

**SOUTHERN HILLS
PLANTATION III
COMMUNITY DEVELOPMENT
DISTRICT**

October 1, 2025

**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

<https://southernhillsplantation3cdd.net/>

September 24, 2025

ATTENDEES:

Please identify yourself each time you speak to facilitate accurate transcription of meeting minutes.

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 October 1, 2025 at 10:00 a.m., at the Southern Hills Plantation Clubhouse, 4200 Summit View Drive, Brooksville, Florida 34601. The agenda is as follows:

1. Call to Order/Roll Call
2. Public Comments
3. Administration of Oath of Office to Elected Supervisor Grady Miars [Seat 4] *(the following to be provided under separate cover)*
 - A. Required Ethics Training and Disclosure Filing
 - Sample Form 1 2023/Instructions
 - B. Membership, Obligations and Responsibilities
 - C. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees
 - D. Form 8B: Memorandum of Voting Conflict for County, Municipal and other Local Public Officers
4. Consideration of Resolution 2026-01, Electing and Removing Officers of the District, and Providing for an Effective Date
5. Presentation of Audited Financial Report for the Fiscal Year Ended September 30, 2024, Prepared by Berger, Toombs, Elam, Gaines and Frank
 - A. Consideration of Resolution 2026-02, Accepting the Audited Annual Financial Report for the Fiscal Year Ended September 30, 2024

6. Consideration of Resolution 2026-03, Ratifying the Action of the District Manager in Re Setting the Date of the Public Hearing on the Proposed Budget for Fiscal Year 2025/2026; Amending Resolution 2025-04 to Set the Public Hearing Thereon; Providing a Severability Clause; and Providing an Effective Date
7. Public Hearing on the Adoption of the Fiscal Year 2025/2026 Budget
 - A. Proof/Affidavit of Publication
 - B. Consideration of Resolution 2026-04, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2025, and Ending September 30, 2026; Authorizing Budget Amendments; and Providing an Effective Date
8. Consideration of Fiscal Year 2026 Funding Agreement
9. Consideration of Special Districts Performance Measures and Standards Reporting FY2026
 - Authorization of Chair to Approve Findings Related to FY2025 Special Districts Performance Measures and Standards Reporting
10. Acceptance of Unaudited Financial Statements as of August 31, 2025
11. Approval of July 14, 2025 Regular Meeting Minutes
12. Other Business
13. 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 13, 2025 at 10:00 AM

○ QUORUM CHECK

SEAT 1	JIM MCGOWAN	☐ IN PERSON	☐ PHONE	☐ NO
SEAT 2	BRUCE NOBLE	☐ IN PERSON	☐ PHONE	☐ NO
SEAT 3	ELLEN JOHNSON	☐ IN PERSON	☐ PHONE	☐ NO
SEAT 4	GRADY MIARS	☐ IN PERSON	☐ PHONE	☐ NO
SEAT 5	MARGARET BLOOMQUIST	☐ IN PERSON	☐ PHONE	☐ NO

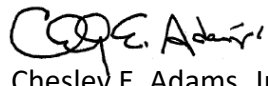
14. Supervisors' Requests

15. Public Comments

16. Adjournment

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

Sincerely,



Chesley E. Adams, Jr.
District Manager

FOR BOARD MEMBERS AND STAFF TO ATTEND BY TELEPHONE

CALL IN NUMBER: 1-888-354-0094

PARTICIPANT PASSCODE: 229 774 8903

SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT

3

**SOUTHERN HILLS PLANTATION III COMMUNITY DEVELOPMENT DISTRICT
BOARD OF SUPERVISORS
OATH OF OFFICE**

I, _____, A CITIZEN OF THE STATE OF FLORIDA AND OF THE UNITED STATES OF AMERICA, AND BEING AN OFFICER OF THE **SOUTHERN HILLS PLANTATION III COMMUNITY DEVELOPMENT DISTRICT** AND A RECIPIENT OF PUBLIC FUNDS AS SUCH OFFICER, DO HEREBY SOLEMNLY SWEAR OR AFFIRM THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES AND OF THE STATE OF FLORIDA.

Signature

Printed Name: _____

STATE OF FLORIDA

COUNTY OF _____

The foregoing oath was administered before me this ____ day of _____, 20__, by _____, who personally appeared before me, and is personally known to me or has produced _____ as identification, and is described in and who took the aforementioned oath as a Member of the Board of Supervisors of **Southern Hills Plantation III Community Development District** and acknowledged to and before me that he/she took said oath for purposes therein expressed.

(NOTARY SEAL)

NOTARY PUBLIC, STATE OF FLORIDA

Print Name: _____

Commission No.: _____ Expires: _____

MAILING ADDRESS: ☐ Home ☐ Office County of Residence _____

Street

Phone

Fax

City, State, Zip

Email Address

SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT

4

RESOLUTION 2026-01

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
SOUTHERN HILLS PLANTATION III COMMUNITY DEVELOPMENT
DISTRICT ELECTING AND REMOVING OFFICERS OF THE DISTRICT
AND PROVIDING FOR AN EFFECTIVE DATE.**

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

WHEREAS, the District’s Board of Supervisors desires to elect and remove Officers of the District.

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

SECTION 1. The following is/are elected as Officer(s) of the District effective October 1, 2025:

_____ is elected Chair
_____ is elected Vice Chair
_____ is elected Assistant Secretary
_____ is elected Assistant Secretary
_____ is elected Assistant Secretary

SECTION 2. The following Officer(s) shall be removed as Officer(s) as of October 1, 2025:

SECTION 3. The following prior appointments by the Board remain unaffected by this Resolution:

Chesley "Chuck" Adams is Secretary

Craig Wrathell is Assistant Secretary

Craig Wrathell is Treasurer

Jeff Pinder is Assistant Treasurer

PASSED AND ADOPTED THIS 1ST DAY OF OCTOBER, 2025.

