-	10,000	0%
Dissemination agent	333	2,333	4,000	58%
Arbitrage rebate calculation	-	-	1,500	0%
Assessment roll preparation	417	2,917	5,000	58%
Telephone	22	151	259	58%
Postage	-	793	1,000	79%
Insurance	-	11,462	11,750	98%
Printing & binding	143	1,000	1,714	58%
Legal advertising	-	3,529	2,000	176%
Contingencies	180	1,112	2,500	44%
Annual district filing fee	-	175	175	100%
Website	-	705	705	100%
ADA website compliance	-	199	200	100%
Total administrative	<u>21,674</u>	<u>123,908</u>	<u>182,403</u>	68%
Water management				
Contractual services	17,069	107,419	203,980	53%
Aquascaping/cutbacks/pipe cleanout	6,000	14,280	100,000	14%
Street sweeping	-	3,075	8,000	38%
Electricity	4,306	17,976	33,000	54%
Future aeration replacement	-	4,129	17,400	24%
Capital outlay-aeration FCB loan pymt	86,051	92,081	89,960	102%
Total water management	<u>113,426</u>	<u>238,960</u>	<u>452,340</u>	53%
Other fees & charges				
Property appraiser	-	333	10,699	3%
Tax collector	321	8,460	8,030	105%
Total other fees & charges	<u>321</u>	<u>8,793</u>	<u>18,729</u>	47%
Total expenditures	<u>135,421</u>	<u>371,661</u>	<u>653,472</u>	57%
Excess/(deficiency) of revenues over/(under) expenditures	(60,444)	366,661	93,000	
Fund balances - beginning	437,409	10,304	87,094	
Fund balances - ending	<u>\$ 376,965</u>	<u>\$ 376,965</u>	<u>\$ 180,094</u>	

**MEDITERRA
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES , EXPENDITURES,
AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND 210 - SERIES 2012 (REFUNDED 1999 & 2001 BONDS)
FOR THE PERIOD ENDED APRIL 30, 2020**

	Current Month	Year to Date	Budget	% of Budget
REVENUES				
Special assessment: on roll	\$ 32,916	\$ 1,088,503	\$ 1,102,699	99%
Interest	1,049	10,394	-	N/A
Total revenues	<u>33,965</u>	<u>1,098,897</u>	<u>1,102,699</u>	100%
EXPENDITURES				
Debt service				
Principal	-	-	610,000	0%
Interest	-	234,999	469,998	50%
Total debt service	<u>-</u>	<u>234,999</u>	<u>1,079,998</u>	22%
Other fees & charges				
Property appraiser	-	-	9,729	0%
Tax collector	557	14,706	12,972	113%
Total other fees & charges	<u>557</u>	<u>14,706</u>	<u>22,701</u>	65%
Total expenditures	<u>557</u>	<u>249,705</u>	<u>1,102,699</u>	23%
Excess/(deficiency) of revenues over/(under) expenditures	33,408	849,192	-	
Fund balances - beginning	2,131,365	1,315,581	1,280,453	
Fund balances - ending	<u>\$ 2,164,773</u>	<u>\$ 2,164,773</u>	<u>\$ 1,280,453</u>	

**MEDITERRA
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES , EXPENDITURES,
AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND 204 - SERIES 2013 (REFUNDED 2003A BONDS)
FOR THE PERIOD ENDED APRIL 30, 2020**

	Current Month	Year to Date	Budget	% of Budget
REVENUES				
Special assessment: on roll	\$ 9,446	\$ 312,362	\$ 316,490	99%
Interest	229	2,117	-	N/A
Total revenues	<u>9,675</u>	<u>314,479</u>	<u>316,490</u>	99%
EXPENDITURES				
Debt service				
Principal	-	-	150,000	0%
Interest	-	75,912	151,825	50%
Total debt service	<u>-</u>	<u>75,912</u>	<u>301,825</u>	25%
Other fees & charges				
Property appraiser	-	-	4,945	0%
Tax collector	161	4,221	6,594	64%
Total other fees & charges	<u>161</u>	<u>4,221</u>	<u>11,539</u>	37%
Total expenditures	<u>161</u>	<u>80,133</u>	<u>313,364</u>	26%
Excess/(deficiency) of revenues over/(under) expenditures	9,514	234,346	3,126	
Fund balances - beginning	465,574	240,742	225,791	
Fund balances - ending	<u>\$ 475,088</u>	<u>\$ 475,088</u>	<u>\$ 228,917</u>	

MEDITERRA
COMMUNITY DEVELOPMENT DISTRICT

12

DRAFT

**MINUTES OF MEETING
MEDITERRA
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Mediterra Community Development District held a Regular Meeting on March 11, 2020 at 3:00 p.m., in the Sports Club at Mediterra (Bella Vita I), 15735 Corso Mediterra Circle, Naples, Florida 34110.

