



Rizzetta & Company

Riverwood Estates Community Development District

**Regular Meeting
April 21, 2022**

**District Office:
5844 Old Pasco Road, Suite 100
Wesley Chapel, FL 33544
813-994-1001**

www.riverwoodestatescdd.org

**RIVERWOOD ESTATES
COMMUNITY DEVELOPMENT DISTRICT**

Rizzetta & Company, Inc., 5844 Old Pasco Road, Suite 100, Wesley Chapel, FL 33544

Board of Supervisors	Patricia Buck Jennifer Orsi Julie Vitale Michelle Berry Vacant	Chairman Vice Chairman Assistant Secretary Assistant Secretary Assistant Secretary
District Manager	Jayna Cooper	DM, Rizzetta & Company, Inc.
District Counsel	Wes Haber	Hopping, Green & Sams, P.A.
District Engineer	Paul Skidmore	Florida Design Consultants, Inc.

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

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

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

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

RIVERWOOD ESTATES COMMUNITY DEVELOPMENT DISTRICT
District Office · Wesley Chapel, Florida (813) 994-1001
Mailing Address · 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614

April 14, 2022

**Board of Supervisors
Riverwood Estates
Community Development District**

FINAL AGENDA

Dear Board Members:

The regular meeting of the Board of Supervisors of Riverwood Estates Community Development District will be held on **Thursday, April 21, 2022 at 10:00 a.m.** at the offices of Sunfield Homes Inc., located at 3600 Galileo Drive, Suite 104, Trinity, FL 34655. The following is the agenda for this meeting:

- 1. CALL TO ORDER**
- 2. AUDIENCE COMMENTS**
- 3. BUSINESS ITEMS**
 - A. Public Hearing on Reallocated Debt Assessments
 1. Consideration of Resolution 2022-05; Final Assessment..... USC
- 4. BUSINESS ADMINISTRATION**
 - A. Consideration of Minutes of the Board of Supervisors
Meeting held on January 20, 2022 Tab 1
 - B. Consideration of Operation & Maintenance Expenditures
for January 2022, February 2022, & March 2022 Tab 2
 - C. Consideration of Berger, Toombs, Elam, Gaines, & Frank
FY 20-21 Annual Financial Report Tab 3
- 5. STAFF REPORTS**
 - A. District Counsel Tab 4
 - B. District Engineer
 - C. District Manager Tab 5
- 6. SUPERVISOR REQUESTS**
- 7. ADJOURNMENT**

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

Sincerely,

Jayna Cooper

Jayna Cooper
District Manager

Tab 1

MINUTES OF MEETING

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

RIVERWOOD ESTATES COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of Riverwood Estates Community Development District was held on **Thursday, January 20, 2022 at 10:02 a.m.** at the offices of Sunfield Homes, Inc., located at 3600 Galileo Drive, Suite 104, Trinity, FL 34655.

Present and constituting a quorum were:

Patricia Buck	Board Supervisor, Chairman <i>(via conference call)</i>
Jennifer Orsi	Board Supervisor, Vice Chairman
Julie Vitale	Board Supervisor, Assistant Secretary
Michelle Berry	Board Supervisor, Assistant Secretary

Also present were:

Jayna Cooper	Associate District Manager, Rizzetta & Co.
Michelle Rigoni	District Counsel, Kutak Rock <i>(via conference call)</i>

Audience	Not Present
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FIRST ORDER OF BUSINESS **Call to Order and Roll Call**

Mrs. Cooper called the meeting to order at 10:02 a.m. and confirmed quorum.

SECOND ORDER OF BUSINESS **Audience Comments**

There were no audience members present.

THIRD ORDER OF BUSINESS **Public Hearing on Reallocated Debt Assessments**

On a Motion by Ms. Vitale, seconded by Ms. Orsi, with all in favor, the Board of Supervisors opened the continued Public Hearing on Reallocated Debt Assessments for the Riverwood Estates Community Development District.
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There were no audience comments.

On a Motion by Ms. Orsi, seconded by Ms. Berry with all in favor, the Board of Supervisors continued the Public Hearing on Reallocated Debt Assessments to April 21, 2022 at 10:00 a.m. at the office of Sunfield Homes, located at 3600 Galileo Dr, Suite 104, Trinity, FL 34655 for the Riverwood Estates Community Development District.

FOURTH ORDER OF BUSINESS

Consideration of Minutes of the Board of Supervisors Meeting held on December 16, 2021

On a Motion by Ms. Orsi, seconded by Ms. Vitale, with all in favor, the Board of Supervisors approved the minutes of the regular meeting of the Board of Supervisors held on December 16, 2021 as presented for the Riverwood Estates Community Development District.

FIFTH ORDER OF BUSINESS

Consideration of Operations & Maintenance Expenditures for December 2021

On a motion by Ms. Orsi, seconded by Ms. Vitale, with all in favor, the Board of Supervisors approved the Operations & Maintenance Expenditures for December 2021 in the amount of \$3,492.69 for the Riverwood Estates Community Development District.

SIXTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

No report.

B. District Engineer

Not present.

C. District Manager

Mrs. Cooper stated that the next regular meeting is scheduled for February 17, 2022 at 10:00 a.m.

Ms. Buck requested that the regular meetings scheduled for February 17, 2022 and March 17, 2022 are not cancelled at this time in the event there is any business that needs to come before the Board. Mrs. Cooper will follow-up with Ms. Buck two weeks before each meeting to confirm whether the meetings will be cancelled.

SEVENTH ORDER OF BUSINESS

Supervisor Requests

There were no Supervisor requests.

EIGHTH ORDER OF BUSINESS

Adjournment

Mrs. Cooper stated that if there was no more business to come before the Board, a motion to adjourn would be in order.

On a Motion by Ms. Vitale, seconded by Ms. Berry, with all in favor, the Board of Supervisors adjourned the meeting at 10:08 a.m. for the Riverwood Estates Community Development District.

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Secretary/Assistant Secretary

Chairman/ Vice Chairman

Tab 2

RIVERWOOD ESTATES COMMUNITY DEVELOPMENT DISTRICT

District Office · Wesley Chapel, Florida · (813) 994-1001

Mailing Address – 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614

www.riverwoodestatescdd.org

Operation and Maintenance Expenditures January 2022 For Board Approval

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

The total items being presented: **\$516.67**

Approval of Expenditures:

_____ Chairperson

_____ Vice Chairperson

_____ Assistant Secretary

Riverwood Estates Community Development District

Paid Operation & Maintenance Expenditures

January 1, 2022 Through January 31, 2022

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Rizzetta & Company, Inc.	001532	INV0000064539	District Management Fees 01/22	<u>\$ 516.67</u>
Report Total				<u><u>\$ 516.67</u></u>

Rizzetta & Company, Inc.
 3434 Colwell Avenue
 Suite 200
 Tampa FL 33614

Invoice

Date	Invoice #
1/1/2022	INV0000064539

Bill To:

RIVERWOOD ESTATES CDD
 4065 Crescent Park Drive
 Riverview FL 33578

Services for the month of	Terms	Client Number
January	Upon Receipt	00260

Description	Qty	Rate	Amount
Management Services	1.00	\$416.67	\$416.67
Website Compliance & Management	1.00	\$100.00	\$100.00
Date Rec'd Rizzetta & Co., Inc. <u>12/28/21</u> D/M approval <u>Jayna Cooper</u> Date <u>12/30/21</u> Date entered <u>12/30/21</u> Fund <u>001</u> GL <u>51300</u> OC <u>3101</u> \$416.67 <u>5103</u> \$100.00 Check # _____			

Subtotal	\$516.67
Total	\$516.67

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RIVERWOOD ESTATES COMMUNITY DEVELOPMENT DISTRICT

District Office · Wesley Chapel, Florida · (813) 994-1001

Mailing Address – 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614

www.riverwoodestatescdd.org

Operation and Maintenance Expenditures February 2022 For Board Approval

Attached please find the check register listing the Operation and Maintenance expenditures paid from February 1, 2022 through February 28, 2022. This does not include expenditures previously approved by the Board.