ATTEST:

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT

5

**Southern Hills Plantation III Community
Development District**

ANNUAL FINANCIAL REPORT

September 30, 2024

Southern Hills Plantation III Community Development District

ANNUAL FINANCIAL REPORT

September 30, 2024

TABLE OF CONTENTS

	<u>Page Number</u>
REPORT OF INDEPENDENT AUDITORS	1-3
MANAGEMENT'S DISCUSSION AND ANALYSIS	4-8
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements:	
Statement of Net Position	9
Statement of Activities	10
Fund Financial Statements:	
Balance Sheet – Governmental Funds	11
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	12
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	13
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	14
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	15
Notes to Financial Statements	16-23
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 <i>GOVERNMENT AUDITING STANDARDS</i>	24-25
MANAGEMENT LETTER	26-28



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
Southern Hills Plantation III Community Development District
Brooksville, Florida

Report on Audit of the Financial Statements

Opinion

We have audited the financial statements of the governmental activities and each major fund of Southern Hills Plantation III Community Development District (the "District"), as of and for the year ended September 30, 2024, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Southern Hills Plantation III Community Development District as of September 30, 2024, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS), and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

Fort Pierce / Stuart
- 1 -



To the Board of Supervisors
Southern Hills Plantation III Community Development District

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year beyond the financial statement date, including currently known information that may raise substantial doubt thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining on a test basis, evidence regarding the amounts, and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



To the Board of Supervisors
Southern Hills Plantation III Community Development District

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated September 17, 2025 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 the effectiveness of the District's 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 Southern Hills Plantation III Community Development District's internal control over financial reporting and compliance.

*Berger Toombs Elam
Gaines & Frank*

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

September 17, 2025

Southern Hills Plantation III Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2024

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

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

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.

Southern Hills Plantation III Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2024

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

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

The *government-wide financial statements* and the *fund financial statements* provide different pictures of the District. The *government-wide financial statements* provide an overall picture of the District's financial standing. These statements are comparable to private-sector companies and give a good understanding of the District's overall financial health and how the District paid for the various activities, or functions, provided by the District. All assets of the District, including capital assets are reported in the **statement of net position**. All liabilities, including principal outstanding on bonds are included. The **statement of activities** includes depreciation on all long-lived assets of the District, but transactions between the different functions of the District have been eliminated in order to avoid "doubling up" the revenues and expenses. The *fund financial statements* provide a picture of the major funds of the District. In the case of governmental activities, outlays for long lived assets are reported as expenditures and long-term liabilities, such as long-term debt, 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, 2024.

- ◆ The District's total liabilities exceeded total assets by \$708 (net position).
- ◆ Governmental activities revenues totaled \$63,577 while governmental activities expenses totaled \$66,680.

**Southern Hills Plantation III Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2024**

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	
	2024	2023
Current assets	\$ 14,515	\$ 40,614
Current liabilities	15,223	38,219
Net Position		
Unrestricted	\$ (708)	\$ 2,395

The decrease in current assets is primarily related to the decrease in cash and due from developer in the current year.

The decrease in current liabilities is related to the decrease in accounts payable and due to other governments in the current year.

**Southern Hills Plantation III Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2024**

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	
	2024	2023
Program Revenues		
Operating contributions	\$ 63,363	\$ 112,149
General Revenues		
Miscellaneous	214	-
Total Expenses	<u>63,577</u>	<u>112,149</u>
Expenses		
General government	23,410	55,624
Physical environment	<u>43,270</u>	<u>54,626</u>
Total Expenses	<u>66,680</u>	<u>110,250</u>
Change in Net Position	(3,103)	1,899
Net Position - Beginning of Year	<u>2,395</u>	<u>496</u>
Net Position - End of Year	<u>\$ (708)</u>	<u>\$ 2,395</u>

The decrease in operating contributions is related to the decreased operations in the current year.

The decrease in general government is primarily related to the decrease in legal fees in the current year.

The decrease in physical environment is primarily related to the decrease in landscape replacement expenses in the current year.

**Southern Hills Plantation III Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2024**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

General Fund Budgetary Highlights

The final budget was exceeded by actual expenditures because landscape maintenance and irrigation maintenance expenditures were higher than anticipated.

The September 30, 2024 budget was not amended.

Economic Factors and Next Year's Budget

Southern Hills Plantation III Community Development District does not expect any economic factors to have any significant effect on the financial position or results of operations of the District in fiscal year 2025.

Request for Information

The financial report is designed to provide a general overview of Southern Hills Plantation III 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 Southern Hills Plantation III Community Development District's Finance Department at 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431.

Southern Hills Plantation III Community Development District
STATEMENT OF NET POSITION
September 30, 2024

	Governmental Activities
ASSETS	
Current Assets	
Cash	\$ 1,467
Due from developer	11,858
Deposits	1,190
Total Current Assets	14,515
LIABILITIES	
Current Liabilities	
Accounts payable and accrued expenses	2,367
Due to other governments	10,356
Due to developer	2,500
Total Current Liabilities	15,223
NET POSITION	
Unrestricted	\$ (708)

See accompanying notes to financial statements.

Southern Hills Plantation III Community Development District
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2024

Functions/Programs	Expenses	Program Revenues Operating Contributions	Net (Expenses) Revenues and Changes in Net Position Governmental Activities
Governmental Activities			
General government	\$ (23,410)	\$ 22,245	\$ (1,165)
Physical environment	(43,270)	41,118	(2,152)
Total Governmental Activities	<u>\$ (66,680)</u>	<u>\$ 63,363</u>	<u>(3,317)</u>
	General Revenues		
	Miscellaneous		<u>214</u>
	Change in Net Position		(3,103)
	Net Position - October 1, 2023		<u>2,395</u>
	Net Position - September 30, 2024		<u><u>\$ (708)</u></u>

See accompanying notes to financial statements.

Southern Hills Plantation III Community Development District
BALANCE SHEET –
GOVERNMENTAL FUNDS
September 30, 2024

	General
ASSETS	
Cash	\$ 1,467
Due from developer	11,858
Deposits	1,190
Total Assets	<u>\$ 14,515</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	
LIABILITIES	
Accounts payable and accrued expenses	\$ 2,367
Due to other governments	10,356
Due to developer	2,500
Total Liabilities	<u>15,223</u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenues	<u>4,192</u>
FUND BALANCES	
Nonspendable - deposits	1,190
Unassigned	<u>(6,090)</u>
Total Fund Balances	<u>(4,900)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 14,515</u>

See accompanying notes to financial statements.

