

**SOUTHERN HILLS
PLANTATION III
COMMUNITY DEVELOPMENT
DISTRICT**

September 11, 2023

**BOARD OF SUPERVISORS
PUBLIC HEARING AND
REGULAR MEETING
AGENDA**

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT**

**AGENDA
LETTER**

**Southern Hills Plantation III
Community Development District**

OFFICE OF THE DISTRICT MANAGER

2300 Glades Road, Suite 410W • Boca Raton, Florida 33431

Phone: (561) 571-0010 • Fax: (561) 571-0013 • Toll-free: (877) 276-0889

September 4, 2023

<p><u>ATTENDEES:</u> Please identify yourself each time you speak to facilitate accurate transcription of meeting minutes.</p>

Board of Supervisors
Southern Hills Plantation III Community Development District

Dear Board Members:

The Board of Supervisors of the Southern Hills Plantation III Community Development District will hold a Public Hearing and Regular Meeting on September 11, 2023 at 10:00 a.m., at the Southern Hills Plantation Clubhouse, located at 4200 Summit View Drive, Brooksville, Florida 34601. The agenda is as follows:

1. Call to Order/Roll Call
2. Public Comments
3. Consideration of Resolution 2023-07, Ratifying the Action of the District Manager in Re-Setting the Date of the Public Hearing on the Proposed Budget for Fiscal Year 2023/2024; Amending Resolution 2023-05 to Reset the Hearing Thereon; Providing a Severability Clause; and Providing an Effective Date
4. Public Hearing on the Adoption of the Fiscal Year 2023/2024 Budget
 - A. Proof/Affidavit of Publication
 - B. Consideration of Resolution 2023-08, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2023, and Ending September 30, 2024; Authorizing Budget Amendments; and Providing an Effective Date
5. Consideration of Fiscal Year 2023/2024 Funding Agreement
6. Acceptance of Unaudited Financial Statements as of July 31, 2023
7. Approval of July 10, 2023 Regular Meeting Minutes
8. Other Business

9. Staff Reports

- A. District Counsel: *Kilinski | Van Wyk PLLC*
- B. District Engineer: *Coastal Engineering Associates, Inc.*
- C. District Manager: *Wrathell, Hunt and Associates, LLC*

- NEXT MEETING DATE: October 2, 2023 at 10:00 AM

- QUORUM CHECK

SEAT 1	JIM MCGOWAN	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
SEAT 2	BRUCE NOBLE	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
SEAT 3	ELLEN JOHNSON	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
SEAT 4	GRADY MIARS	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
SEAT 5	MARGARET BLOOMQUIST	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO

10. Supervisors' Requests

11. Adjournment

If you have any questions or comments, please contact me directly at (239) 464-7114.

Sincerely,



Chesley E. Adams, Jr.
District Manager

<p>FOR BOARD MEMBERS AND STAFF TO ATTEND BY TELEPHONE</p> <p>CALL IN NUMBER: 1-888-354-0094</p> <p>PARTICIPANT PASSCODE: 229 774 8903</p>
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**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT**

3

RESOLUTION 2023-07

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE SOUTHERN HILLS PLANTATION III COMMUNITY DEVELOPMENT DISTRICT RATIFYING THE ACTION OF THE DISTRICT MANAGER IN RE-SETTING THE DATE OF THE PUBLIC HEARING ON THE PROPOSED BUDGET FOR FISCAL YEAR 2023/2024; AMENDING RESOLUTION 2023-05 TO RESET THE HEARING THEREON; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Southern Hills Plantation III Community Development District (“District”) is a local unit of special-purpose government created and existing pursuant to Chapter 190, Florida Statutes; and

WHEREAS, on July 10, 2023, at a duly noticed public meeting, the District’s Board of Supervisors (“Board”) adopted Resolution 2023-05, approving the proposed budget for Fiscal Year 2023/2024 and setting a public hearing on the proposed budget for August 14, 2023 at 10:00 a.m., at the Southern Hills Plantation Clubhouse, 4200 Summit View Drive, Brooksville, Florida 34601; and

WHEREAS, because the Board was unable to ensure a quorum on that previously scheduled date, the District Manager rescheduled the date of the public hearing to September 11, 2023 at the same time and location as set forth in Resolution 2023-05, and the District Manager has caused the notice of the public hearing with the new date to be published consistent with the requirements of Chapter 190, Florida Statutes; and

WHEREAS, the Board desires to ratify the District Manager’s action in re-setting the public hearing.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE SOUTHERN HILLS PLANTATION III COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. RATIFICATION OF PUBLIC HEARING DATE RESET. The actions of the District manager in resetting the public hearing and the District Secretary in publishing the notice of public hearing are hereby ratified. Resolution 2023-05 is hereby amended to reflect that the public hearing as declared in Resolution 2023-05 is re-set to September 11, 2023 at 10:00 a.m., at the Southern Hills Plantation Clubhouse, 4200 Summit View Drive, Brooksville, Florida 34601.