The total items being presented: **\$1,698.67**

Approval of Expenditures:

_____ Chairperson

_____ Vice Chairperson

_____ Assistant Secretary

Riverwood Estates Community Development District

Paid Operation & Maintenance Expenditures

February 1, 2022 Through February 28, 2022

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Kutak Rock LLP	001533	2979610	General Legal Services 12/21	\$ 182.00
Rizzetta & Company, Inc.	001534	INV0000064818	Annual Dissemination Services FY 21/22	\$ 1,000.00
Rizzetta & Company, Inc.	001534	INV0000065378	District Management Fees 02/22	<u>\$ 516.67</u>
Report Total				<u>\$ 1,698.67</u>

KUTAK ROCK LLP

TALLAHASSEE, FLORIDA

Telephone 404-222-4600

Facsimile 404-222-4654

Federal ID 47-0597598

January 31, 2022

Check Remit To:

Kutak Rock LLP

PO Box 30057

Omaha, NE 68103-1157

Wire Transfer Remit To:

Reference: Invoice No. 2979610

Client Matter No. 17823-1

Lynn Hayes
Riverwood Estates CDD
Rizzetta & Company
Suite 100
5844 Old Pasco Road
Wesley Chapel, FL 33544

Invoice No. 2979610
17823-1

Re: General Counsel

For Professional Legal Services Rendered

12/01/21	W. Haber	0.30	78.00	Review correspondence and confer with Ms. Cooper regarding agenda for December meeting and continuation of assessment hearing
12/15/21	W. Haber	0.20	52.00	Prepare for Board meeting
12/16/21	W. Haber	0.20	52.00	Prepare for and participate in Board meeting

TOTAL HOURS 0.70

TOTAL FOR SERVICES RENDERED \$182.00

TOTAL CURRENT AMOUNT DUE \$182.00

Date Rec'd Rizzetta & Co., Inc. 2/1/22

D/M approval Jayna Cooper Date 2-7-22

Date entered 2/4/22

Fund 001 GL 51400 OC 3107

Check # _____

Rizzetta & Company, Inc.
 3434 Colwell Avenue
 Suite 200
 Tampa FL 33614

Invoice

Date	Invoice #
1/13/2022	INV0000064818

Bill To:

RIVERWOOD ESTATES CDD 4065 Crescent Park Drive Riverview FL 33578

Services for the month of	Terms	Client Number
January	Upon Receipt	00260

Description	Qty	Rate	Amount
Annual Dissemination Services	1.00	\$1,000.00	\$1,000.00
Date Rec'd Rizzetta & Co., Inc. <u>1/14/22</u> D/M approval <u>Jayna Cooper</u> Date <u>1-24-22</u> Date entered <u>1/18/22</u> Fund <u>001</u> GL <u>51300</u> OC <u>3104</u> Check # _____			
Subtotal			\$1,000.00
Total			\$1,000.00

Rizzetta & Company, Inc.
 3434 Colwell Avenue
 Suite 200
 Tampa FL 33614

Invoice

Date	Invoice #
2/1/2022	INV0000065378

Bill To:

RIVERWOOD ESTATES CDD 4065 Crescent Park Drive Riverview FL 33578

Services for the month of	Terms	Client Number
February	Upon Receipt	00260

Description	Qty	Rate	Amount
Management Services	1.00	\$416.67	\$416.67
Website Compliance & Management	1.00	\$100.00	\$100.00
		Subtotal	\$516.67
		Total	\$516.67

Date Rec'd Rizzetta & Co., Inc. 1/24/22

D/M approval Jayna Cooper Date 1-31-22

Date entered 1/28/22

Fund 001 GL 51300 OC 3101 \$416.67
5103 \$100.00

Check # _____

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RIVERWOOD ESTATES COMMUNITY DEVELOPMENT DISTRICT

District Office · Wesley Chapel, Florida · (813) 994-1001

Mailing Address – 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614

www.riverwoodestatescdd.org

Operation and Maintenance Expenditures March 2022 For Board Approval

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

The total items being presented: **\$4,325.17**

Approval of Expenditures:

_____ Chairperson

_____ Vice Chairperson

_____ Assistant Secretary

Riverwood Estates Community Development District

Paid Operation & Maintenance Expenditures

March 1, 2022 Through March 31, 2022

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Berger, Toombs, Elam, Gaines & Frank	001536	356817	Audit Services FY 20/21	\$ 3,750.00
Kutak Rock LLP	001537	3009867	General Legal Services 01/22	\$ 58.50
Rizzetta & Company, Inc.	001535	INV0000066294	District Management Fees 03/22	<u>\$ 516.67</u>
Report Total				<u>\$ 4,325.17</u>



Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120
FAX: 772/468-9278

RECEIVED
MAR - 3 2022

RIVERWOOD ESTATES COMMUNITY DEVELOPMENT DIST
3434 COLWELL AVE
SUITE 200
TAMPA, FL 33614

Invoice No. 356817
Date 02/27/2022
Client No. 20665

Services rendered in connection with the audit of the Basic Financial Statements
as of and for the year ended September 30, 2021.

Total Invoice Amount \$ 3,750.00

Date Rec'd Rizzetta & Co., Inc. 3/9/22

D/M approval Jayna Cooper Date 3-11-22

Date entered 3/11/22

Fund 001 GL 51300 OC 3202

Check # _____

Please enter client number on your check.
Finance charges are calculated on balances over 30 days old at an annual percentage rate of 18%.

Fort Pierce / Stuart

Member AICPA

Member AICPA Division For CPA Firms
Private Companies Practice Section

Member FICPA

KUTAK ROCK LLP

TALLAHASSEE, FLORIDA

Telephone 404-222-4600

Facsimile 404-222-4654

Federal ID 47-0597598

March 3, 2022

Check Remit To:

Kutak Rock LLP

PO Box 30057

Omaha, NE 68103-1157

Reference: Invoice No. 3009867

Client Matter No. 17823-1

Lynn Hayes
Riverwood Estates CDD
Rizzetta & Company
Suite 100
5844 Old Pasco Road
Wesley Chapel, FL 33544

Invoice No. 3009867
17823-1

Re: General Counsel

For Professional Legal Services Rendered

01/20/22	M. Rigoni	0.30	58.50	Prepare for and attend board meeting by phone; follow-up with Mr. Haber
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TOTAL HOURS	0.30
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TOTAL FOR SERVICES RENDERED	\$58.50
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TOTAL CURRENT AMOUNT DUE	<u>\$58.50</u>
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Date Rec'd Rizzetta & Co., Inc. 3/9/22

D/M approval Jayna Cooper Date 3-11-22

Date entered 3/11/22

Fund 001 GL 51400 OC 3107

Check # _____

Rizzetta & Company, Inc.
 3434 Colwell Avenue
 Suite 200
 Tampa FL 33614

Invoice

Date	Invoice #
3/1/2022	INV0000066294

Bill To:

RIVERWOOD ESTATES CDD 4065 Crescent Park Drive Riverview FL 33578

Services for the month of	Terms	Client Number
March	Upon Receipt	00260

Description	Qty	Rate	Amount
Management Services	1.00	\$416.67	\$416.67
Website Compliance & Management	1.00	\$100.00	\$100.00
Subtotal			\$516.67
Total			\$516.67

Date Rec'd Rizzetta & Co., Inc. 2/23/22
 D/M approval Jayna Cooper Date 2-25-2022
 Date entered 2/25/22
 Fund 001 GL 51300 OC 3101 \$416.67
5103 \$100.00
 Check # _____