Southern Hills Plantation III Community Development District
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2024

Total Governmental Fund Balances	\$ (4,900)
----------------------------------	------------

Amounts reported for governmental activities in the Statement of Net Position
are different because:

Revenues that are unavailable at year end are recognized as a deferred inflow
of resources at the fund level. Revenues are recognized when earned at the
government-wide level.

4,192

Net Position of Governmental Activities	<u>\$ (708)</u>
---	-----------------

See accompanying notes to financial statements.

Southern Hills Plantation III Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
For the Year Ended September 30, 2024

	<u>General</u>
Revenues	
Developer contributions	\$ 59,171
Miscellaneous	214
Total Revenues	<u>59,385</u>
Expenditures	
Current	
General government	23,410
Physical environment	43,270
Total Expenditures	<u>66,680</u>
Net change in fund balances	(7,295)
Fund Balances - October 1, 2023	<u>2,395</u>
Fund Balances - September 30, 2024	<u><u>\$ (4,900)</u></u>

See accompanying notes to financial statements.

Southern Hills Plantation III 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, 2024

Net Change in Fund Balances - Total Governmental Funds	\$ (7,295)
--	------------

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

Revenues that are unavailable at year end are recognized as a deferred inflow of resources at the fund level. Revenues are recognized when earned at the government-wide level. This is the current year change in unavailable revenues.	<u>4,192</u>
--	--------------

Change in Net Position of Governmental Activities	<u><u>\$ (3,103)</u></u>
---	--------------------------

See accompanying notes to financial statements.

Southern Hills Plantation III Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND
For the Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Developer contributions	\$ 65,545	\$ 65,545	\$ 59,171	\$ (6,374)
Miscellaneous	-	-	214	214
Total Revenues	<u>65,545</u>	<u>65,545</u>	<u>59,385</u>	<u>(6,160)</u>
Expenditures				
Current				
General government	32,975	32,975	23,410	9,565
Physical environment	<u>32,570</u>	<u>32,570</u>	<u>43,270</u>	<u>(10,700)</u>
Total Expenditures	<u>65,545</u>	<u>65,545</u>	<u>66,680</u>	<u>(1,135)</u>
Net Change in Fund Balances	-	-	(7,295)	(7,295)
Fund Balances - October 1, 2023	<u>-</u>	<u>-</u>	<u>2,395</u>	<u>2,395</u>
Fund Balances - September 30, 2024	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,900)</u>	<u>\$ (4,900)</u>

See accompanying notes to financial statements.

Southern Hills Plantation III Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

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 August 2, 2004, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), by Ordinance #678 of the City of Brooksville, Florida, 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 Southern Hills Plantation III Community Development District. The District is governed by a Board of Supervisors who are elected to four-year terms. The District operates within the criteria established by Chapter 190, Florida Statutes.

As required by GAAP, these financial statements present the Southern Hills Plantation III 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 in Governmental Accounting Standards Board Statement Number 61, The Financial Reporting Entity, the District has identified no component units.

2. Measurement Focus and Basis of Accounting

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

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

Southern Hills Plantation III Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

a. Government-wide Financial Statements

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

Governmental activities are supported by developer contributions. 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.

Southern Hills Plantation III Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

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 in accordance with 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.

Southern Hills Plantation III Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

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 90 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 an other financing source rather than as a fund liability.

Debt service expenditures are recorded only when payment is due.

3. Basis of Presentation

a. Governmental Major Funds

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

Southern Hills Plantation III Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Basis of Presentation (Continued)

b. Non-current Governmental Assets/Liabilities

GASB Statement 34 requires that non-current governmental assets, such as capital assets, and non-current governmental liabilities, such as long-term debt, 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.

The District currently has no investments.

Southern Hills Plantation III Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

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. Budgets

Budgets are prepared and adopted after a public hearing 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.

c. Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position that applies to a future reporting period(s) and so will not be recognized as an inflow of resources (revenue) until then. The District only has one item that qualifies for reporting in the category. Unavailable revenues are reported only in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that amounts become available.

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

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk; however, they follow the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2024, the District's bank balance was \$1,677 and the carrying value was \$1,467. Exposure to custodial credit risk was as follows. The District maintains all deposits in a qualified public depository in accordance with the provisions of Chapter 280, Florida Statutes, which means that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes.

The District did not have investment activity in the current year.

Southern Hills Plantation III Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE B – CASH AND INVESTMENTS (CONTINUED)

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.

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

Based on the criteria in the preceding paragraph, the District did not hold any investments subject to the fair value hierarchy.

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.

NOTE C – RELATED PARTY TRANSACTIONS

All of the voting members of the Board of Supervisors are employed by the Developer or a related entity. The District recognized \$63,363 in contributions from the Developer for the year ended September 30, 2024. Additionally, the District had a balance due from the Developer of \$11,858 at September 30, 2024.

The District previously entered into an Inter-local Agreement which allocates costs between the District, Southern Hills Plantation I Community Development District ("SH1") and Southern Hills Plantation II Community Development District ("SH2"). SH1 pays certain common area expenses associated with the development and is reimbursed by the other Districts for their pro-rata share of these expenses.

Southern Hills Plantation III Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE C – RELATED PARTY TRANSACTIONS (CONTINUED)

In May 2023, the District entered into an Inter-local Agreement with SH1 and SH2 establishing cost sharing provisions moving forward. Commencing in fiscal year 2023, the District will pay 23.8% of the total annual shared cost.

During the year, the District incurred expenditures related to the Inter-Local Agreement of \$42,164. The amount owed to Southern Hills Plantation I Community Development District at September 30, 2024 was \$10,356.

NOTE D – 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 for which the government carries commercial insurance. 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

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

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

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
Southern Hills Plantation III Community Development District
Brooksville, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements, as listed in the table of contents, of Southern Hills Plantation III Community Development District, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the basic financial statements and have issued our report thereon dated September 17, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit, we considered Southern Hills Plantation III 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 Southern Hills Plantation III Community Development District's internal control. Accordingly, we do not express an opinion on the effectiveness of Southern Hills Plantation III 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 or significant deficiencies may exist that have not been identified.