Present and constituting a quorum were:

Robert Greenberg (via telephone)	Chair
Ken Tarr	Vice Chair
Thomas H. Van Tassel	Assistant Secretary
Mike Bishko	Assistant Secretary
Mary Wheeler	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Cleo Adams	Assistant Regional Manager
Alyssa Willson (via telephone)	District Counsel
Andy Tilton	District Engineer

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Adams called the meeting to order at 3:10 p.m. Supervisors Tarr, Van Tassel, Bishko and Wheeler were present, in person. Supervisor Greenberg was not present at roll call.

SECOND ORDER OF BUSINESS

Chairman's Comments

This item was deferred, pending the Chair's arrival.

THIRD ORDER OF BUSINESS

Public Comments [3 minutes per person]

There being no public comments, the next item followed.

FOURTH ORDER OF BUSINESS

**M.R.I. Underwater Specialists, Inc. 2020
Drainage Inspection**

A. Inspection Memo

41 Mrs. Adams reviewed the 2020 Drainage Inspection Report and discussed the following:

42 ➤ Outfall 167 has a structural defect.

43 ➤ No MRI representatives present at today's meeting but one could be invited to the next
44 meeting.

45 Mr. Tarr noted that MRI recommended cleaning out the pipes every one to two years
46 instead of recommending maintenance of current projects. Discussion ensued regarding the
47 inspection, five outfall pipes, physical access and viewing of the pipes versus using mini
48 submersible cameras, the control box, sand, debris and blockage. Mr. Adams stated that, for
49 future inspections, MRI would need to adjust their approach, which would affect the cost. As to
50 whether MRI should re-inspect the five outfall pipes, Mr. Adams stated, if the Board requests it,
51 a proposal could be obtained. Mrs. Adams stated MRI charges extra for its sophisticated
52 equipment.

53 **Mr. Greenberg joined the meeting at 3:17 p.m.**

54 Mr. Greenberg asked if any of the five outfalls had blockage. He suggested asking MRI
55 what was done, when it was done and taking further action at the next meeting. The Board and
56 Staff discussed items that may have contributed to the blockage in curb inlets and gutters, such
57 as street sweeping and construction, compared the 2020 Inspection Report to prior reports and
58 a \$44,500 proposal to clean out the storm drains. Mr. Greenberg asked about the cost
59 exceeding the budget. Mr. Adams stated the expectation was that the District would be within
60 budget, as cutbacks and aquascaping would be deferred from the budget.

61 **B. Cleaning Quote**

62 The quote to clean all storm drains was \$44,500.

63 **C. Invoice**

64 Mr. Greenberg recommended approval of the proposal to clean the pipes, per policy,
65 and stated more information would be provided at the next meeting. He asked Mr. Adams to
66 include this item on the next agenda, under Scope of Services for the Outfall Work. Ms.
67 Wheeler asked how the current proposal prices compared with the previously approved
68 proposal. Mrs. Adams stated the District spent approximately \$45,000 in the prior year.

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On MOTION by Mr. Greenberg and seconded by Ms. Wheeler, with all in favor, the MRI Inspection LLC proposal, in the amount of \$44,500, was approved.

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D. Final Interconnect Drainage Inspection

This item was not addressed.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2020-05, Adopting an Internal Controls Policy Consistent with Section 218.33, Florida Statutes; Providing an Effective Date

Ms. Willson presented Resolution 2020-05. She stated that, by Statute, the District must establish and maintain internal controls designed to prevent and detect fraud, waste and abuse and promote and encourage compliance of applicable laws, rules, contracts, grants, agreements and best practices. This final version of the District’s Policies was reviewed by the District Manager and Auditor.

In response to Mr. Tarr’s questions, Mr. Adams stated that the Auditor was the “gatekeeper” of the Internal Controls Policy, would inform the Board if the District Manager was compliant and would speak to all issues in the document. Discussion ensued regarding Management’s establishment of internal protocol and Management’s operating procedure requiring further review and scrutiny. The consensus was there was no need to request a copy of a Management’s operating procedures manual.