Tab 3

**Riverwood Estates Community
Development District**

ANNUAL FINANCIAL REPORT

September 30, 2021

Riverwood Estates Community Development District

ANNUAL FINANCIAL REPORT

September 30, 2021

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Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

REPORT OF INDEPENDENT AUDITORS

To the Board of Supervisors
Riverwood Estates Community Development District
Pasco County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of Riverwood Estates Community Development District as of and for the year ended September 30, 2021, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express 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 Accounting Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Fort Pierce / Stuart

To the Board of Supervisors
Riverwood Estates Community Development District

Summary of Opinions

Opinion Unit	Type of Opinion
Governmental Activities	Unmodified
Aggregate Discretely Presented Component Unit	Adverse
General Fund	Unmodified
Debt Service Fund	Unmodified

Basis of Adverse Opinion on the Discretely Presented Component Unit

The financial statements do not include financial data for the District's legally separate component unit. Accounting principles generally accepted in the United States of America require the financial data for the component unit to be reported with the financial data of the District's primary government unless the District also issues financial statements for the financial reporting entity that include the financial data for its component unit. The District has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the assets, liabilities, net position, revenues, and expenses of the aggregate discretely presented component unit should have been presented.

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on the Discretely Presented Component Unit", the financial statements referred to above do not present fairly, the financial position of the discretely presented component unit of the District as of September 30, 2021, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Qualified Opinion

In our opinion, except for the effects of the matter described in the "Basis for Adverse Opinion on the Discretely Presented Component Unit" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate remaining fund information of the District as of September 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of September 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Supervisors
Riverwood Estates Community Development District

Other Matters

Required Supplementary Information

Governmental accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by *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 in accordance with governmental auditing standards generally accepted in the United States of America, which consisted principally of inquiries of management regarding 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 February 18, 2022 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts.

The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Riverwood Estates Community Development District's internal control over financial reporting and compliance.



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

February 18, 2022

**Riverwood Estates Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

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

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

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

**Riverwood Estates Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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

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

Financial Highlights

The following are the highlights of financial activity for the year ended September 30, 2021.

- ◆ The District's total liabilities exceeded total assets by \$(13,171,110) (net position). Net investment in capital assets amounted to \$11,349,466. Unrestricted net position totaled \$(24,520,576).
- ◆ Governmental activities revenues totaled \$26,856 while governmental activities expenses totaled \$769,840.

**Riverwood Estates Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District

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

Net Position

	Governmental Activities	
	2021	2020
Current assets	\$ 12,000	\$ 12,437
Restricted assets	6,811	6,809
Capital assets	21,569,725	21,569,725
Total Assets	21,588,536	21,588,971
Current liabilities	24,947,631	23,791,267
Non-current liabilities	9,812,015	10,225,830
Total Liabilities	34,759,646	34,017,097
Net Position		
Net investment in capital assets	11,349,466	10,955,704
Unrestricted	(24,520,576)	(23,383,830)
Total Net Position	\$ (13,171,110)	\$ (12,428,126)

The decrease in unrestricted net position and the increase in current liabilities is the result of the current year debt service requirements that were not funded.

The decrease in noncurrent liabilities is related to the current year principal payment which was reclassified as matured bonds payable.

The increase in net investment in capital assets is the result of the reduction in long term liabilities in the current year.

**Riverwood Estates Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District (Continued)

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

Change In Net Position

	Governmental Activities	
	2021	2020
Program Revenues		
Operating grants and contributions	\$ 26,854	\$ 16,571
General Revenues		
Investment earnings	2	65
Total Revenues	<u>26,856</u>	<u>16,636</u>
Expenses		
General government	26,854	26,816
Interest and other charges	742,986	743,431
Total Expenses	<u>769,840</u>	<u>770,247</u>
Change in Net Position	(742,984)	(753,611)
Net Position - Beginning of Year	<u>(12,428,126)</u>	<u>(11,674,515)</u>
Net Position - End of Year	<u>\$ (13,171,110)</u>	<u>\$ (12,428,126)</u>

The increase in operating grants and contributions is related to utilizing beginning net position in the prior year.

**Riverwood Estates Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Capital Assets Activity

The following schedule provides a summary of the District's capital assets as of September 30, 2021 and 2020:

<u>Description</u>	<u>Governmental Activities</u>	
	<u>2021</u>	<u>2020</u>
Land	\$ 3,383,712	\$ 3,383,712
Construction in progress	18,186,013	18,186,013
Governmental Activities Capital Assets	<u>\$ 21,569,725</u>	<u>\$ 21,569,725</u>

There was no activity for the current year.

General Fund Budgetary Highlights

Actual governmental expenditures were less than budgeted amounts primarily due to lower website related expenditures than were anticipated.

The budget was not amended in the current year.

Debt Management

Governmental Activities debt includes the following:

- ◆ On December 1, 2006, the District issued \$23,000,000 of Special Assessment Bonds Series 2006. These bonds consist of \$14,225,000 Series 2006A Bonds due on May 1, 2037 with a fixed interest rate of 5.35% and \$8,775,000 of Series 2006B due May 1, 2013 with a fixed interest rate of 5%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. Interest is paid semiannually on each May 1 and November 1, commencing May 1, 2007.
- ◆ Series 2006A bonds mature May 1, 2037, and principal is payable annually commencing May 1, 2008 through May 1, 2037. The unmatured balance outstanding at September 30, 2021 for Bond Series 2006A was \$10,245,000.
- ◆ Series 2006B bonds matured on May 1, 2013. The unpaid balance, \$8,775,000, is included as matured bonds payable.
- ◆ More detailed information about the District's debt is presented in the accompanying notes to the financial statements.

**Riverwood Estates Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Economic Factors and Next Year's Budget

Riverwood Estates Community Development District does not expect any changes in any economic factors to have any significant effect on the financial position or results of operations of the District in fiscal year 2022. Riverwood Estates Community Development District has established land owner contributions to meet the 2021/22 fiscal year operating requirements but no assessments were considered to meet debt service requirements.

Request for Information

The financial report is designed to provide a general overview of Riverwood Estates Community Development District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Riverwood Estates Community Development District's Accounting Department at 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614.

Riverwood Estates Community Development District
STATEMENT OF NET POSITION
September 30, 2021

	Governmental Activities
ASSETS	
Current Assets	
Cash	\$ 4,737
Prepaid expenses	7,263
Total Current Assets	12,000
Non-Current Assets	
Restricted Assets	
Investments	6,811
Capital Assets, Not Being Depreciated	
Land	3,383,712
Construction in progress	18,186,013
Total Non-Current Assets	21,576,536
Total Assets	21,588,536
 LIABILITIES	
Current Liabilities	
Unearned revenues	12,000
Bonds payable - current	415,000
Accrued interest payable	228,378
Matured interest payable	11,732,253
Matured bonds payable	12,560,000
Total Current Liabilities	24,947,631
Non-Current Liabilities	
Bonds payable	9,812,015
Total Liabilities	34,759,646
 NET POSITION	
Net investment in capital assets	11,349,466
Unrestricted	(24,520,576)
Total Net Position	\$ (13,171,110)

See accompanying notes to financial statements.