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

To the Board of Supervisors
Southern Hills Plantation III Community Development District

Report on Compliance and Other Matters

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

Purpose of this Report

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

*Berger Toombs Elam
Gaines & Frank*

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

September 17, 2025



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

MANAGEMENT LETTER

To the Board of Supervisors
Southern Hills Plantation III Community Development District
Brooksville, Florida

Report on the Financial Statements

We have audited the financial statements of the Southern Hills Plantation III Community Development District as of and for the year ended September 30, 2024, and have issued our report thereon dated September 17, 2025.

Auditor's Responsibility

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

Other Reports and Schedule

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 September 17, 2025, 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. There were no findings or recommendations made in the preceding financial audit report.



To the Board of Supervisors
Southern Hills Plantation III Community Development District

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not Southern Hills Plantation III 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 Southern Hills Plantation III Community Development District has not met one of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial conditions assessment procedures as of September 30, 2024 for the Southern Hills Plantation III Community Development District. It is management's responsibility to monitor the Southern Hills Plantation III 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.

Specific Information

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

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, Southern Hills Plantation III Community Development District reported:

- 1) The total number of District elected officials receiving statutory compensation, reported as employees for the purposes of the audit: 0
- 2) The total number of independent contractors, defined as individuals or entities that receive 1099s, to whom nonemployee compensation was paid in the last month of the District's fiscal year: 3
- 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: \$26,086
- 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, 2023, together with the total expenditures for such project: N/A
- 6) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes: The budget was not amended.



To the Board of Supervisors
Southern Hills Plantation III Community Development District

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)9, Rules of the Auditor General, the Southern Hills Plantation III Community Development District reported:

- 1) The rate or rates of non-ad valorem special assessments imposed by the District: N/A.
- 2) The amount of special assessments collected by or on behalf of the District was: N/A.
- 3) The total amount of outstanding bonds issued by the District and the terms of such bonds: N/A.

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 fraud, waste, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

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

*Berger Toombs Elam
Gaines & Frank*

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

September 17, 2025

SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT

5A

RESOLUTION 2026-02

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE SOUTHERN HILLS PLANTATION III COMMUNITY DEVELOPMENT DISTRICT HEREBY ACCEPTING THE AUDITED ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

WHEREAS, the District's Auditor, Berger, Toombs, Elam, Gaines & Frank, has heretofore prepared and submitted to the Board, for accepting, the District's Audited Annual Financial Report for Fiscal Year 2024;

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

1. The Audited Annual Financial Report for Fiscal Year 2024, heretofore submitted to the Board, is hereby accepted for Fiscal Year 2024, for the period ending September 30, 2024; and

2. A verified copy of said Audited Annual Financial Report for Fiscal Year 2024 shall be attached hereto as an exhibit to this Resolution, in the District's "Official Record of Proceedings".

PASSED AND ADOPTED this 1st day of October, 2025.

ATTEST:

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT

6

RESOLUTION 2026-03

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 2025/2026; AMENDING RESOLUTION 2025-04 TO SET THE PUBLIC 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 established pursuant to the Uniform Community Development District Act of 1980, as codified in Chapter 190, Florida Statutes, for the purpose of planning, financing, constructing, operating and/or maintaining certain infrastructure improvements; and

WHEREAS, on July 14, 2025, at a duly noticed public meeting, the District’s Board of Supervisors (“Board”) adopted Resolution 2025-04 approving the proposed budget for Fiscal Year 2025/2026 (“Proposed Budget”) and setting a public hearing for the adoption of the Proposed Budget on August 11, 2025, at 10:00 a.m. at the Southern Hills Plantation Clubhouse, 4200 Summit View Drive, Brooksville, Florida 34601; and

WHEREAS, the Board now desires to ratify the District Manager’s actions in re-setting the date of the public hearing on the Proposed Budget for October 1, 2025, at the same time and location as provided in Resolution 2025-04, and causing notice thereof to be provided pursuant to Florida law.

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

SECTION 1. Resolution 2025-04 is hereby amended to reflect the changed date of the public hearing on the Proposed Budget as declared in this Resolution.

SECTION 2. The actions of the District Manager in re-scheduling and noticing the public hearing on the Proposed Budget are hereby ratified and approved.

SECTION 3. Except as otherwise provided herein, all of the provisions of Resolution 2025-04 continue in full force and effect.

SECTION 4. 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 5. This Resolution shall take effect upon its passage and adoption by the Board.

PASSED AND ADOPTED this 1st day of October, 2025.

ATTEST:

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT

7

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT**

7A

55027

Tampa Bay Times

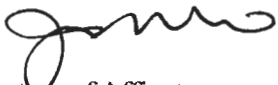
Published Daily

STATE OF FLORIDA} ss

COUNTY OF HERNANDO, CITRUS County

Before the undersigned authority personally appeared Jean Mitotes who on oath says that he/she is a Legal Advertising Representative of the Tampa Bay Times a daily newspaper printed in St. Petersburg, in Hernando, Citrus County, Florida that the attached copy of advertisement being a Legal Notice in the matter FY2026 Public Hearing/Regular Meeting was published in said newspaper by print in the issues of 09/14/25, 09/21/25 or by publication on the newspaper's website, if authorized.

Affiant further says that the website or newspaper complies with all legal requirements for publication in chapter 50, Florida Statutes. 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 nor 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.

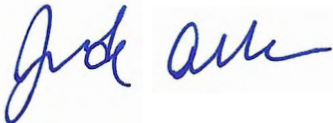

Signature of Affiant _____

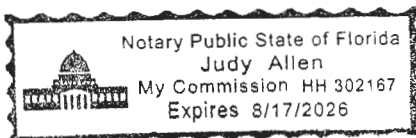
Sworn to and subscribed before me this 09/21/2025

Signature of Notary of Public

Personally known ☒ or produced identification.

Type of identification produced _____





SOUTHERN HILLS PLANTATION III COMMUNITY DEVELOPMENT DISTRICT

NOTICE OF PUBLIC HEARING TO CONSIDER THE ADOPTION OF THE FISCAL YEAR 2026 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 **October 1, 2025, at 10:00 a.m. at the Southern Hills Plantation 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, 2025 and ending September 30, 2026 ("Fiscal Year 2026"). 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 <https://southernhillsplantation3cdd.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 three (3) business days 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

09/14/2025, 09/21/2025

55027

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT**

7B

RESOLUTION 2026-04

THE ANNUAL APPROPRIATION RESOLUTION OF THE SOUTHERN HILLS PLANTATION III COMMUNITY DEVELOPMENT DISTRICT RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2025, AND ENDING SEPTEMBER 30, 2026; AUTHORIZING BUDGET AMENDMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District Manager has submitted to the Board of Supervisors ("**Board**") of the Southern Hills Plantation III Community Development District ("**District**") a proposed budget ("**Proposed Budget**") for the fiscal year beginning October 1, 2025, and ending September 30, 2026 ("**Fiscal Year 2026**"), 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 (2) 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, 2026."
- 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 two (2) years.