On MOTION by Mr. Bishko and seconded by Mr. Van Tassel, with all in favor, Resolution 2020-05, Adopting an Internal Controls Policy Consistent with Section 218.33, Florida Statutes; Providing an Effective Date, was adopted.

SIXTH ORDER OF BUSINESS

Continued Discussion: Lake 74

Mr. Tilton distributed handouts and reported the following regarding Lake 74:

- The Coastal Resource Division (CRD) permit application was being prepared and would soon be forwarded to Management for review prior to submittal to the South Florida Water Management District (SFWMD).

105 ➤ The CDD owns the two tracts of land that contain the pond. The MCA owns the land
106 around the pond, on the north, west and east sides as well as the peninsula.

107 ➤ It would be easier to submit an application for only one pond by one applicant but, if the
108 Board chooses to involve the MCA and include the lands that are partly on MCA property, there
109 would be a need for a second or co-applicant.

110 Mr. Tarr questioned involving the MCA, as it has nothing to do with preserves.
111 Discussion ensued regarding the MCA property versus CDD property, developable land and
112 dredging the lake. Asked if he anticipated any issues having the contractor work only on CDD-
113 owned property, Mr. Tilton stated there might be an increase in cost because of the confined
114 space and the CDD may need to obtain permission to stage equipment on MCA property. As to
115 the necessary equipment, Mr. Tilton stated it would include dump trucks, rollers and
116 compaction equipment to compact the dirt.

117 Mr. Greenberg asked about water drainage, construction and the re-filling process. Mr.
118 Tilton stated that, a dewatering permit would be required to drain for the pond, the water
119 would be re-routed to the east, south or the rest of the ponds in the area and then dirt would
120 be applied in the dry season for better compaction. Since dewatering permits have a short
121 lifespan, it is better to apply for the permit closer to when the work would actually commence.
122 Discussion ensued regarding blocking off pipes, draining and refilling the pond, sodding the lake
123 bank, building a barrier to separate the pond, mulching, seeding and the project costs. Mr.
124 Tilton stated it would cost approximately \$750,000 for construction, filling, dewatering, etc.
125 Mr. Greenberg asked about grading. Mr. Tilton stated the goal would be to bring the lake up to
126 the existing adjacent grade, or higher, so that it can be graded and not become a shallow pond
127 that would run off into the remaining stormwater pond. Mr. Tarr asked about the life of the
128 permit. Mr. Tilton stated the permit, once issued, would be valid for five years.

129 The Board's consensus was to not involve the MCA and proceed with obtaining the
130 permit. Mr. Tilton would change the drawings to show only the impacts on the two CCD-owned
131 parcels and forward a copy of the package to Mr. Adams for circulation to the Board. Mr.
132 Greenberg stated that, although Lucarno residents would be most impacted by the project, no
133 complaints were anticipated because it would not be close to their homes.

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On MOTION by Mr. Bishko and seconded by Mr. Van Tassel, with all in favor, pursuing a fill permit related to and only impacting the CDD-owned tracts for Lake #74, was approved.

Mr. Tilton confirmed that an outflow pipe does cross over Livingston Road.

SEVENTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of January 31, 2020

Mr. Adams presented the Unaudited Financial Statements as of January 31, 2020. He responded to questions regarding street sweeping and the loan for the aeration project. Mr. Adams would inquire about reducing the interest rate on the loan and report his findings at the next meeting.

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On MOTION by Ms. Wheeler and seconded by Mr. Van Tassel, with all in favor, the Unaudited Financial Statements as of January 31, 2020, were accepted.

EIGHTH ORDER OF BUSINESS

Staff Reports

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

There being no report, the next item followed.

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

Mr. Tilton reported the following:

- Coordination with Staff on issues regarding the SFWMD inspections was ongoing.
- Despite the compliance reviewer being particularly demanding and difficult to please, staff was doing its best to show compliance.

Mr. Adams stated that, over time, coquina shells and bunker sand migrated into some conservation areas; there was a list of eight areas of suspicion that the reviewer found troubling. Staff showed that there was no encroachment on three of them and was working on the remainder. The cost would be approximately \$16,000 to remedy the problem. Mr. Greenberg stated the settlement agreement with The Club has an indemnification requirement so The Club is legally obligated to reimburse the District. Discussion ensued regarding the

169 original settlement agreement, remediation of the illegal dumping, bunkers, cart paths and
170 stakes. This item would be placed on the next agenda.