Riverwood Estates Community Development District
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2021

Functions/Programs	Expenses	Operating Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position
			Governmental Activities
Governmental Activities			
General government	\$ (26,854)	\$ 26,854	\$ -
Interest and other charges	(742,986)	-	(742,986)
Total Governmental Activities	\$ (769,840)	\$ 26,854	(742,986)
			General Revenues
			Investment income
			2
			Changes in Net Position
			(742,984)
			Net Position - Beginning of Year
			(12,428,126)
			Net Position - End of Year
			\$ (13,171,110)

Riverwood Estates Community Development District
BALANCE SHEET –
GOVERNMENTAL FUNDS
September 30, 2021

	General	Debt Service	Total Governmental Funds
ASSETS			
Cash	\$ 4,737	\$ -	\$ 4,737
Prepaid expenses	7,263	-	7,263
Restricted assets			
Investments, at fair value	-	6,811	6,811
Total Assets	\$ 12,000	\$ 6,811	\$ 18,811
 LIABILITIES AND FUND BALANCES			
LIABILITIES			
Unearned revenues	\$ 12,000	\$ -	\$ 12,000
Matured bonds payable	-	12,560,000	12,560,000
Matured interest payable	-	11,732,253	11,732,253
Total Liabilities	12,000	24,292,253	24,304,253
 FUND BALANCES			
Nonspendable - prepaid expenses	7,263	-	7,263
Unassigned	(7,263)	(24,285,442)	(24,292,705)
Total Fund Balances	-	(24,285,442)	(24,285,442)
Total Liabilities and Fund Balances	\$ 12,000	\$ 6,811	\$ 18,811

See accompanying notes to financial statements.

Riverwood Estates Community Development District
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2021

Total Governmental Fund Balances	\$ (24,285,442)
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets not being depreciated, construction in progress (\$18,186,013), and land (\$3,383,712), used in governmental activities are not current financial resources, and therefore, are not reported at the fund level.	21,569,725
Long-term liabilities, bonds payable (\$10,245,000), net of bond discount, (\$17,985), are not due and payable in the current period, and therefore are not reported at the fund level.	(10,227,015)
Accrued interest expense for long-term debt is not a current financial use, and therefore, is not reported at the fund level.	<u>(228,378)</u>
Net Position of Governmental Activities	<u><u>\$ (13,171,110)</u></u>

See accompanying notes to financial statements.

Riverwood Estates Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
For the Year Ended September 30, 2021

	General	Debt Service	Total Governmental Funds
Revenues			
SPE contributions	\$ 26,854	\$ -	\$ 26,854
Investment income	-	2	2
Total Revenues	<u>26,854</u>	<u>2</u>	<u>26,856</u>
Expenditures			
Current			
General government	26,854	-	26,854
Debt service			
Principal	-	395,000	395,000
Interest	-	750,606	750,606
Total Expenditures	<u>26,854</u>	<u>1,145,606</u>	<u>1,172,460</u>
Net change in fund balances	-	(1,145,604)	(1,145,604)
Fund Balances - Beginning of Year	<u>-</u>	<u>(23,139,838)</u>	<u>(23,139,838)</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>\$ (24,285,442)</u>	<u>\$ (24,285,442)</u>

See accompanying notes to financial statements.

Riverwood Estates Community Development District
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2021

Net Change in Fund Balances - Total Governmental Funds	\$	(1,145,604)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Repayments of bond principal are expenditures in the governmental funds statements, but the repayment reduces long-term liabilities in the Statement of Net Position.		395,000
The amortization of bond discount is an expense in the Statement of Activities while the bond discount was listed as an other financing use in the year financing was received.		(1,185)
In the Statement of Activities, interest is accrued on outstanding bonds; whereas at the governmental funds level, interest expenditures are reported when due. This is the change in accrued interest in the current period.		<u>8,805</u>
Change in Net Position of Governmental Activities	\$	<u><u>(742,984)</u></u>

See accompanying notes to financial statements.

Riverwood Estates Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND
For the Year Ended September 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
SPE Contributions	\$ 27,725	\$ 27,725	\$ 26,854	\$ (871)
Expenditures				
Current				
General government	<u>27,725</u>	<u>27,725</u>	<u>26,854</u>	<u>871</u>
Net Change in Fund Balances	-	-	-	-
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See accompanying notes to financial statements.

Riverwood Estates Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. Reporting Entity

The District was established on February 14, 2006, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), by Pasco County Ordinance #06-01 as a Community Development District. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of the infrastructure necessary for community development within its jurisdiction. The District is authorized to issue bonds for the purpose, among others, of financing, funding, planning, establishing, acquiring, constructing district roads, landscaping, and other basic infrastructure projects within or outside the boundaries of the Riverwood Estates Community Development District. The District is governed by a five member Board of Supervisors who are elected on an at large basis by landowners of the District. The District operates within the criteria established by Chapter 190, Florida Statutes.

In fiscal year 2009, the Developer declared bankruptcy and development activities of the District were halted. In May 2010, a Special Purpose Entity ("SPE"), Riverwood Estates Holdco, LLC ("Holdings"), was awarded the developer property through Federal Bankruptcy Court. The SPE became legal owner of the property in December 2010. The SPE was formed by the Trustee, on behalf of the Bondholders, to own, manage and dispose of the property. The District is economically dependent on the SPE. On February 18, 2015, Rizzetta-Riverwood Properties, LLC the sole Managing Member of the SPE for consideration transferred all its membership interest to Riverwood Estates Management LLC.

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

Based upon the application of the above-mentioned criteria as set forth by the Governmental Accounting Standards Board, the District has identified one component unit. The component unit is Holdings. Holdings did not provide the District with any financial activity for the current year, and therefore, the component unit is not reflected in the financial statements as a stand-alone component unit.

Riverwood Estates Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting

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

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

a. Government-wide Financial Statements

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

Governmental activities are supported by special assessments and interest. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

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

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

b. Fund Financial Statements

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

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

Riverwood Estates Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds

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

The District has various policies governing the fund balance classifications.

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

Restricted Fund Balance – This classification includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

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

Unassigned Fund Balance – This classification is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. Unassigned fund balance is considered to be utilized first when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

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

Riverwood Estates Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds (Continued)

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

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

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of “available spendable resources”.

Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

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

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

Debt service expenditures are recorded only when payment is due.

3. Basis of Presentation

a. Governmental Major Funds

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

Riverwood Estates Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Basis of Presentation (Continued)

a. Governmental Major Funds (Continued)

Debt Service Fund – Accounts for debt service requirements to retire the special assessment bonds which were used to finance the construction of District infrastructure improvements. The bonds are secured by a first lien on and pledge of the special assessment revenues and pledged funds.

b. Non-current Governmental Assets/Liabilities

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

4. Assets, Liabilities, and Net Position or Equity

a. Cash and Investments

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

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

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

Riverwood Estates Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

a. Cash and Investments (Continued)

Cash equivalents include time deposits and all highly liquid debt instruments with original maturities of three months or less and held in a qualified public depository as defined by Section 280.02, Florida Statutes.

b. Restricted Net Position

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

c. Capital Assets

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

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

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

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

d. Unamortized Bond Discount

Bond discounts are presented on the government-wide financial statements. The costs are amortized over the life of the bonds using the straight-line method of accounting. For financial reporting, the unamortized bond discount is netted against the applicable long-term debt.

Riverwood Estates Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

e. Budgets

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

NOTE B – CASH AND INVESTMENTS

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

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk; however, they follow the provisions of Chapter 280, Florida Statutes regarding deposits and investments. Exposure to custodial credit risk was as follows. As of September 30, 2021, the District's bank balance and the carrying value were \$4,737. As of September 30, 2021, the District had deposits at a financial institution fully insured by FDIC. The District maintains all deposits in a qualified public depository in accordance with the provisions of Chapter 280, Florida Statutes, which means that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes.

As of September 30, 2021, the District had the following investments and maturities:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
Goldman Sachs Financial Square Govt Fund	38 days*	<u>\$ 6,811</u>

* Weighted average maturity

The District categorizes its fair value measurements within the fair value hierarchy recently 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. The District uses a market approach in measuring fair value that uses prices and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

Riverwood Estates Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE B – CASH AND INVESTMENTS (CONTINUED)

Assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted prices 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 use the best information available under the circumstances, which includes the District's own data in measuring unobservable inputs.