SECTION 2. APPROPRIATIONS

There is hereby appropriated out of the revenues of the District, for Fiscal Year 2026, the sum of \$79,926 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	\$79,926
TOTAL ALL FUNDS	\$79,926

SECTION 3. BUDGET AMENDMENTS

Pursuant to Section 189.016, *Florida Statutes*, the District at any time within Fiscal Year 2026 or within sixty (60) days following the end of the Fiscal Year 2026 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 five (5) days after adoption and remain on the website for at least two (2) years.

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

PASSED AND ADOPTED THIS 1ST DAY OF OCTOBER, 2025.

ATTEST:

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

By:_____

Its:_____

Exhibit A: Adopted Budget for Fiscal Year 2026

Exhibit A: Adopted Budget for Fiscal Year 2026

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT
FISCAL YEAR 2026
PROPOSED BUDGET**

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

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

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND BUDGET
FISCAL YEAR 2026**

	Fiscal Year 2025				Proposed
	Adopted Budget FY 2025	Actual through 3/31/2025	Projected through 9/30/2025	Total Actual & Projected	Budget FY 2026
REVENUES					
Developer contributions	\$ 68,845	\$ 15,677	\$ 33,621	\$ 49,298	\$ 79,926
Total revenues	68,845	15,677	33,621	49,298	79,926
EXPENDITURES					
Professional & administrative					
Supervisors	3,000	-	1,000	1,000	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	684	2,000	2,684	4,000
Engineering	1,000	-	500	500	1,000
Audit	3,200	3,528	-	3,528	3,700
Postage	400	21	379	400	400
Legal advertising	325	262	63	325	325
Annual district filing fee	200	175	25	200	200
Insurance	3,200	5,250	-	5,250	7,500
Website	1,000	-	720	720	1,000
Contingencies	1,500	318	500	818	1,000
Total professional & administrative	32,975	17,738	12,837	30,575	37,275
Field operations					
Street lights	8,600	-	4,300	4,300	8,568
Aquatic maintenance	870	-	870	870	863
Landscape maintenance	22,000	-	11,000	11,000	22,491
Holiday lighting	2,000	-	-	-	-
Plant replacement	-	-	-	-	1,428
Hardscape repairs and maintenance	-	-	-	-	1,523
Drainage maintenance	-	-	-	-	638
Mulch	-	-	-	-	3,570
Irrigation maintenance and repairs	2,400	-	-	-	3,570
Total field operations	35,870	-	16,170	16,170	42,651
Total expenditures	68,845	17,738	29,007	46,745	79,926
Excess/(deficiency) of revenues over/(under) expenditures	-	(2,061)	4,614	2,553	-
Fund balance - beginning (unaudited)	-	(2,553)	(4,614)	(2,553)	-
Fund balance - ending (projected)	\$ -	\$ (4,614)	\$ -	\$ -	\$ -

**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	3,700
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	7,500
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	1,000
Cover banking related costs.	

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

EXPENDITURES (continued)

Field operations

Street lights	8,568
Regular inspections, maintenance and repairs	
Aquatic maintenance	863
Monthly service of aquatic weed control	
Landscape maintenance	22,491
Monthly service of landscape maintenance, including lawn care	
Plant replacement	1,428
Covers the costs of periodic replacement of deteriorated or expired landscape plant materials.	
Hardscape repairs and maintenance	1,523
Covers costs of maintaining the Arbor and entry monuments	
Drainage maintenance	638
Covers the costs of maintaining the drainage that serves the entry boulevard	
Mulch	3,570
Covers the costs of applying mulch once a year	
Irrigation maintenance and repairs	3,570
Regular inspection and any needed maintenance and/or repairs to the irrigation system	
Total expenditures	<u><u>\$ 79,926</u></u>

SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT

8

**SOUTHERN HILLS PLANTATION III COMMUNITY DEVELOPMENT DISTRICT
FISCAL YEAR 2026 FUNDING AGREEMENT**

This agreement (“**Agreement**”) is made effective this 1st day of October 2025, 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, Florida, with a mailing address of c/o Wrathell, Hunt and Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431 (“**District**”), and

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

RECITALS

WHEREAS, the District was established by an ordinance adopted by the City Council 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, the Developer presently owns and/or is developing the majority of all real property described in **Exhibit A**, attached hereto and incorporated herein (“**Property**”), 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 beginning October 1, 2025, and ending September 30, 2026 (“**Fiscal Year 2026 Budget**”); and

WHEREAS, this Fiscal Year 2026 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 Fiscal Year 2026 Budget, or utilizing such other revenue sources as may be available to it; and

WHEREAS, in lieu of levying assessments on the Property, the Developer 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, the Developer agrees that the 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, the Developer 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, the Developer and the 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.** The Developer 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 fifteen (15) days of written request by the District. Amendments to the Fiscal Year 2026 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. These payments are made by the Developer in lieu of taxes, fees, or assessments which might otherwise be levied or imposed by the District.

2. **CONTINUING LIEN.** District shall have the right to file a continuing 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 this lien, and all sums advanced and paid by the District for taxes and payment on account of superior interests, liens and encumbrances in order to preserve and protect the District's lien. The lien shall be effective as of the date and time of the recording of a "Notice of Lien for Fiscal Year 2026 Budget" in the public records of Hernando County, Florida ("**County**"), stating among other things, the description of the real property and 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 Fiscal Year 2026 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 for portions of the Property subject to a plat if and when the Developer has demonstrated, in the District's sole discretion, such release will not materially impair the ability of the District to enforce the collection of funds hereunder. In the event the Developer sells any of the Property described in **Exhibit A** after the execution of this Agreement, the Developer's rights and obligations under this Agreement shall remain the same, provided however that the District shall only have the right to file a lien upon the remaining Property owned by the Developer.