171 **C. District Manager: *Wrathell, Hunt and Associates, LLC***

- 172 • **NEXT MEETING DATE: April 15, 2020 at 3:00 P.M.**

- 173 ○ **QUORUM CHECK**

174 All Supervisors confirmed their attendance at the April 15, 2020 meeting.

175 **D. Operations Manager: *Wrathell, Hunt and Associates, LLC***

- 176 • **Key Activity Dates**

177 Mrs. Adams reported the following:

- 178 ➤ “Wetland Maintenance” commenced on February 25th and was scheduled to be
179 completed on March 11th.

180 Mr. Tarr pointed out errors in the “Date” columns of the following descriptions:

181 Page 2, “Qualified Public Depositor Annual Report to CFO”: Change 11/30/2019 to
182 11/30/2020

183 Page 2, “Fiscal Year Annual District Filing Fee and Update Form”: Change 12/3/2019 to
184 12/3/2020

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186 **NINTH ORDER OF BUSINESS**

**Approval of January 15, 2020 Public
Hearing and Regular Meeting Minutes**

187

188

189 Mrs. Adams presented the January 15, 2020 Public Hearing and Regular Meeting
190 Minutes.

191 **▪ Action/Agenda or Completed Items**

192 **This item, previously the Tenth Order of Business, was discussed out of order.**

- 193 ➤ Item 15: Completed and added to Ongoing Procedures List. Add, “For every meeting
194 going forward, Mr. Adams would bring an updated record of proceedings from the prior
195 meeting and a thumb drive to be placed in every meeting file for real-time recording.”

- 196 ➤ Lines 154 and 155 on the January 15, 2020 Minutes: This item was previously moved to
197 the Completed List. A list of subjects that warrant holding a closed session was transmitted to
198 the Board a second time.

199 ➤ Item 6: Completed. Mr. Adams received the deer hunter reports from Mr. Richards and
200 provided the Board with the statistics. Mr. Adams would follow up with Mr. Richards regarding
201 the insurance documents.

202 ➤ Item 13: Completed. The preserve inspection schedule was added to the Key Activities
203 Dates.

204 ➤ Item 14: The wetland inspection was completed.
205 The following change was made to the January 15, 2020 Minutes:

206 **Line 178:** Change “exotics and if security” to “exotics. Security”
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**On MOTION by Ms. Wheeler and seconded by Mr. Van Tassel, with all in favor,
the January 15, 2020 Public Hearing and Regular Meeting Minutes, as
amended, were approved.**

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TENTH ORDER OF BUSINESS **Action/Agenda or Completed Items**

This item was presented during the Ninth Order of Business.

ELEVENTH ORDER OF BUSINESS **Old Business**

There being no old business, the next item followed.

TWELFTH ORDER OF BUSINESS **Supervisors’ Requests**

There being no Supervisor’s requests, the next item followed.

THIRTEENTH ORDER OF BUSINESS **Public Comments**

There being no public comments, the next item followed.

FOURTEENTH ORDER OF BUSINESS **Adjournment**

**On MOTION by Ms. Wheeler and seconded by Mr. Bishko, with all in favor, the
meeting adjourned at approximately 4:16 p.m.**

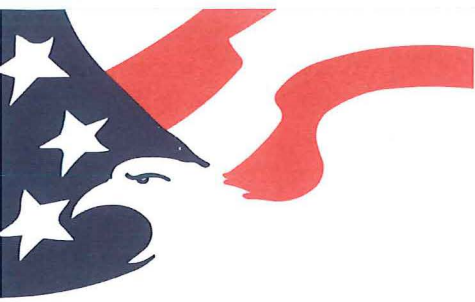
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Secretary/Assistant Secretary

Chair/Vice Chair

MEDITERRA
COMMUNITY DEVELOPMENT DISTRICT

13C1



Jennifer J. Edwards Supervisor of Elections

April 17, 2020

Ms Daphne Gillyard
Mediterra CDD (Collier)
2300 Glades Road Suite 410W
Boca Raton, Florida 33431

Dear Ms Gillyard

In compliance with 190.06 of the Florida Statutes this letter is to inform you that the official records of the Collier County Supervisor of Election indicate 723 registered voters residing in the Mediterra CDD (Collier) as of April 15, 2020.