The investment listed above is considered a level 1 asset.

Interest Rate Risk

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

Credit Risk

The District's investments in money markets and government loans are limited by state statutory requirements and bond compliance. The District has no investment policy that would further limit its investment choices. As of September 30, 2021 the District's investment in Goldman Sachs Financial Square Govt Fund was rated AAAM by Standard and Poor's.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one fund. The investments in Goldman Sachs Financial Square Govt Fund are 100% of the District's total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2021 were typical of these items during the fiscal year then ended. The District considers any decline in fair value for certain investments to be temporary.

NOTE C – CAPITAL ASSETS

Capital Asset activity for the year ended September 30, 2021 was as follows:

	Balance October 1, 2020	Additions	Disposals	Balance September 30, 2021
<u>Governmental Activities:</u>				
Capital assets, not being depreciated:				
Construction in Progress	\$ 18,186,013	\$ -	\$ -	\$ 18,186,013
Land	3,383,712	-	-	3,383,712
Governmental Activities Capital Assets	<u>\$ 21,569,725</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,569,725</u>

Riverwood Estates Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE D – LONG-TERM DEBT

Special Assessment Bonds – Series 2006

On December 1, 2006, the District issued \$23,000,000 of Special Assessment Bonds Series 2006. These bonds consist of \$14,225,000 Series 2006A Bonds due on May 1, 2037 with a fixed interest rate of 5.35% and \$8,775,000 of Series 2006B due May 1, 2013 with a fixed interest rate of 5%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. Interest is paid semiannually on each May 1 and November 1, commencing May 1, 2007.

The Series 2006A bonds mature May 1, 2037, and principal is payable annually commencing May 1, 2008 through May 1, 2037. The Series 2006A Bonds are subject to redemption at the option of the District, in whole or in part at anytime on or after May 1, 2016 at a redemption price as set forth in the Bond Indenture. The balance outstanding at September 30, 2021 for Bond Series 2006A was \$10,245,000.

Series 2006B bonds matured on May 1, 2013. The unpaid balance is reflected as matured bonds payable. The Series 2006B Bonds are subject to optional redemption. All Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determine by 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 District is not in compliance with this requirement at September 30, 2021.

Total principal remaining on the Series 2006A bonds at September 30, 2021 is \$10,245,000. Matured interest and principal payable at September 30, 2021 is \$24,292,253, representing amounts owed for fiscal years 2009 to 2021. Interest of \$750,606 and principal of \$395,000 were due in the current year, but were not paid.

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

	October 1, 2020	Additions	Reductions	September 30, 2021
Governmental Activities				
Series 2006	\$ 10,640,000	\$ -	\$ (395,000)	\$ 10,245,000
Less: bond discount	(19,170)	-	1,185	(17,985)
	<u>\$ 10,620,830</u>	<u>\$ -</u>	<u>\$ (393,815)</u>	<u>\$ 10,227,015</u>
Totals				
			<u>\$ 10,227,015</u>	
		Bonds Payable, Net		
			<u>\$ 10,227,015</u>	

Riverwood Estates Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE D – LONG-TERM DEBT (CONTINUED)

Special Assessment Bonds – Series 2006 (Continued)

Long-term debt is comprised of the following:

Special Assessment Bonds Series 2006

\$23,000,000 Series 2006 Special Assessment Bonds, interest ranging from 5% to 5.35%, maturing May 1, 2037, payable on May 1 and November 1; collateralized by the pledged revenues of special assessments levied against the benefited property owners. The amount due within one year is \$415,000.	\$ 10,245,000
Bond discount, net	<u>(17,985)</u>
Bonds Payable, Net	<u>\$ 10,227,015</u>

The annual requirements to amortize the principal and interest of bonded debt outstanding as of September 30, 2021 are as follows:

Year Ending September 30,	Principal	Interest	Total
2022	\$ 415,000	\$ 548,107	\$ 963,107
2023	440,000	525,905	965,905
2024	460,000	502,365	962,365
2025	490,000	477,755	967,755
2026	515,000	451,540	966,540
2027-2031	3,035,000	1,812,313	4,847,313
2032-2036	3,965,000	906,558	4,871,558
2037	925,000	49,487	974,487
Totals	<u>\$ 10,245,000</u>	<u>\$ 5,274,030</u>	<u>\$ 15,519,030</u>

Significant Bond Resolution Terms and Covenants

The Bond Indenture established certain amounts be maintained in a reserve account. In addition, the Bond Indenture has certain restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District did not levy special assessments to meet the debt service requirement in the current year as these amounts are currently held in abeyance.

The bond resolution establishes certain funds and determines the order in which revenues are to be deposited into these funds. A description of the significant funds, including their purposes, is as follows:

**Riverwood Estates Community Development District
 NOTES TO FINANCIAL STATEMENTS
 September 30, 2021**

NOTE D – LONG-TERM DEBT (CONTINUED)

Special Assessment Bonds – Series 2006 (Continued)

SPECIAL ASSESSMENT BONDS, SERIES 2006A

Reserve Funds – Trustee shall calculate the Debt Service Reserve requirement for the Series 2006A Bonds so that the amount required to be on deposit as reserve is equal to 50 percent of the maximum annual debt service requirement deemed outstanding principal amount of the Series 2006A bonds. Monies held in the reserve accounts will be used only for the purposes established in the Trust Indenture.

	Special Assessment Bonds	
	Reserve Balance	Reserve Requirement
Series 2006 Special Assessment Bonds	\$ 6,756	\$ 941,413

NOTE E – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The District has obtained commercial insurance from independent third parties to mitigate the cost of these risks, coverage may not extend to all situations. The District has not filed any claims under this commercial coverage during the last three years.



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

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

To the Board of Supervisors
Riverwood Estates Community Development District
Pasco County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Riverwood Estates Community Development District, as of and for the year ended September 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated February 18, 2022.

Internal Control Over Financial Reporting

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

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

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

Board of Supervisors
Riverwood Estates Community Development District
Pasco County, Florida

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Riverwood Estates Community Development District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed the following instance of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Finding 12-02: The District was not in compliance with certain provisions of the Bond Indentures in that the District did not maintain the required reserve requirement. Reserve funds were utilized in a prior year to make certain debt service payments at the request of the bondholders.

Response: The District continues to try to maintain adequate reserves as required.

Current status: The finding has not been corrected as of September 30, 2021.

We noted certain matters that we reported to management of the District in a separate letter dated February 18, 2022.

Purpose of this Report

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



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

February 18, 2022



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

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MANAGEMENT LETTER

To the Board of Supervisors
Riverwood Estates Community Development District
Pasco County, Florida

Report on the Financial Statements

We have audited the financial statements of the Riverwood Estates Community Development District as of and for the year ended September 30, 2021, and have issued our report thereon dated February 18, 2022.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and our Independent Auditor's Report on an examination conducted in accordance with AICPA Professionals Standards, AT-C Section 315 regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in that report, which is dated February 18, 2022, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been made to address findings and recommendations made in the preceding financial audit report. The following findings or recommendations were made in the preceding financial audit report:

12-01 Failure to make Debt Service Payment when Due

Finding: The Special Assessment Revenue Bonds Series 2006 require semiannual interest payments and annual principal payments per the Bond Indenture. In the current year and prior years, interest and principal was not paid on the bonds. The Trustee has directed the District not to collect debt service special assessments. The District, therefore, is not receiving debt service assessments due to the Developer's nonpayment and Special Purpose Entity purchase of the land within the District. As of September 30, 2021, the District was not in compliance with the requirements of the bond indenture and has met a financial emergency condition as described in Florida Statutes Section 218.503(1).