SECTION 2. RESOLUTION 2023-05 OTHERWISE REMAINS IN FULL FORCE AND EFFECT. Except as otherwise provided herein, all of the provisions of Resolution 2023-05 continue in full force and effect.

SECTION 3. SEVERABILITY. The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

SECTION 4. EFFECTIVE DATE. This Resolution shall take effect upon its passage and adoption by the Board.

PASSED AND ADOPTED this 11th day of September, 2023.

ATTEST:

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT**

4A

Tampa Bay Times
Published Daily

STATE OF FLORIDA
COUNTY OF Hernando, Citrus

Before the undersigned authority personally appeared Carol Chewning who on oath says that he/she is Legal Advertising Representative of the Tampa Bay Times a daily newspaper printed in St. Petersburg, in Pinellas County, Florida; that the attached copy of advertisement, being a Legal Notice in the matter RE: Southern Hills Plantation !!! Notice of Public Hearing and Regular Meeting was published in said newspaper by print in the issues of: 8/20/23, 8/27/23 or by publication on the newspaper's website, if authorized, on

Affiant further says the said Tampa Bay Times is a newspaper published in Hernando, Citrus County, Florida and that the said newspaper has heretofore been continuously published in said Hernando, Citrus County, Florida each day and has been entered as a second class mail matter at the post office in said Hernando, Citrus County, Florida for a period of one year next preceding the first publication of the attached copy of advertisement, and affiant further says that he/she neither paid not promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

} SS

SOUTHERN HILLS PLANTATION III COMMUNITY DEVELOPMENT DISTRICT

NOTICE OF PUBLIC HEARING TO CONSIDER THE ADOPTION OF THE FISCAL YEAR 2023/2024 BUDGET; AND NOTICE OF REGULAR BOARD OF SUPERVISORS' MEETING.

The Board of Supervisors ("Board") of the Southern Hills Plantation III Community Development District ("District") will hold a public hearing on September 11, 2023 at 10:00 a.m. at Southern Hills Clubhouse, 4200 Summit View Drive, Brooksville, Florida 34601, for the purpose of hearing comments and objections on the adoption of the proposed budget ("Proposed Budget") of the District for the fiscal year beginning October 1, 2023, and ending September 30, 2024 ("Fiscal Year 2023/2024"). A regular board meeting of the District will also be held at that time where the Board may consider any other business that may properly come before it. A copy of the agenda and Proposed Budget may be obtained at the offices of the District Manager, Wrathell, Hunt and Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431, (561) 571-0010 ("District Manager's Office"), during normal business hours, or by visiting the District's website at <http://southernhillspplantation3cdd.net>.

The public hearing and meeting are open to the public and will be conducted in accordance with the provisions of Florida law. The public hearing and meeting may be continued to a date, time, and place to be specified on the record at the meeting. There may be occasions when Board Supervisors or District Staff may participate by speaker telephone.

Any person requiring special accommodations at this meeting because of a disability or physical impairment should contact the District Manager's Office at least forty-eight (48) hours prior to the meeting. 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), for aid in contacting the District Manager's Office.

Each person who decides to appeal any decision made by the Board with respect to any matter considered at the public hearing or meeting is advised that person will need a record of 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 such appeal is to be based.

District Manager

08/20/2023, 8/27/2023

0000301200

Signature Affiant

Sworn to and subscribed before me this 08/27/2023

Signature of Notary Public

Personally known _____ X _____ or produced identification

Type of identification produced _____



**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT**

4B

RESOLUTION 2023-08

THE ANNUAL APPROPRIATION RESOLUTION OF THE SOUTHERN HILLS PLANTATION III COMMUNITY DEVELOPMENT DISTRICT (“DISTRICT”) RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2023, AND ENDING SEPTEMBER 30, 2024; AUTHORIZING BUDGET AMENDMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District Manager has, prior to the fifteenth (15th) day in June, 2023, submitted to the Board of Supervisors (“**Board**”) of the Southern Hills Plantation III Community Development District (“**District**”) proposed budget (“**Proposed Budget**”) for the fiscal year beginning October 1, 2023 and ending September 30, 2024 (“**Fiscal Year 2023/2024**”) along with an explanatory and complete financial plan for each fund of the District, pursuant to the provisions of Section 190.008(2)(a), *Florida Statutes*; and

WHEREAS, at least sixty (60) days prior to the adoption of the Proposed Budget, the District filed a copy of the Proposed Budget with the local governing authorities having jurisdiction over the area included in the District pursuant to the provisions of Section 190.008(2)(b), *Florida Statutes*; and

WHEREAS, the Board set a public hearing thereon and caused notice of such public hearing to be given by publication pursuant to Section 190.008(2)(a), *Florida Statutes*; and

WHEREAS, the District Manager posted the Proposed Budget on the District’s website at least two days before the public hearing; and

WHEREAS, Section 190.008(2)(a), *Florida Statutes*, requires that, prior to October 1st of each year, the Board, by passage of the Annual Appropriation Resolution, shall adopt a budget for the ensuing fiscal year and appropriate such sums of money as the Board deems necessary to defray all expenditures of the District during the ensuing fiscal year; and

WHEREAS, the District Manager has prepared a Proposed Budget, whereby the budget shall project the cash receipts and disbursements anticipated during a given time period, including reserves for contingencies for emergency or other unanticipated expenditures during the fiscal year.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE SOUTHERN HILLS PLANTATION III COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. BUDGET

- a. The Board has reviewed the Proposed Budget, a copy of which is on file with the office of the District Manager and at the District’s Local Records Office, and hereby approves certain amendments thereto, as shown in Section 2 below.