Should you have any questions regarding election services for this district, please free to contact our office,

Sincerely,

David B. Carpenter
Qualifying Officer
Collier County Supervisor of Elections
(239) 252-8501
Dave.Carpenter@CollierCountyFl.gov



WRATHELL, HUNT & ASSOCIATES LLC.

2300 GLADES RD, #410W
BOCA RATON FL 33431

Lee County FL – Community Development Districts

04/15/2020

NAME OF COMMUNITY DEVELOPMENT DISTRICT	NUMBER OF REGISTERED VOTERS AS OF 04/15/2020
Babcock Ranch	0
Bayside Improvement	2,849
Bay Creek	750
Beach Road Golf Estates	897
Bonita Landing	209
Brooks I of Bonita Springs	2,195
Brooks II of Bonita Springs	1,410
East Bonita Beach	39
Mediterra	429
Moody River Estates	1,131
Parklands Lee	500
Parklands West	542
River Hall	1,241
River Ridge	1,432
Stoneybrook	1,711
Verandah East	678
Verandah West	896
University Square	0
University Village	0
Waterford Landing	1,042
WildBlue	45

Send to: Daphne Gillyard gillyardd@whhassociates.com Phone: 561-571-0010

Tammy Lipa – Voice: 239-533-6329

Email: tlipa@lee.vote

MEDITERRA
COMMUNITY DEVELOPMENT DISTRICT

13CII

MEDITERRA COMMUNITY DEVELOPMENT DISTRICT

BOARD OF SUPERVISORS FISCAL YEAR 2019/2020 MEETING SCHEDULE

LOCATION

*Sports Club at Mediterra, Bella Vita I Room
15735 Corso Mediterra Circle, Naples, Florida 34110*

DATE	POTENTIAL DISCUSSION/FOCUS	TIME
October 16, 2019	Regular Meeting	9:00 AM
November 20, 2019	Regular Meeting	3:00 PM
January 15, 2020	Regular Meeting	3:00 PM
February 19, 2020 CANCELED	Regular Meeting	3:00 PM
March 11, 2020	Regular Meeting	3:00 PM
April 15, 2020 CANCELED	Regular Meeting	3:00 PM
May 27, 2020	Virtual Public Meeting	3:00 PM
June 17, 2020	Regular Meeting	9:00 AM
August 19, 2020	Public Hearing & Regular Meeting	9:00 AM

MEDITERRA
COMMUNITY DEVELOPMENT DISTRICT

13D

MEDITERRA CDD

Key Activity Dates

Updated: May 2020

Description	Reference	Submit To	Due Date	Date
Interconnecting Drain Pipe inspection and cleanout	SOP	N/A	Annual inspection and clean out of all lake and wetland interconnecting drain pipes and control structures, that are owned and operated by the District, where the percentage of pipe block exceeds 25%. Inspections were completed in February. Cleaning commenced the 2nd week of April, and will be completed by Friday, May 22nd.	2/2020 thru 5/2020
Cane Toad Removal	SOP	N/A	The Cane Toad removal project commenced on Thursday, April 30th into Friday, May 1st. Will continue 2 night visits per month (June through October).	4/2020 thru 6/2020
Special Assessment Off-Roll	The Club @ Mediterra	Carmin Maureci	The Special Assessment Off-roll are due at the end of October (typically received/booked in November) and end of April (typically received/booked in May). The Club to be invoiced March 25th and September 25th yearly. Past due if received on April 26th and October 26th. Late Payment triggers acceleration.	9/25/2020
Wetland Maintenance	SOP	N/A	Wetland Maintenance as required by SFWMD is to be performed at a minimum of two times per year. Wetland maintenance was completed between 2/25/20 thru 3/11/20.	9/2020 & 3/2021
Lake Audit Report	SOP	N/A	Annual inspection and report of all District owned lakes. Report includes review of specific items related to water quality, lake maintenance deficiencies, littoral plant health and population, structural integrity of lake banks and pipework, aerator operation and any unauthorized activities in or adjacent to the lakes. Report will be include in the June agenda package.	4/29 & 5/8 2020
Annual Financial Report	190.008/218.32 & 39	Florida Department of Financial Services	45 days after the completion of the Annual Financial Audit but no more than 9 months after end of Fiscal Year. Management to provide update when completed. Per the request of the Board, to be provided in their May agenda package yearly. Due to COVID-19, the audit will be presented at the June meeting.	6/1/2020