Fort Pierce / Stuart

To the Board of Supervisors
Riverwood Estates Community Development District

12-01 Failure to make Debt Service Payment when Due (Continued)

Recommendation: We recommend that the District utilize all remedies available to bring debt service payments current.

Management Response: During the year ending September 30, 2009, the Developer declared bankruptcy and abandoned the project. The Developer was unable to pay their debt service assessments and therefore the Bonds went into default. During the year ending September 30, 2010, the Federal Bankruptcy Court mandated a sale of the land and gave the District a credit for bidding on the land equal to the par amount of the bonds. The Court mandated that a minimum of one million dollars must be bid by the District. The District assigned its right to an SPE, which was successful in securing the land with the minimum bid. Subsequent to that, the District withdrew its foreclosure suit. The SPE has assumed responsibility for the operations and maintenance payments. The past due and future debt service payments will be held in abeyance until the trustee notifies the District to the contrary.

Current Status: The finding has not been corrected as of September 30, 2021.

12-02 Failure to Meet Debt Service Reserve Account Requirement

See page 29.

12-03 Failure to Include Component Unit Financial Statement in the Financial Report

Finding: Generally accepted accounting principles require that the District include the financial statements of the Special Purpose Entity (SPE) in their audited financial report as a discretely-presented component unit because the assets of the SPE will be potentially used to satisfy the bonds payable included in the financial statements of the District. The SPE is not included as a component unit in the District's financial report. Due to the lack of control by the District and that the SPE's primary beneficiary is the bondholders, the District's position is that the SPE is not a component unit of the District. We could not audit the records nor include them as a discretely-presented component unit in the District's government-wide financial statements.

Recommendation: We recommend that the District include the SPE as a discretely-presented component unit of the District's government-wide financial statements.

To the Board of Supervisors
Riverwood Estates Community Development District

Management Response: The District's management does not agree that the SPE should be included as a discretely-presented component unit on the government-wide financial statements. In summary, management feels that it would be misleading to the users of the financial statements to include the SPE as a component unit. The District has no ownership and/or control over the SPE and in no way can it impose its will on the SPE. In addition, the District will not benefit from the activities of the SPE. When the land held by the SPE is sold, the proceeds will be paid to the Bondholders to satisfy the Bond debt. The District will not be responsible for any deficiency between the net proceeds of the sale and the associated Bond debt.

Current Status: The finding has not been corrected as of September 30, 2021.

Financial Condition

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 Riverwood Estates Community Development District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that the Riverwood Estates Community Development District met one of the conditions described in Section 218.503(1), Florida Statutes (See Finding 12-01).

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial conditions assessment procedures as of September 30, 2021 for the Riverwood Estates Community Development District. It is management's responsibility to monitor the Riverwood Estates Community Development District's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same.

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.

To the Board of Supervisors
Riverwood Estates Community Development District

Specific Information

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

As required by Section 218.39(3)(c) and Section 218.32 (1) (c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Riverwood Estates Community Development District reported:

- 1) The total number of district employees compensated in the last pay period of the District's fiscal year: 0
- 2) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year: 2
- 3) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: 0
- 4) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: \$6,801
- 5) Each construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1, 2020, together with the total expenditures for such project: The District had no construction projects during the year.
- 6) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes: There were no amendments to the FY 2021 budget.

As required by Section 218.39(3)(c) and , Section 218.32 (1) (c), Florida Statutes, and Section 10.554(1)(i)8, Rules of the Auditor General, the Riverwood Estates Community Development District reported:

- 7) The rate or rates of non-ad valorem special assessments imposed by the District: N/A, no assessments
- 8) The amount of special assessments collected by or on behalf of the District: N/A
- 9) The total amount of outstanding bonds issued by the District and the terms of such bonds: \$10,245,000 unmatured bonds outstanding, originally issued in 2006 matures in 2037.

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.



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

To the Board of Supervisors
Riverwood Estates Community Development District

Purpose of this Letter

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

*Berger Toombs Elam
Gaines & Frank*

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

February 18, 2022



**Berger, Toombs, Elam,
Gaines & Frank**

Certified Public Accountants PL

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**INDEPENDENT ACCOUNTANTS' REPORT/COMPLIANCE WITH
SECTION 218.415, FLORIDA STATUTES**

To the Board of Supervisors
Riverwood Estates Community Development District
Pasco County, Florida

We have examined Riverwood Estates Community Development District's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2021. Management is responsible for Riverwood Estates Community Development District's compliance with those requirements. Our responsibility is to express an opinion on Riverwood Estates Community Development 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, accordingly, included examining, on a test basis, evidence about Riverwood Estates Community Development 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 Riverwood Estates Community Development District's compliance with the specified requirements.

In our opinion, Riverwood Estates Community Development District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2021.

*Berger Toombs Elam
Gaines & Frank*

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

February 18, 2022

Tab 4

RETENTION AND FEE AGREEMENT

I. PARTIES

THIS RETENTION AND FEE AGREEMENT (“**Agreement**”) is made and entered into by and between the following parties:

A. Riverwood Estates Community Development District (“**Client**”)
c/o District Manager
12750 Citrus Park Lane, Suite 115
Tampa, Florida 33625

and

B. Kutak Rock LLP (“**Kutak Rock**”)
P.O. Box 10230
Tallahassee, Florida 32302

II. SCOPE OF SERVICES

In consideration of the mutual undertakings and agreements contained herein, the parties agree as follows:

- A. The Client agrees to employ and retain Kutak Rock as its attorney and legal representative for general advice, counseling and representation of Client and its Board of Supervisors.
- B. Kutak Rock accepts such employment and agrees to serve as attorney for and provide legal representation to the Client in connection with those matters referenced above. No other legal representation is contemplated by this Agreement. Any additional legal services to be provided under the terms of this Agreement shall be agreed to by Client and Kutak Rock in writing. Unless set forth in a separate agreement to which Client consents in writing, Kutak Rock does not represent individual members of the Client’s Board of Supervisors.

III. CLIENT FILES

The files and work product materials (“**Client File**”) of the Client generated or received by Kutak Rock will be maintained confidentially to the extent permitted by law and in accordance with the Florida Bar rules. At the conclusion of the representation, the Client File will be stored by Kutak Rock for a minimum of five (5) years. After the five (5) year storage period, the Client hereby acknowledges and consents that Kutak Rock may confidentially destroy or shred the Client File. Notwithstanding the prior sentence, if the Client provides Kutak Rock with a written request for the return of the Client File before the end of the five (5) year storage period, then Kutak Rock will return the Client File to Client at Client’s expense.

IV. FEES

- A. The Client agrees to compensate Kutak Rock for services rendered in connection with any matters covered by this Agreement on an hourly rate basis plus actual expenses incurred by Kutak Rock in accordance with the attached Expense Reimbursement Policy (Attachment A, incorporated herein by reference). Time will be billed in increments of one-tenth (1/10) of an hour. Certain work related to issuance of bonds and bond anticipation notes may be performed under a flat fee to be separately established prior to or at the time of bond or note issuance.
- B. Attorneys and staff, if applicable, who perform work for Client will be billed at their regular hourly rates, as may be adjusted from time to time. The regular hourly rates of those initially expected to handle the bulk of Client's work are as follows:

Wesley S. Haber	\$260
Associates	\$175-\$200
Paralegals	\$125

Kutak Rock's regular hourly billing rates are reevaluated annually and are subject to change not more than once in a calendar year. Client agrees to Kutak Rock's annual rate increases to the extent hourly rates are not increased beyond \$15/hour.