- b. The Proposed Budget, attached hereto as **Exhibit "A,"** as amended by the Board, is hereby adopted in accordance with the provisions of Section 190.008(2)(a), *Florida Statutes ("Adopted Budget")*, and incorporated herein by reference; provided, however, that the comparative figures contained in the Adopted Budget may be subsequently revised as deemed necessary by the District Manager to reflect actual revenues and expenditures.
- c. The Adopted Budget, as amended, shall be maintained in the office of the District Manager and at the District's Local Records Office and identified as "The Budget for the Southern Hills Plantation III Community Development District for the Fiscal Year Ending September 30, 2024."
- d. The Adopted Budget shall be posted by the District Manager on the District's official website within thirty (30) days after adoption, and shall remain on the website for at least 2 years.

SECTION 2. APPROPRIATIONS

There is hereby appropriated out of the revenues of the District, for Fiscal Year 2023/2024, the sum of \$65,545 to be raised by the levy of assessments and/or otherwise, which sum is deemed by the Board to be necessary to defray all expenditures of the District during said budget year, to be divided and appropriated in the following fashion:

TOTAL GENERAL FUND	\$65,545
TOTAL ALL FUNDS	\$65,545

SECTION 3. BUDGET AMENDMENTS

Pursuant to Section 189.016, *Florida Statutes*, the District at any time within Fiscal Year 2023/2024 or within 60 days following the end of the Fiscal Year 2023/2024 may amend its Adopted Budget for that fiscal year as follows:

- a. A line-item appropriation for expenditures within a fund may be decreased or increased by motion of the Board recorded in the minutes, and approving the expenditure, if the total appropriations of the fund do not increase.
- b. The District Manager or Treasurer may approve an expenditure that would increase or decrease a line-item appropriation for expenditures within a fund if the total appropriations of the fund do not increase and if either (i) the aggregate change in the original appropriation item does not exceed the greater of \$15,000 or 15% of the original appropriation, or (ii) such expenditure is authorized by separate disbursement or spending resolution.

- c. Any other budget amendments shall be adopted by resolution and consistent with Florida law.

The District Manager or Treasurer must ensure that any amendments to the budget under paragraph c. above are posted on the District’s website within 5 days after adoption and remain on the website for at least 2 years.

SECTION 4. EFFECTIVE DATE. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED THIS 11TH DAY OF SEPTEMBER 2023.

ATTEST:

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

Exhibit A: Fiscal Year 2023/2024 Budget

Exhibit A: Fiscal Year 2023/2024 Budget

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT
FISCAL YEAR 2024
PROPOSED BUDGET**

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT
TABLE OF CONTENTS**

<u>Description</u>	<u>Page Number(s)</u>
General Fund Budget	1
Definitions of General Fund Expenditures	2 - 3

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND BUDGET
FISCAL YEAR 2024**

	Fiscal Year 2023				Proposed Budget FY 2024
	Adopted Budget FY 2023	Actual through 3/31/2023	Projected through 9/30/2023	Total Actual & Projected	
REVENUES					
Developer contributions	\$ 85,120	\$ 29,084	\$ 43,562	\$ 72,646	\$ 65,545
Total revenues	<u>85,120</u>	<u>29,084</u>	<u>43,562</u>	<u>72,646</u>	<u>65,545</u>
EXPENDITURES					
Professional & administrative					
Supervisors	3,000	1,200	1,800	3,000	3,000
Management/accounting/recording	15,000	7,500	7,500	15,000	15,000
Bank fees	150	-	150	150	150
Legal general counsel	4,000	7,096	2,000	9,096	4,000
Engineering	1,000	-	500	500	1,000
Audit	3,200	-	3,200	3,200	3,200
Postage	400	50	350	400	400
Legal advertising	325	223	102	325	325
Annual district filing fee	200	175	25	200	200
Insurance	3,200	-	3,200	3,200	3,200
Website	1,000	-	1,000	1,000	1,000
Contingencies	1,500	264	1,236	1,500	1,500
Total professional & administrative	<u>32,975</u>	<u>16,508</u>	<u>21,063</u>	<u>37,571</u>	<u>32,975</u>
Field operations					
Street lights	8,000	4,285	4,000	8,285	8,300
Aquatic maintenance	3,000	1,032	450	1,482	870
Lake/pond bank maintenance	500	-	-	-	-
Entry & walls maintenance	595	-	-	-	-
Landscape maintenance	15,000	11,483	9,000	20,483	21,000
Holiday lighting	2,200	3,332	-	3,332	-
Irrigation maintenance and repairs	5,000	988	1,000	1,988	2,400
Landscape replacement plants, shrubs, trees	17,850	-	-	-	-
Total field operations	<u>52,145</u>	<u>21,120</u>	<u>14,450</u>	<u>35,570</u>	<u>32,570</u>
Total expenditures	<u>85,120</u>	<u>37,628</u>	<u>35,513</u>	<u>73,141</u>	<u>65,545</u>
Excess/(deficiency) of revenues over/(under) expenditures	-	(8,544)	8,049	(495)	-
Fund balance - beginning (unaudited)	-	495	(8,049)	495	-
Fund balance - ending (projected)	<u>\$ -</u>	<u>\$ (8,049)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