3. **ALTERNATIVE COLLECTION METHODS.**

a. In the alternative or in addition to the collection method set forth in Paragraph 2 above, the District may enforce the collection of funds due under this Agreement by action against the Developer in the appropriate judicial forum in and for the County. 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. 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.

b. 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. The Developer 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 County property appraiser.

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 be assigned, in whole or in part, by either party only upon the written consent of the other, which consent shall not be unreasonably withheld.

7. **DEFAULT.** A default by either party under this Agreement 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 Paragraphs 2 and 3 above.

8. **THIRD-PARTY RIGHTS; TRANSFER OF PROPERTY.** This Agreement is solely for the benefit of the formal parties herein and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third party not a formal 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. In the event the Developer sells or otherwise disposes of its business or of all or substantially all of its assets relating to improvements, work product, or lands within the District, the Developer shall continue to be bound by the terms of this Agreement and additionally shall expressly require that the purchaser agree to be bound by the terms of this Agreement. The Developer shall give ninety (90) days' prior written notice to the District of any such sale or disposition.

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 on the day and year first written above. The enforcement provisions of this Agreement shall survive its termination, until all payments due under this Agreement are paid in full.

[Signatures on following page]

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

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT
DISTRICT**

By: _____
Its: _____

SH VENTURE II, LLC,
a Florida limited liability company

By: _____
Its: _____

EXHIBIT A: Property Description
EXHIBIT B: Fiscal Year 2026 Budget

SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT

9

**Southern Hills Plantation III Community Development District
Performance Measures/Standards & Annual Reporting Form
October 1, 2025 – September 30, 2026**

1. Community Communication and Engagement

Goal 1.1: Public Meetings Compliance

Objective: Hold regular Board of Supervisor meetings to conduct CDD-related business and discuss community needs.

Measurement: Number of public board meetings held annually as evidenced by meeting minutes and legal advertisements.

Standard: A minimum of two board meetings were held during the Fiscal Year or more as may be necessary or required by local ordinance and establishment requirements.

Achieved: Yes ☐ No ☐

Goal 1.2: Notice of Meetings Compliance

Objective: Provide public notice of each meeting at least seven days in advance, as specified in Section 190.007(1), *Florida Statutes*, using at least two communication methods.

Measurement: Timeliness and method of meeting notices as evidenced by posting to CDD website, publishing in local newspaper and via electronic communication.

Standard: 100% of meetings were advertised with 7 days' notice per statute by at least two methods (i.e., newspaper, CDD website, electronic communications, annual meeting schedule).

Achieved: Yes ☐ No ☐

Goal 1.3: Access to Records Compliance

Objective: Ensure that meeting minutes and other public records are readily available and easily accessible to the public by completing monthly CDD website checks.

Measurement: Monthly website reviews will be completed to ensure meeting minutes and other public records are up to date as evidenced by District Management's records.

Standard: 100% of monthly website checks were completed by District Management.

Achieved: Yes ☐ No ☐

2. Infrastructure and Facilities Maintenance

Goal 2.1: Engineer or Field Management Site Inspections

Objective: Engineer or Field Manager will conduct inspections to ensure safety and proper functioning of the District's infrastructure.

Measurement: Field Manager and/or District Engineer visits were successfully completed per agreement as evidenced by Field Manager and/or District Engineer's reports, notes or other record keeping method.

Standard: 100% of site visits were successfully completed as described within the applicable services agreement

Achieved: Yes ☐ No ☐

Goal 2.2: District Infrastructure and Facilities Inspections

Objective: District Engineer will conduct an annual inspection of the District's infrastructure and related systems.

Measurement: A minimum of one inspection completed per year as evidenced by District Engineer's report related to district's infrastructure and related systems.

Standard: Minimum of one inspection was completed in the Fiscal Year by the District's Engineer.

Achieved: Yes ☐ No ☐

3. Financial Transparency and Accountability

Goal 3.1: Annual Budget Preparation

Objective: Prepare and approve the annual proposed budget by June 15 and adopt the final budget by September 30 each year.

Measurement: Proposed budget was approved by the Board before June 15 and final budget was adopted by September 30 as evidenced by meeting minutes and budget documents listed on CDD website and/or within district records.

Standard: 100% of budget approval & adoption were completed by the statutory deadlines and posted to the CDD website.

Achieved: Yes ☐ No ☐

Goal 3.2: Financial Reports

Objective: Publish to the CDD website the most recent versions of the following documents: Annual audit, current fiscal year budget with any amendments, and most recent financials within the latest agenda package.

Measurement: Annual audit, previous years' budgets, and financials are accessible to the public as evidenced by corresponding documents on the CDD's website.

Standard: CDD website contains 100% of the following information: Most recent annual audit, most recently adopted/amended fiscal year budget, and most recent agenda package with updated financials.

Achieved: Yes ☐ No ☐

Goal 3.3: Annual Financial Audit

Objective: Conduct an annual independent financial audit per statutory requirements and publish the results to the CDD website for public inspection and transmit to the State of Florida.

Measurement: Timeliness of audit completion and publication as evidenced by meeting minutes showing board approval and annual audit is available on the CDD's website and transmitted to the State of Florida.

Standard: Audit was completed by an independent auditing firm per statutory requirements and results were posted to the CDD website and transmitted to the State of Florida.