- C. To the extent practicable and consistent with the requirements of sound legal representation, Kutak Rock will attempt to reduce Client's bills by assigning each task to the person best able to perform it at the lowest rate, so long as he or she has the requisite knowledge and experience.
- D. Upon consent of Client, Kutak Rock may subcontract for legal services in the event that Client requires legal services for which Kutak Rock does not have adequate capabilities.
- E. Kutak Rock will include costs and expenses (including interest charges on past due statements) on its billing statements for Client reimbursement in accordance with the attached Expense Reimbursement Policy.

V. BILLING AND PAYMENT

The Client agrees to pay Kutak Rock's monthly billings for fees and expenses incurred within thirty (30) days following receipt of an invoice, or the time permitted by Florida law, whichever is greater. Kutak Rock shall not be obligated to perform further legal services under this Agreement if any such billing statement remains unpaid longer than thirty (30) days after submittal to and receipt by Client. Non-payment of billing statements shall be a basis for Kutak Rock to immediately withdraw from the representation without regard to remaining actions necessitating attention by Kutak Rock as part of the representation.

VI. DEFAULT; VENUE

403

In any legal proceeding to collect outstanding balances due under this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees in addition to costs and outstanding balances due under this Agreement. Venue of any such action shall be exclusive in the state courts of the Second Judicial Circuit in and for Leon County, Florida.

VII. CONFLICTS

It is important to disclose that Kutak Rock represents a number of special districts, trustees ("Trustees"), bondholders, developers, builders, and other entities throughout Florida and the United States of America relating to community development districts, special districts, local governments and land development. Kutak Rock or its attorneys may also have represented the entity which petitioned for the formation of the Client. Kutak Rock understands that Client may enter into an agreement with a Trustee in connection with the issuance of bonds, and that Client may request that Kutak Rock simultaneously represent Client in connection with the issuance of bonds, while Kutak Rock is also representing such Trustee on unrelated matters. By accepting this Agreement Client agrees that (1) Client was provided with an explanation of the implications of the common representation(s) and the advantages and risks involved; (2) Kutak Rock will be able to provide competent and diligent representation of Client, regardless of Kutak Rock's other representations, and (3) there is not a substantial risk that Kutak Rock's representation of Client would be materially limited by Kutak Rock's responsibilities to another client, a former client or a third person or by a personal interest. Acceptance of this Agreement will constitute Client's waiver of any "conflict" with Kutak Rock's representation of various special districts, Trustees, bondholders, developers, builders, and other entities relating to community development districts, special districts, local governments and land development.

VIII. ACKNOWLEDGMENT

Client acknowledges that the Kutak Rock cannot make any promises to Client as to the outcome of any legal dispute or guarantee that Client will prevail in any legal dispute.

IX. TERMINATION

Either party may terminate this Agreement upon providing prior written notice to the other party at its regular place of business. All fees due and payable in accordance with this Agreement shall accrue and become payable pursuant to the terms of this Agreement through the date of termination.

X. EXECUTION OF AGREEMENT

This Agreement shall be deemed fully executed upon its signing by Kutak Rock and the Client. The contract formed between Kutak Rock and the Client shall be the operational contract between the parties.

XI. ENTIRE CONTRACT

This Agreement constitutes the entire agreement between the parties.

Accepted and Agreed to:

**RIVERWOOD ESTATES
COMMUNITY DEVELOPMENT
DISTRICT**

By: Pat O'Brien

Its: Chairman

Date: 2/7/2022

KUTAK ROCK LLP

By: Wesley Hahn

Its: Transition Partner

Date: 2/7/2022

ATTACHMENT A

KUTAK ROCK LLP CDD EXPENSE REIMBURSEMENT POLICY

The following is Kutak Rock's expense reimbursement policy for community development district representation. This policy applies unless a different arrangement has been negotiated based on the unique circumstances of a particular client or matter.

All expenses are billed monthly. Billings ordinarily reflect expenses for the most recent month, except where there are delays in receiving bills from third party vendors.

Photocopying and Printing. In-house photocopying and printing are charged at \$0.25 per page (black & white) and \$0.50 per page (color). Outside copying is billed as a pass-through of the outside vendor's charges.

Postage. Postage is billed at actual cost.

Overnight Delivery. Overnight delivery is billed at actual cost.

Local Messenger Service. Local messenger service is billed at 44.5 cents per mile pursuant to Section 112.061, Florida Statutes. Should the State increase the mileage allowance specified in Section 112.061, Florida Statutes, Kutak Rock shall, without further action, be entitled to reimbursement at the increased rate.

Computerized Legal Research. Charges for computerized legal research are billed at an amount approximating actual cost.

Travel. Travel (including air fare, rental cars, taxicabs, hotel, meals, tips, etc.) is billed at actual cost. Where air travel is required, coach class is used wherever feasible. Out-of-town mileage is billed at 44.5 cents per mile pursuant to Section 112.061, Florida Statutes. Should the State increase the mileage allowance specified in Section 112.061, Florida Statutes, Kutak Rock shall, without further action, be entitled to reimbursement at the increased rate. Reasonable travel-related expenses for meals, lodging, gratuities, taxi fares, tolls, and parking fees shall also be reimbursed.

Consultants. Unless prior arrangements are made, consultants are ordinarily employed directly by the client. Where consulting or testifying experts are employed by the firm, their charges are passed through with no mark-up. The client is responsible for notifying the firm of any particular billing arrangements or procedures which the client requires of the consulting or testifying experts.

Other Expenses. Other outside expenses, such as court reporters, agency copies, conference calls, etc. are billed at actual cost.

Tab 5



Quarterly Compliance Audit Report

Riverwood Estates

Date: March 2022 - 1st Quarter

Prepared for: Scott Brizendine

Developer: Rizzetta

Insurance agency:



Preparer:

Jason Morgan - *Campus Suite Compliance*

ADA Website Accessibility and Florida F.S. 189.069 Requirements

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Compliance Audit Overview

The Community Website Compliance Audit (CWCA) consists of a thorough assessment of Florida Community Development District (CDD) websites to assure that specified district information is available and fully accessible. Florida Statute Chapter 189.069 states that effective October, 2015, every CDD in the state is required to maintain a fully compliant website for reporting certain information and documents for public access.

The CWCA is a reporting system comprised of quarterly audits and an annual summary audit to meet full disclosure as required by Florida law. These audits are designed to assure that CDDs satisfy all compliance requirements stipulated in Chapter 189.069.

Compliance Criteria

The CWCA focuses on the two primary areas – website accessibility as defined by U.S. federal laws, and the 16-point criteria enumerated in [Florida Statute Chapter 189.069](#).



ADA Website Accessibility

Several federal statutes (American Disabilities Act, Sec. 504 and 508 of the Rehabilitation Act of 1973) require public institutions to ensure they are not discriminating against individuals on the basis of a person's disability. Community websites are required to conform to web content accessibility guidelines – [WCAG 2.1](#), which is the international standard established to keep websites barrier-free and the recognized standard for ADA-compliance.



Florida Statute Compliance

Pursuant to F.S. [189.069](#), every CDD is required to maintain a dedicated website to serve as an official reporting mechanism covering, at minimum, 16 criteria. The information required to report and have fully accessible spans: establishment charter or ordinance, fiscal year audit, budget, meeting agendas and minutes and more. For a complete list of statute requirements, see page 3.

Audit Process

The Community Website Compliance Audit covers all CDD web pages and linked PDFs.* Following the [WCAG 2.1](#) levels A, AA, and AAA for web content accessibility, a comprehensive scan encompassing 312 tests is conducted for every page. In addition, a human inspection is conducted to assure factors such as navigation and color contrasts meet web accessibility standards. See page 4 for complete accessibility grading criteria.

In addition to full ADA-compliance, the audit includes a 16-point checklist directly corresponding with the criteria set forth in Florida Statute Chapter 189.069. See page 5 for the complete compliance criteria checklist.