*Prior year funding collected in current fiscal year.

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT
DEFINITIONS OF GENERAL FUND EXPENDITURES**

EXPENDITURES

Professional & administrative

Supervisors	\$ 3,000
Statutorily set at \$200 (plus applicable taxes) for each meeting of the Board of Supervisors, not to exceed \$4,800 for each fiscal year.	
Management/accounting/recording	15,000
Wrathell, Hunt and Associates, LLC , specializes in managing community development districts by combining the knowledge, skills and experience of a team of professionals to ensure compliance with all governmental requirements of the District, develop financing programs, administer the issuance of tax exempt bond financings and operate and maintain the assets of the community.	
Bank fees	150
Bank charges and other miscellaneous expenses incurred during the fiscal year.	
Legal general counsel	4,000
Provides on-going general counsel legal representation and, in this arena, these lawyers are confronted with issues relating to public finance, public bidding, rulemaking, open meetings, public records, real property dedications, conveyances and contracts. In this capacity, they provide service as "local government lawyers," realizing that this type of local government is very limited in its scope – providing infrastructure and services to developments.	
Pursuant to the trust indenture, the District is paying for legal representation incurred by the trustee for foreclosure related matters that relate to the District. These services are being provided by Hopping, Green & Sams.	
Engineering	1,000
Provides a broad array of engineering, consulting and construction services to the District, which assists in crafting solutions with sustainability for the long term interests of the community while recognizing the needs of government, the environment and maintenance of the District's facilities.	
Audit	3,200
Statutorily required for the District to undertake an independent examination of its books, records and accounting procedures. This audit is conducted pursuant to Florida State Law and the rules and guidelines of the Florida Auditor General.	
Postage	400
Mailing of agenda packages, overnight deliveries, correspondence, etc.	
Legal advertising	325
The District advertises for monthly meetings, special meetings, public hearings, public bids, etc.	
Annual district filing fee	200
Annual fee paid to the Department of Economic Opportunity.	
Insurance	3,200
The District carries public officials and general liability insurance with policies written by Preferred Governmental Insurance Trust. The limit of liability is set at \$1,000,000 (general aggregate \$2,000,000) and \$1,000,000 for public officials liability.	
Website	1,000
To provide and maintain legally required District website.	
Contingencies	1,500
Cover banking related costs.	

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT
DEFINITIONS OF GENERAL FUND EXPENDITURES**

EXPENDITURES (continued)

Field operations

Street lights	8,300
Regular inspections, maintenance and repairs	
Aquatic maintenance	870
Monthly service of aquatic weed control	
Landscape maintenance	21,000
Monthly service of landscape maintenance, including lawn care	
Irrigation maintenance and repairs	2,400
Regular inspection and any needed maintenance and/or repairs to the irrigation system	
Total expenditures	<u><u>\$ 65,545</u></u>

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT**

5

SOUTHERN HILLS PLANTATION III COMMUNITY DEVELOPMENT DISTRICT
FISCAL YEAR 2023/2024 FUNDING AGREEMENT

This agreement ("**Agreement**") is made and entered into this 11th day of September, 2023, by and between:

Southern Hills Plantation III Community Development District, a local unit of special-purpose government established pursuant to Chapter 190, Florida Statutes, and located in the City of Brooksville, Hernando County, Florida (hereinafter "**District**"), and

SH Venture II, LLC, a Florida limited liability company and a landowner in the District (hereinafter "**SH II**") with an address of 7807 Baymeadows Road East, Suite 205, Jacksonville Florida 32256.