Proposed Budget	189.016, 189.418 & 200.065	Due to local governing authority (county or municipality)	Due to local governing authority (county or municipality) by June 15th each year.	6/15/2020
Assessment Roll Certification	Local County requirement.	Local County Tax Collector	For most counties, submission and certification of the annual assessment roll is due by September 15th each year.	9/15/2020
Insurance Renewal	SOP	N/A	Bind Insurance for upcoming Fiscal Year with an effective of October 1st thru September 30th	10/1/2020
Adopted Budget	189.016, 189.418 & 200.065	Due to local governing authority (county or municipality)	Due to local governing authority (county or municipality) by October 1st each year.	10/1/2020
TRIM Compliance Report	200.068	Department of Revenue, Property Tax Oversight, Trim Compliance Section	No later than 30 days following the adoption of the property tax levy ordinance/resolution (if levying property taxes)	10/15/2020
Canna Lilly cut back	SOP	N/A	Seasonal cut back and removal of large stands of Canna Lilly on lake banks owned by the District, to reduce seasonal unsightliness and promote new lush and vigorous growth. Program to be considered/completed between Thanksgiving and Christmas holidays each year if necessary.	November/December yearly.
Qualified Public Depositor Annual Report to CFO	280.17	Department of Financial Services- Division of Treasury - Collateral Management.	By November 30 of each year, file annual report for the period ending September 30, 2019	11/30/2020
Fiscal Year Annual District Filing Fee and Update Form	190,189.064 & 189.018 & Chapter 73C-24, F.A.C.	Florida department of Economic Opportunity (Special District Accountability Program)	Annual filing fee of \$175 is paid to the Florida department of Economic Opportunity. The filing of the Update Form is required to verify the status of the Special District and to update any changes (including changes to the registered agent). Filing Fee invoice and Update Form is mailed out by the State on October 1st of each year. The fee and form are due and must be postmarked by the following December 3rd.	12/3/2020
Laptop @ MCS	SOP	Tim Richards - MCA General Mgr.	Mr. Adams will have all necessary items, laptop, etc., kept up-to-date at the MCA and provide instructions to Ms. Johnson.	On-going

Special Assessment Off-Roll	The Club @ Mediterra	Carmin Maureci	The Special Assessment Off-roll are due at the end of October (typically received/booked in November) and end of April (typically received/booked in May). The Club to be invoiced March 25th and September 25th yearly. Past due if received on April 26th and October 26th. Late Payment triggers acceleration.	3/25/2021
Certification of District Registered Voters	190(3)(a)(2)(d)	District receives annually from the local Supervisor of Elections	Due April 15th of each year and must be read into the record at a regularly scheduled meeting (no additional filing is required)	4/15/2021
Bank Stabilization Project	SOP	N/A	20/21 Budget - Rip/Rap install project to be completed on Lake 35. (As of 2019 current proposal cost \$38K). Include rip/rap of headwall in that cove area.	5/1/2021
Headwall & Mitered End Pipes	SOP	N/A	Budget Discussion: \$911,400.0- 147 headwalls = \$6,200.00 each.	On-going
Qualified Public Deposit Identification and Acknowledgement Form	280.02	Maintain original document in District Reports	Complete each time a new account is opened with a Qualified Public Depository.	
Bond - Continuing Disclosure	Bond Indenture	E.M.M.A. (Electronic Municipal Marketing Access) and Bond Trustee	Bond indentures generally require continuing disclosure of financial information to bond holders that may impact the bondholders investment. During construction, many bond indenture require quarterly reporting concerning the status of construction, development and real estate closings. Additionally, annual disclosure include posting annual independent audit reports and annual budgets reflecting assessment information. Generally, any material event affecting the bonds must be disclosed timely.	
Bonds - Arbitrage	IRS Regulation	IRS - if a rebate is due.	The Bond Indenture refers to IRS rules which state an issuer must pay (an Arbitrage) rebate installment for computation dates that occur at least once every 5 years. Rebate payments are due within 60 days after each computation date. The final rebate payment for an issue is due within 60 days after the issue is discharged. See IRS Regulation Section 1.148-3(e) through (g).	