Achieved: Yes ☐ No ☐

Chair/Vice Chair: _____

Date: _____

Print Name: _____

Southern Hills Plantation III Community Development District

District Manager: _____

Date: _____

Print Name: Chuck Adams

Southern Hills Plantation III Community Development District

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT**

**UNAUDITED
FINANCIAL
STATEMENTS**

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT
FINANCIAL STATEMENTS
UNAUDITED
AUGUST 31, 2025**

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2025**

	General Fund	Total Governmental Funds
ASSETS		
Wells Fargo	\$ 11,254	\$ 11,254
Prepaid expense	14,814	14,814
Deposits	1,190	1,190
Total assets	<u>\$ 27,258</u>	<u>\$ 27,258</u>
LIABILITIES		
Liabilities:		
Due to Developer	\$ 8,337	\$ 8,337
Developer advance	2,500	2,500
Total liabilities	<u>10,837</u>	<u>10,837</u>
FUND BALANCES		
Unassigned	16,421	16,421
Total fund balances	<u>16,421</u>	<u>16,421</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u>\$ 27,258</u>	 <u>\$ 27,258</u>

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND
FOR THE PERIOD ENDED AUGUST 31, 2025**

	Current Month	Year to Date	Budget	% of Budget
REVENUES				
Developer contribution	\$ 46,056	\$ 69,326	\$ 68,845	101%
Total revenues	<u>46,056</u>	<u>69,326</u>	<u>68,845</u>	101%
EXPENDITURES				
Professional & administrative				
Legislative				
Supervisor fees	-	-	3,000	0%
Financial & Administrative				
Management	1,250	13,750	15,000	92%
Engineering	-	-	1,000	0%
Audit	-	3,579	3,200	112%
Insurance	-	5,250	3,200	164%
Legal advertising	169	431	325	133%
Bank fees	-	-	150	0%
Annual district filing fee	-	175	200	88%
Contingencies	50	622	1,500	41%
Website	-	705	1,000	71%
Postage	9	51	400	13%
Legal counsel				
District counsel	248	1,829	4,000	46%
Total professional & administrative	<u>1,726</u>	<u>26,392</u>	<u>32,975</u>	80%
Field operations				
Electric utility services				
Street lights	-	4,157	8,600	48%
Stormwater control				
Aquatic maintenance	-	238	870	27%
Other physical environment				
Landscape maintenance	-	9,756	22,000	44%
Holiday lighting	-	1,785	2,000	89%
Irrigation repairs & maintenance	-	5,678	2,400	237%
Total field operations	<u>-</u>	<u>21,614</u>	<u>35,870</u>	60%
Total expenditures	<u>1,726</u>	<u>48,006</u>	<u>68,845</u>	70%
Excess/(deficiency) of revenues over/(under) expenditures	44,330	21,320	-	
Fund balances - beginning	<u>(27,909)</u>	<u>(4,899)</u>	<u>-</u>	
Fund balances - ending	<u>\$ 16,421</u>	<u>\$ 16,421</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 14, 2025 at 10:00 a.m., at the Southern Hills Plantation Clubhouse, 4200 Summit View Drive, Brooksville, Florida 34601.

Present:

Jim McGowan	Chair
Ellen Johnson	Assistant Secretary
Margaret Bloomquist	Assistant Secretary

Also present:

Chuck Adams	District Manager
Grace Kobitter	District Counsel
Joe Calamari	District Engineer
Maritza Stonebraker (via phone)	Berger, Toombs, Elam, Gains and Frank

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Adams called the meeting to order at 10:15 a.m.

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

SECOND ORDER OF BUSINESS

Public Comments

No members of the public spoke.

THIRD ORDER OF BUSINESS

Administration of Oath of Office to Elected Supervisors [Ellen Johnson - Seat 3, Grady Miars - Seat 4, Margaret Bloomquist – Seat 5] (the following to be provided under separate cover)

Mr. Adams stated he administered the Oath of Office to incumbents Ellen Johnson and Margaret Bloomquist before the meeting. Both are familiar with the following:

A. Required Ethics Training and Disclosure Filing

- **Sample Form 1 2023/Instructions**

B. Membership, Obligations and Responsibilities

C. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees

D. Form 8B: Memorandum of Voting Conflict for County, Municipal and other Local Public Officers

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2025-01, Canvassing and Certifying the Results of the Landowners' Election of Supervisors Held Pursuant to Section 190.006(2), Florida Statutes, and Providing for an Effective Date

Mr. Adams presented Resolution 2025-01.

The results of the Landowners' Election were as follows:

Seat 3	Ellen Johnson	182 Votes	2-Year Term
Seat 4	Grady Miars	183 Votes	4-Year Term
Seat 5	Margaret Bloomquist	183 Votes	4-Year Term

On MOTION by Ms. Bloomquist and seconded by Ms. Johnson, with all in favor, Resolution 2025-01, Canvassing and Certifying the Results of the Landowners' Election of Supervisors Held Pursuant to Section 190.006(2), Florida Statutes, and Providing for an Effective Date, was adopted.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2025-02, Electing and Removing Officers of the District, and Providing for an Effective Date

Mr. Adams presented Resolution 2025-02.

The following slate was nominated:

74	Jim McGowan	Chair
75	Bruce Noble	Vice Chair
76	Ellen Johnson	Assistant Secretary
77	Margaret Bloomquist	Assistant Secretary
78	Grady Miars	Assistant Secretary

79 No other nominations were made.

80 The following prior appointments by the Board remain unaffected by this Resolution:

81	Chesley "Chuck" Adams	Secretary
82	Craig Wrathell	Assistant Secretary
83	Craig Wrathell	Treasurer
84	Jeff Pinder	Assistant Treasurer

85

86 **On MOTION by Ms. Johnson and seconded by Ms. Bloomquist, with all in favor,**
87 **Resolution 2025-02, Electing, as nominated, and Removing Officers of the**
88 **District, and Providing for an Effective Date, was adopted.**

89

90

91 **SIXTH ORDER OF BUSINESS**

**Presentation of Audited Financial Report
for the Fiscal Year Ended September 30,
2023, Prepared by Berger, Toombs, Elam,
Gains and Frank**

95

96 Ms. Stonebraker noted the pertinent information in the Audited Financial Report for the
97 Fiscal Year Ending September 30, 2023. It was a clean audit; there were no findings,
98 recommendations, deficiencies on internal control or instances of noncompliance.

99 Mr. McGowan asked if the District received a notice of noncompliance since the audit
100 was not submitted timely to the State. Mr. Adams replied affirmatively; however, the lateness
101 had no impact.

102 In response to a question, Ms. Stonebraker stated her office just received the District's
103 payment for the Fiscal Year 2023 Audit and started work on the Fiscal Year 2024 Audit this
104 week, which she anticipates being completed in two weeks.

A. Consideration of Resolution 2025-03, Accepting the Audited Financial Report for the Fiscal Year Ended September 30, 2023

On MOTION by Ms. Bloomquist and seconded by Ms. Johnson, with all in favor, Resolution 2025-03, Accepting the Audited Financial Report for the Fiscal Year Ended September 30, 2023, was adopted.