RECITALS

WHEREAS, the District was established by the City Commission of the City of Brooksville, Florida, for the purpose of planning, financing, constructing, operating and/or maintaining certain infrastructure; and

WHEREAS, the District, pursuant to Chapter 190, Florida Statutes, is authorized to levy such taxes, special assessments, fees and other charges as may be necessary in furtherance of the District's activities and services; and

WHEREAS, SH II presently owns the real property described in **Exhibit A**, attached hereto and incorporated herein by reference ("**Property**"), which constitutes the majority of the land within the District, which Property will benefit from the timely construction and acquisition of the District's facilities, activities and services and from the continued operations of the District; and

WHEREAS, the District is adopting its general fund budget for the Fiscal Year 2023/2024, which year commences on October 1, 2023, and concludes on September 30, 2024; and

WHEREAS, this general fund budget, which both parties recognize may be amended from time to time in the sole discretion of the District, is attached hereto and incorporated herein by reference as **Exhibit B**; and

WHEREAS, the District has the option of levying non ad valorem assessments on all land, including the Property that will benefit from the activities, operations and services set forth in the 2023/2024 Fiscal Year budget, or utilizing such other revenue sources as may be available to it; and

WHEREAS, in lieu of levying assessments on the Property, SH II is willing to provide such funds as are necessary to allow the District to proceed with its operations as described in **Exhibit B**; and

WHEREAS, SH II agrees that the District activities, operations and services provide a special and peculiar benefit equal to or in excess of the costs reflected on **Exhibit B** to the Property; and

WHEREAS, SH II has agreed to enter into this Agreement in lieu of having the District levy and collect any non ad valorem assessments as authorized by law against the Property located within the District for the activities, operations and services set forth in **Exhibit B**; and

WHEREAS, SH II and District desire to secure such budget funding through the imposition of a continuing lien against the Property described in **Exhibit A** and otherwise as provided herein.

NOW, THEREFORE, based upon good and valuable consideration and the mutual covenants of the parties, the receipt of which and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **FUNDING.** SH II agrees to make available to the District the monies necessary for the operation of the District as called for in the budget attached hereto as **Exhibit B**, as may be amended from time to time in the District's sole discretion, within thirty (30) days of written request by the District. Amendments to the District's 2023/2024 Fiscal Year budget as shown on **Exhibit B** adopted by the District at a duly noticed meeting shall have the effect of amending this Agreement without further action of the parties. Funds provided hereunder shall be placed in the District's general checking account. In no way shall the foregoing in any way affect the District's ability to levy special assessments upon the property within the District, including the Property, in accordance with Florida law, to provide funds for any unfunded expenditures whether such expenditures are the result of an amendment to the District's 2021/2023 Fiscal Year Budget or otherwise. These payments are made by SH II in lieu of operation and maintenance assessments which might otherwise be levied or imposed by the District.

2. **CONTINUING LIEN.** District shall have the right to file a continuing lien (the "Lien") upon the Property described in **Exhibit A** for all payments due and owing under the terms of this Agreement and for interest thereon, and for reasonable attorneys' fees, paralegals' fees, expenses and court costs incurred by the District incident to the collection of funds under this Agreement or for enforcement the Lien. The Lien shall be effective as of the date and time of the recording of a "Notice of Lien for FY 2023/2024 Budget" in the public records of Hernando County, Florida, stating among other things, the description of the real property which is the subject of the Lien, the amount due as of the recording of the Notice, and the existence of this Agreement. The District Manager, in its sole discretion, is hereby authorized by the District to file the Notice of Lien for FY 2023/2024 Budget on behalf of the District, without the need of further Board action authorizing or directing such filing. At the District Manager's direction, the District may also bring an action at law against the record title holder to the Property to pay the amount due under this Agreement, or may foreclose the lien against the Property in any manner authorized by law. The District may partially release any filed lien. The District may partially release the Notice of Lien and the Lien itself for portions of the Property subject to a plat if and when SH II has demonstrated, in the District's sole discretion, that such release will not materially impair the ability of the District to enforce the collection of funds hereunder. In the event SH II sells any of the Property described in **Exhibit A** after the execution of this Agreement, SH II's rights and obligations under this Agreement shall remain the same, provided that the District

shall only have the right to create a lien and file a Notice of Lien upon the portion of the Property then owned by SH II or its affiliates.

3. ALTERNATIVE COLLECTION METHODS.

In the event SH II fails to make payments as and when due to the District pursuant to this Agreement, and the District first provides such SH II with written notice of the delinquency to the address identified in this Agreement, and such delinquency is not cured within five (5) business days after receipt of such notice, then the District shall have the following remedies:

a. At the Board's direction, the District may bring an action at law against the record title holder to the Property to pay the amount due under this Agreement, or may foreclose the Lien against the Property in any manner authorized by law.

b. The District may enforce the collection of funds due under this Agreement by action against SH II in the appropriate judicial forum in and for Hernando County, Florida. The enforcement of the collection of funds in this manner shall be in the sole discretion of the District Manager on behalf of the District.

c. The District hereby finds that the activities, operations and services set forth in **Exhibit B** provide a special and peculiar benefit to the Property, which benefit is initially allocated on an equal developable acreage basis. SH II agrees that the activities, operations and services set forth in **Exhibit B** provide a special and peculiar benefit to the Property equal to or in excess of the costs set forth in **Exhibit B**, on an equal developable acreage basis. Therefore, in the alternative or in addition to the other methods of collection set forth in this Agreement, the District, in its sole discretion, may choose to certify amounts due hereunder as a non ad valorem assessment on all or any part of the Property for collection, either through the Uniform Method of Collection set forth in Chapter 197, Florida Statutes, or under any method of direct bill and collection authorized by Florida law. Such assessment, if imposed, may be certified on the next available tax roll of the Hernando County property appraiser. SH II hereby waives and/or relinquishes any rights it may have to challenge or object to such assessments if imposed, as well as the means of collection thereof.