MEDITERRA
COMMUNITY DEVELOPMENT DISTRICT

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MEDITERRA CDD

#	MTG DATE ADDED TO LIST	ACTION OR AGENDA OR BOTH	ACTION/AGENDA or COMPLETED ITEM	ONGOING	POSSIBLY COMPLETED BEFORE NEXT MTG	COMPLETED	MTG DATE MOVED TO COMPLETED
1	03.01.18	ACTION	Per Mr. Greenberg, Mr. Adams to ensure removal of all items from the Completed Items List that are six months old or older.	X			
2	10.17.18	ACTION	Mr. Adams will have all the necessary items, laptop, etc., kept up-to-date at the MCA and provide instructions to Ms. Johnson on a semi-annual basis.	X			
3	01.16.19	ACTION	Going forward, Johnson Engineering to take annual sediment samples only at the outfall lakes that contain muck, along with Lake 35 the same time each year and reduce water quality samples to once in July except for Lake #55 adding September, only if there are issues. Staff to continue to provide year over year tables for nitrogen and phosphorous.	X			
4	01.16.19	ACTION	Per Mr. Greenberg, District Staff to monitor Lake #3 closely for signs of degradation due to the Distinctive Homes Project south of Padova.	X			
5	08.21.19	ACTION	With regard to the financials, Mr. Adams to make sure that fund balance is transferred to avoid a finding in next year's audit.	X			
6	10.16.19	ACTION	Staff to arrange to have rip-rap installed around the headwall of Lake #35, during the Spring of 2021 during the bank stabilization project.	X			
7	10.16.19	ACTION	Per Mr. Greenberg, Staff to include a presentation from the District Engineer on the next agenda regarding the next steps for the Lake #74 repurposing project.	X			
8	10.16.19	ACTION	Per Mr. Greenberg, Mr. Adams to provide Supervisors with the email address of the staffer responsible for sending out agenda packets so that Supervisors can contact that person and alert them of the correct forwarding address. Board Members requested to cc her supervisor.	X			
9	10.16.19	ACTION	Per Mr. Tarr, Staff to ensure that the contractor monitor the two signature lakes at the entrance of Mediterra West and make certain that the spikerush does not exceed 15' from control level.	X			
10	11.20.19	ACTION	Mr. Tilton to proceed with newly assigned tasks #3 and #4 listed in Professional Services proposal, dated August 12, 2019, to obtain permit and topographic survey, to repurpose portions of Lake 74 and provide progress reports to the Board.	X			

MEDITERRA CDD

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1	08.21.19	ACTION	Mr. Adams to include the WHA Representation Letter in the Annual Audit Report and forward copies to the Board Members, under separate cover.			X	10.16.19
2	08.21.19	ACTION	Per Mr. Greenberg, as a policy of the Board, no mention of a Developer or Declarant should be made in audits. Per Mr. Adams, going forward, a distinction would be made that the audited financials refer on ly to the "Builder" not "Developer"; he would provide this to McDimit Davis & Company, LLC			X	10.16.19
3	08.21.19	ACTION	Per Mr. Tarr, Mr. Adams to alert the Accounting Department and the Auditor that the Audited Financials should be completed and made available prior to the May Board meetings.			X	10.16.19
4	08.21.19	ACTION	Per Mr. Greenberg, Management to prepare a financial analysis of the cost of cleaning the interconnect pipes each year versus the cost of riprap by the next meeting and include it on the next agenda, as "Discussion: Headwall Erosion Comparable Year Over Year".			X	10.16.19
5	08.21.19	ACTION	Mrs. Adams to email a revised Updated August 2019 Key Activities sheet to Mr. Tarr and Mr. Bishko.			X	10.16.19
6	08.21.19	ACTION	Mr. Adams corrections to be made to the Proposed Budget to include changing of Parcel 122B and insert Calabria, and correct street sweeping to indicate sweeping of all community streets that have a heavy Oak presence.			X	10.16.19
7	10.16.19	ACTION	Per Mr. Tarr, Mr. Adams to include wildfire mitigation plan from the City of Bonita Springs for Il Cuore the next agenda for review.			X	11.20.19
8	11.20.19	ACTION	Mr. Adams to incorporate the IL Cuore Preserve Management Plan into the CDD Preserve Management Plan and coordinate tasks with IL Cuore, MCA Staff.			X	01.15.20
9	11.20.19	ACTION	Ms. Willson would provide elaborate list of subject matters that warrant holding a closed sessions to Mr. Adams to distribute to the Board before the next meeting.			X	01.15.20
10	01.15.20	ACTION	Mrs. Adams to discuss issues with the street sweeping vendor and if unable to comply, begin the 30-day cancellation notice process to terminate contract.			X	03.11.20