* **NOTE:** Because many CDD websites have links to PDFs that contain information required by law (meeting agendas, minutes, budgets, miscellaneous and ad hoc documents, etc.), audits include an examination of all associated PDFs. **PDF remediation** and ongoing auditing is critical to maintaining compliance.



ADA Website Accessibility

Result: **PASSED**

Accessibility Grading Criteria

Passed	Description
Passed	Website errors* 0 WCAG 2.1 errors appear on website pages causing issues**
Passed	Keyboard navigation The ability to navigate website without using a mouse
Passed	Website accessibility policy A published policy and a vehicle to submit issues and resolve issues
Passed	Color contrast Colors provide enough contrast between elements
Passed	Video captioning Closed-captioning and detailed descriptions
Passed	PDF accessibility Formatting PDFs including embedded images and non-text elements
Passed	Site map Alternate methods of navigating the website

*Errors represent less than 5% of the page count are considered passing

**Error reporting details are available in your Campus Suite Website Accessibility dashboard



Florida F.S. 189.069 Requirements

Result: **PASSED**

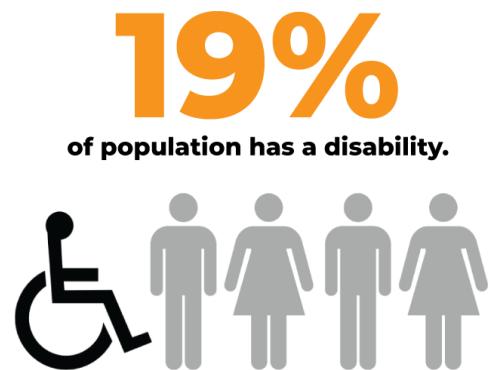
Compliance Criteria

Passed	Description
Passed	Full Name and primary contact specified
Passed	Public Purpose
Passed	Governing body Information
Passed	Fiscal Year
Passed	Full Charter (Ordinance and Establishment) Information
Passed	CDD Complete Contact Information
Passed	District Boundary map
Passed	Listing of taxes, fees, assessments imposed by CDD
Passed	Link to Florida Commission on Ethics
Passed	District Budgets (Last two years)
Passed	Complete Financial Audit Report
Passed	Listing of Board Meetings
N/A	Public Facilities Report, if applicable
Passed	Link to Financial Services
Passed	Meeting Agendas for the past year, and 1 week prior to next

Accessibility overview

Everyone deserves equal access.

With nearly 1-in-5 Americans having some sort of disability – visual, hearing, motor, cognitive – there are literally millions of reasons why websites should be fully accessible and compliant with all state and federal laws. Web accessibility not only keeps board members on the right side of the law, but enables the entire community to access all your web content. The very principles that drive accessible website design are also good for those without disabilities.



Sight, hearing, physical, cognitive.

The legal and right thing to do

Several federal statutes (American Disabilities Act, Sec. 504 and 508 of the Rehabilitation Act of 1973) require public institutions to ensure they are not discriminating against individuals on the basis of a person's disability. Community websites are required to conform to web content accessibility guidelines, WCAG 2.1, the international standard established to keep websites barrier-free. Plain and simple, any content on your website must be accessible to everyone.



ADA Compliance Categories

Most of the problems that occur on a website fall in one or several of the following categories.



Contrast and colors

Some people have vision disabilities that hinder picking up contrasts, and some are color blind, so there needs to be a distinguishable contrast between text and background colors. This goes for buttons, links, text on images – everything. Consideration to contrast and color choice is also important for extreme lighting conditions.

Contract checker: <http://webaim.org/resources/contrastchecker>



Using semantics to format your HTML pages

When web page codes are clearly described in easy-to-understand terms, it enables broader sharing across all browsers and apps. This ‘friendlier’ language not only helps all the users, but developers who are striving to make content more universal on more devices.



Text alternatives for non-text content

Written replacements for images, audio and video should provide all the same descriptors that the non-text content conveys. Besides helping with searching, clear, concise word choice can make vivid non-text content for the disabled.

Helpful article: <http://webaim.org/techniques/alttext>



Ability to navigate with the keyboard

Not everyone can use a mouse. Blind people with many with motor disabilities have to use a keyboard to make their way around a website. Users need to be able to interact fully with your website by navigating using the tab, arrows and return keys only. A “skip navigation” option is also required. Consider using [WAI-ARIA](#) for improved accessibility, and properly highlight the links as you use the tab key to make sections.

Helpful article: www.nngroup.com/articles/keyboard-accessibility

Helpful article: <http://webaim.org/techniques/skipnav>



Easy to navigate and find information

Finding relevant content via search and easy navigation is a universal need. Alt text, heading structure, page titles, descriptive link text (no ‘click here’ please) are just some ways to help everyone find what they’re searching for. You must also provide multiple ways to navigate such as a search and a site map.

Helpful article: <http://webaim.org/techniques/sitertools/>



Properly formatting tables

Tables are hard for screen readers to decipher. Users need to be able to navigate through a table one cell at a time. In addition to the table itself needing a caption, row and column headers need to be labeled and data correctly associated with the right header.

Helpful article: <http://webaim.org/techniques/tables/data>



Making PDFs accessible

PDF files must be tagged properly to be accessible, and unfortunately many are not. Images and other non-text elements within that PDF also need to be ADA-compliant. Creating anew is one thing; converting old PDFs – called PDF remediation – takes time.

Helpful articles: <http://webaim.org/techniques/acrobat/acrobat>



Making videos accessible

Simply adding a transcript isn't enough. Videos require closed captioning and detailed descriptions (e.g., who's on-screen, where they are, what they're doing, even facial expressions) to be fully accessible and ADA compliant.

Helpful article: <http://webaim.org/techniques/captions>



Making forms accessible

Forms are common tools for gathering info and interacting. From logging in to registration, they can be challenging if not designed to be web-accessible. How it's laid out, use of labels, size of clickable areas and other aspects need to be considered.

Helpful article: <http://webaim.org/techniques/forms>



Alternate versions

Attempts to be fully accessible sometimes fall short, and in those cases, alternate versions of key pages must be created. That is, it is sometimes not feasible (legally, technically) to modify some content. These are the 'exceptions', but still must be accommodated.



Feedback for users

To be fully interactive, your site needs to be able to provide an easy way for users to submit feedback on any website issues. Clarity is key for both any confirmation or error feedback that occurs while engaging the page.



Other related requirements

No flashing

Blinking and flashing are not only bothersome, but can be disorienting and even dangerous for many users. Seizures can even be triggered by flashing, so avoid using any flashing or flickering content.

Timers

Timed connections can create difficulties for the disabled. They may not even know a timer is in effect, it may create stress. In some cases (e.g., purchasing items), a timer is required, but for most school content, avoid using them.

Fly-out menus

Menus that fly out or down when an item is clicked are helpful to dig deeper into the site's content, but they need to be available via keyboard navigation, and not immediately snap back when those using a mouse move from the clickable area.

No pop-ups

Pop-up windows present a range of obstacles for many disabled users, so it's best to avoid using them altogether. If you must, be sure to alert the user that a pop-up is about to be launched.

Web Accessibility Glossary

Assistive technology	Hardware and software for disabled people that enable them to perform tasks they otherwise would not be able to perform (e.g., a screen reader)
WCAG 2.0	Evolving web design guidelines established by the W3C that specify how to accommodate web access for the disabled
504	Section of the Rehabilitation Act of 1973 that protects civil liberties and guarantees certain rights of disabled people
508	An amendment to the Rehabilitation Act that eliminates barriers in information technology for the disabled
ADA	American with Disabilities Act (1990)
Screen reader	Software technology that transforms the on-screen text into an audible voice. Includes tools for navigating/accessing web pages.
Website accessibility	Making your website fully accessible for people of all abilities
W3C	World Wide Web Consortium – the international body that develops standards for using the web