4. AGREEMENT; AMENDMENTS. This instrument shall constitute the final and complete expression of the agreement between the parties relating to the subject matter of this Agreement. Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by both of the parties hereto.

5. AUTHORIZATION. The execution of this Agreement has been duly authorized by the appropriate body or official of all parties hereto, each party has complied with all the requirements of law, and each party has full power and authority to comply with the terms and provisions of this instrument.

6. ASSIGNMENT. **This Agreement may not be assigned by the District.** This Agreement may be assigned, in whole or in part, by SH II in connection with the sale of its business or all or substantially all of the Property, subject to the terms of this Paragraph. In the event that SH II sells or otherwise disposes of its business or of substantially all of its assets relating to the lands within the District, including the Property, SH II will expressly require that the purchaser

agree to be bound by the terms of this Agreement. In the event of such sale or disposition, SH II may place into escrow an amount equal to the then unfunded portion of the adopted 2023/2024 Fiscal Year Budget to fund and budgeted expenses that may arise during the remainder of the fiscal year and provide the District evidence of assignment of this Agreement to the purchaser. Upon confirmation of the deposit of said funds into escrow, and evidence of such assignment to, and assumption by the purchaser, the Developer's obligation under this Agreement shall be deemed fulfilled and this Agreement terminated with respect to SH II's obligations. The parties hereto recognize that SH II is responsible for expenditures of the District in Fiscal Year 2023/2024 and that expenditures approved by the Board may exceed the amount adopted in the 2023/2024 Fiscal Year Budget. SH II shall notify the District in writing thirty (30) days prior to an anticipated sale or disposition of all or substantially all of the Property.

7. **DEFAULT.** A default by either party under this Agreement, which is not cured after any required notice and applicable cure period, shall entitle the other to all remedies available at law or in equity, which shall include, but not be limited to, the right of damages, injunctive relief and specific performance and specifically including the ability of the District to enforce any and all payment obligations under this Agreement in the manner described herein in Paragraph 3 above.

8. **THIRD PARTY RIGHTS; TRANSFER OF PROPERTY.** This Agreement is solely for the benefit of the parties hereto and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third party nor any person or entity not a party hereto. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the parties hereto any right, remedy or claim under or by reason of this Agreement or any provisions or conditions hereof; and all of the provisions, representations, covenants and conditions herein contained shall inure to the sole benefit of and shall be binding upon the parties hereto and their respective representatives, successors and assigns, subject to the terms of Paragraph 6 above.

9. **FLORIDA LAW GOVERNS.** This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida.

10. **ARM'S LENGTH TRANSACTION.** This Agreement has been negotiated fully between the parties as an arm's length transaction. The parties participated fully in the preparation of this Agreement with the assistance of their respective counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, the parties are each deemed to have drafted, chosen and selected the language, and the doubtful language will not be interpreted or construed against any party.

11. **EFFECTIVE DATE.** The Agreement shall be effective after execution by both parties hereto. The enforcement provisions of this Agreement shall survive its termination, until all payments due under this Agreement are paid in full.

12. **ATTORNEYS FEES.** In the event that either party is required to enforce this Agreement by court proceedings or otherwise, then the parties agree that the prevailing party shall be entitled to recover from the other all costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

IN WITNESS WHEREOF, the parties execute this Funding Agreement the day and year first written above.

Attest:

**Southern Hills Plantation III Community
Development District**

Secretary/Assistant Secretary

By: _____
Its: _____

**SH Venture II, LLC,
a Florida limited liability
company**

Witness

By: _____
Its: _____

EXHIBIT A: Property Description

EXHIBIT B: Fiscal Year 2023/2024 General Fund Budget

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT**

**UNAUDITED
FINANCIAL
STATEMENTS**

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT
FINANCIAL STATEMENTS
UNAUDITED
JULY 31, 2023**

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JULY 31, 2023**

	<u>General Fund</u>	<u>Total Governmental Funds</u>
ASSETS		
Wells Fargo	\$ 2,830	\$ 2,830
Due from Developer	14,006	14,006
Due from other governments	8	8
Accounts receivable	159,582	159,582
Allowance for uncollectable receivable	(159,582)	(159,582)
Deposits	1,190	1,190
Total assets	<u>\$ 18,034</u>	<u>\$ 18,034</u>
LIABILITIES		
Liabilities:		
Accounts payable	\$ 3,061	\$ 3,061
Due to Southern Hills I	10,455	10,455
Deferred revenue	14,006	14,006
Developer advance	2,500	2,500
Total liabilities	<u>30,022</u>	<u>30,022</u>
FUND BALANCES		
Unassigned	<u>(11,988)</u>	<u>(11,988)</u>
Total fund balances	<u>(11,988)</u>	<u>(11,988)</u>
 Total liabilities and fund balances	 <u>\$ 18,034</u>	 <u>\$ 18,034</u>

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDED JULY 31, 2023**

	Current Month	Year to Date	Budget	% of Budget
REVENUES				
Developer contribution	\$ 31,563	\$ 75,202	\$ 85,120	88%
Total revenues	<u>31,563</u>	<u>75,202</u>	<u>85,120</u>	88%
EXPENDITURES				
Professional & administrative				
Legislative				
Supervisor fees	-	1,200	3,000	40%
Financial & Administrative				
Management	1,250	12,500	15,000	83%
Engineering	-	-	1,000	0%
Audit	-	3,425	3,200	107%
Insurance	-	-	3,200	0%
Legal advertising	-	223	325	69%
Bank fees	-	-	150	0%
Annual district filing fee	-	175	200	88%
Contingencies	325	733	1,500	49%
Website	-	705	1,000	71%
Postage	40	89	400	22%
Legal counsel				
District counsel	521	30,325	4,000	758%
Total professional & administrative	<u>2,136</u>	<u>49,375</u>	<u>32,975</u>	150%
Field operations				
Electric utility services				
Street lights	2,162	7,179	8,000	90%
Stormwater control				
Lake/pond bank maintenance	4,090	4,090	500	818%
Aquatic maintenance	-	1,032	3,000	34%
Entry & walls maintenance	-	-	595	0%
Landscape maintenance	3,429	19,112	15,000	127%
Holiday lighting	-	3,332	2,200	151%
Irrigation repairs & maintenance	488	3,565	5,000	71%
Landscape replacement	-	-	17,850	0%
Total field operations	<u>10,169</u>	<u>38,310</u>	<u>52,145</u>	73%
Total expenditures	<u>12,305</u>	<u>87,685</u>	<u>85,120</u>	103%
Excess/(deficiency) of revenues over/(under) expenditures	19,258	(12,483)	-	
Fund balances - beginning	(31,246)	495	-	
Fund balances - ending	<u>\$ (11,988)</u>	<u>\$ (11,988)</u>	<u>\$ -</u>	

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT**

MINUTES

DRAFT

**MINUTES OF MEETING
SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Southern Hills Plantation III Community Development District held a Regular Meeting on July 10, 2023 at 10:00 a.m., at the Southern Hills Plantation Clubhouse, located at 4200 Summit View Drive, Brooksville, Florida 34601.

Present at the meeting were:

Jim McGowan	Chair
Bruce Noble	Vice Chair
Ellen Johnson	Assistant Secretary
Margaret Bloomquist	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Lauren Gentry	District Counsel
Jay Gaines (via telephone)	Auditor

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Adams called the meeting to order at 10:01 a.m.

Supervisors Noble, McGowan, Johnson and Bloomquist were present. Supervisor Miars was not present.

SECOND ORDER OF BUSINESS

Public Comments

No members of the public spoke.

THIRD ORDER OF BUSINESS

**Presentation of Audited Financial Report
for the Fiscal Year Ended September 30,
2022, Prepared by Berger, Toombs, Elam,
Gaines and Frank**

Mr. Gaines presented the Audited Financial Report for the Fiscal Year Ended September 30, 2022 and noted the pertinent information. There were no findings, recommendations,

40 deficiencies on internal control or instances of non-compliance; it was an unmodified opinion,
41 also known as a clean audit.

42

43 **FOURTH ORDER OF BUSINESS**

**Consideration of Resolution 2023-04,
Hereby Accepting the Audited Annual
Financial Report for the Fiscal Year Ended
September 30, 2022**

44

45

46

47

48 Mr. Adams presentation Resolution 2023-04.

49

**On MOTION by Mr. McGowan and seconded by Ms. Johnson, with all in favor,
Resolution 2023-04, Hereby Accepting the Audited Annual Financial Report for
the Fiscal Year Ended September 30, 2022, was adopted.**

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55 **FIFTH ORDER OF BUSINESS**

Ratification of Interlocal Agreement

56

57 Mr. Adams presented the Interlocal Agreement between Southern Hills Plantation I
58 CDD, Southern Hills Plantation II CDD and Southern Hills Plantation III CDD.

59

**On MOTION by Ms. Johnson and seconded by Ms. Bloomquist, with all in favor,
the Interlocal Agreement between Southern Hills Plantation I CDD, Southern
Hills Plantation II CDD and Southern Hills Plantation III CDD, was ratified.**

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65 **SIXTH ORDER OF BUSINESS**

**Consideration of Resolution 2023-05,
Approving a Proposed Budget for Fiscal
Year 2023/2024 and Setting a Public
Hearing Thereon Pursuant to Florida Law;
Addressing Transmittal, Posting and
Publication Requirements; Addressing
Severability; and Providing an Effective
Date**

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74 Mr. Adams presented Resolution 2023-05. He reviewed the proposed Fiscal Year 2024
75 budget, highlighting any line item increases, decreases and adjustments, compared to the Fiscal
76 Year 2023 budget, and explained the reasons for any changes. This is a Developer-funded
77 budget with expenses funded as they are incurred.

78 It was noted that the proposed Fiscal Year 2024 budget was not presented by June 15,
79 2023 as stated in the first paragraph of Resolution 2023-05.

80 The following change was made to Resolution 2023-05:

81 Paragraph 1, third line: Delete "prior to June 15, 2023"

82

83 **On MOTION by Mr. McGowan and seconded by Ms. Johnson, with all in favor,**
84 **Resolution 2023-05, as amended, Approving a Proposed Budget for Fiscal Year**
85 **2023/2024 and Setting a Public Hearing Thereon Pursuant to Florida Law for**
86 **August 14, 2023 at 10:00 a.m., at the Southern Hills Plantation Clubhouse,**
87 **located at 4200 Summit View Drive, Brooksville, Florida 34601; Addressing**
88 **Transmittal, Posting and Publication Requirements; Addressing Severability;**
89 **and Providing an Effective Date, was adopted.**

90

91

92 **SEVENTH ORDER OF BUSINESS**

Consideration of Resolution 2023-06,
Designating Dates, Times and Locations for
Regular Meetings of the Board of
Supervisors of the District for Fiscal Year
2023/2024 and Providing for an Effective
Date

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Mr. Adams presented Resolution 2023-06.

100

101 **On MOTION by Mr. McGowan and seconded by Ms. Johnson, with all in favor,**
102 **Resolution 2023-06, Designating Dates, Times and Locations for Regular**
103 **Meetings of the Board of Supervisors of the District for Fiscal Year 2023/2024**
104 **and Providing for an Effective Date, was adopted.**

105

106

107 **EIGHTH ORDER OF BUSINESS**

Acceptance of Unaudited Financial
Statements as of May 31, 2023

108

109

110

Mr. Adams presented the Unaudited Financial Statements as of May 31, 2023.

111

The financials were accepted.

112

113 **NINTH ORDER OF BUSINESS**

Approval of February 13, 2023 Meeting
Minutes

114

115

116

Mr. Adams presented the February 13, 2023 Meeting Minutes.

117

118 **On MOTION by Ms. Bloomquist and seconded by Ms. Johnson, with all in favor,**
119 **the February 13, 2023 Regular Meeting Minutes, as presented, were approved.**

120

121

122 **TENTH ORDER OF BUSINESS****Other Business**

123

124 There was no other business.

125

126 **ELEVENTH ORDER OF BUSINESS****Staff Reports**

127

128 **A. District Counsel: Kilinski|Van Wyk PLLC**

129 Ms. Gentry noted the firm's name change to Kilinski|Van Wyk. She discussed recently
130 passed legislation that will require CDD Board Members to complete four hours of ethics
131 training, annually, effective January 1, 2024. Other passed legislation involves changes to
132 retainage requirements related to project completion.

133 **B. District Engineer: Coastal Engineering Associates, Inc.**

134 There was no report.

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

- 136
- **0 Registered Voters in District as of April 15, 2023**

- 137
- **NEXT MEETING DATE: August 14, 2023 at 10:00 A.M**

- 138
- **QUORUM CHECK**

139

140 **TWELFTH ORDER OF BUSINESS****Supervisors' Requests**

141

142 There were no Supervisors' requests.

143

144 **THIRTEENTH ORDER OF BUSINESS****Adjournment**

145

146

147 **On MOTION by Mr. McGowan and seconded by Ms. Johnson, with all in favor,**
148 **the meeting adjourned at 10:16 a.m.**

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[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

154

155

156

157

158

159 Secretary/Assistant Secretary

Chair/Vice Chair

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT**

**STAFF
REPORTS**

SOUTHERN HILLS PLANTATION III COMMUNITY DEVELOPMENT DISTRICT		
BOARD OF SUPERVISORS FISCAL YEAR 2023/2024 MEETING SCHEDULE		
LOCATION		
<i>Southern Hills Plantation Clubhouse, 4200 Summit View Drive, Brooksville, Florida 34601</i>		
DATE	POTENTIAL DISCUSSION/FOCUS	TIME
October 2, 2023*	Regular Meeting	10:00 AM
November 13, 2023	Regular Meeting	10:00 AM
December 11, 2023	Regular Meeting	10:00 AM
January 8, 2024	Regular Meeting	10:00 AM
February 12, 2024	Regular Meeting	10:00 AM
March 11, 2024	Regular Meeting	10:00 AM
April 8, 2024	Regular Meeting	10:00 AM
May 13, 2024	Regular Meeting	10:00 AM
June 10, 2024	Regular Meeting	10:00 AM
July 8, 2024	Regular Meeting	10:00 AM
August 12, 2024	Regular Meeting	10:00 AM
September 9, 2024	Regular Meeting	10:00 AM

***Exception**

October meeting is one (1) week earlier to accommodate the Columbus Day holiday.