SEVENTH ORDER OF BUSINESS

Consideration of Kilinski|Van Wyk PLLC Fee Increase

Ms. Kobitter presented Kilinski|Van Wyk PLLC's letter requesting a two-structure fee increase effective October 1, 2025 and January 1, 2027. She noted that the legal fees have not changed since 2021; the new fees align with the rates for the firm's current clients.

On MOTION by Mr. McGowan and seconded by Ms. Bloomquist, with all in favor, the Kilinski|Van Wyk PLLC Fee Increase, was approved.

EIGHTH ORDER OF BUSINESS

Consideration of Resolution 2025-04, Approving a Proposed Budget for Fiscal Year 2025/2026 and Setting a Public Hearing Thereon Pursuant to Florida Law; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability; and Providing an Effective Date

Mr. Adams presented Resolution 2025-04. He reviewed the proposed Fiscal Year 2026 budget, highlighting increases, decreases and adjustments, compared to the Fiscal Year 2025 budget, and explained the reasons for any changes. This is a Developer-funded budget.

On MOTION by Ms. Johnson and seconded by Ms. Bloomquist, with all in favor, Resolution 2025-04, Approving a Proposed Budget for Fiscal Year 2025/2026 and Setting a Public Hearing Thereon Pursuant to Florida Law for August 11, 2025 at 10:00 a.m., at the Southern Hills Plantation Clubhouse, 4200 Summit View Drive, Brooksville, Florida 34601; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability; and Providing an Effective Date, was adopted.

NINTH ORDER OF BUSINESS

Consideration of Resolution 2025-05, Designating Dates, Times and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2025/2026 and Providing for an Effective Date

On MOTION by Mr. McGowan and seconded by Ms. Johnson, with all in favor, Resolution 2025-05, Designating Dates, Times and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2025/2026 and Providing for an Effective Date, was adopted.

TENTH ORDER OF BUSINESS

Consideration of Resolution 2025-06, Approving the Florida Statewide Mutual Aid Agreement; Providing for Severability; and Providing for an Effective Date

Mr. Adams presented Resolution 2025-06. He discussed the benefits of the Agreement and noted that the CDD would more likely be the recipient of aid from other governmental entities than a provider of aid. This is an updated version of the Agreement.

On MOTION by Mr. McGowan and seconded by Ms. Bloomquist, with all in favor, Resolution 2025-06, Approving the Florida Statewide Mutual Aid Agreement; Providing for Severability; and Providing for an Effective Date, was adopted.

ELEVENTH ORDER OF BUSINESS

Consideration of Hernando County Property Appraiser Interlocal Uniform Collection Agreement

Mr. Adams presented the Hernando County Property Appraiser Interlocal Uniform Collection Agreement.

On MOTION by Mr. McGowan and seconded by Ms. Johnson, with all in favor, the Hernando County Property Appraiser Interlocal Uniform Collection Agreement, was approved.

TWELFTH ORDER OF BUSINESS**Update: Interlocal Agreement Committee Meeting**

- Approval of Committee Recommendation for Annual Costs for Fiscal Year 2026**

Mr. Adams stated that the shared costs proforma data was incorporated into the Fiscal Year 2026 budget.

On MOTION by Ms. Johnson and seconded by Ms. Bloomquist, with all in favor, the Committee Recommendation for Annual Costs for Fiscal Year 2026, was approved.

THIRTEENTH ORDER OF BUSINESS**Acceptance of Unaudited Financial Statements as of May 31, 2025**

Mr. Adams presented the Unaudited Financial Statements as of May 31, 2025.

The financials were accepted.

FOURTEENTH ORDER OF BUSINESS**Approval of Minutes****A. August 22, 2024 Public Hearing and Regular Meeting**

On MOTION by Ms. Bloomquist and seconded by Ms. Johnson, with all in favor, the August 22, 2024 Public Hearing and Regular Meeting Minutes, as presented, was approved.

B. November 14, 2024 Landowners' Meeting

On MOTION by Ms. Johnson and seconded by Ms. Bloomquist, with all in favor, the November 14, 2024 Landowners' Meeting Minutes, as presented, was approved.

FIFTEENTH ORDER OF BUSINESS**Other Business**

218 There was no other business.

219

220 **SIXTEENTH ORDER OF BUSINESS**

Staff Reports

221

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

223 Ms. Kobitter reminded the Board Members to file Form 1 by July 1, 2025 and to
224 complete the required four hours of ethics training by December 31, 2025.

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

226 There was no report.

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

228 • **0 Registered Voters in District as of April 15, 2025**

229 There were no registered voters residing within the District as of April 15, 2025.

230 • **NEXT MEETING DATE: August 11, 2025 at 10:00 AM**

231 ○ **QUORUM CHECK**

232

233 **SEVENTEENTH ORDER OF BUSINESS**

Supervisors' Requests

234

235 There were no Supervisors' requests.

236

237 **EIGHTEENTH ORDER OF BUSINESS**

Public Comments

238

239 No members of the public spoke.

240

241 **NINETEENTH ORDER OF BUSINESS**

Adjournment

242

243 **On MOTION by Ms. Bloomquist and seconded by Ms. Johnson, with all in favor,**
244 **the meeting adjourned at 10:31 a.m.**

245

246

247

248

249

250

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

251
252
253
254
255

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 2025/2026 MEETING SCHEDULE		
LOCATION		
<i>Southern Hills Plantation Clubhouse, 4200 Summit View Drive, Brooksville, Florida 34601</i>		
DATE	POTENTIAL DISCUSSION/FOCUS	TIME
October 1, 2025	Public Hearing & Regular Meeting <i>Adoption of FY2026 Budget</i>	10:00 AM
October 13, 2025	Regular Meeting	10:00 AM
November 10, 2025	Regular Meeting	10:00 AM
December 8, 2025	Regular Meeting	10:00 AM
January 12, 2026	Regular Meeting	10:00 AM
February 9, 2026	Regular Meeting	10:00 AM
March 9, 2026	Regular Meeting	10:00 AM
April 13, 2026	Regular Meeting	10:00 AM
May 11, 2026	Regular Meeting	10:00 AM
June 8, 2026	Regular Meeting	10:00 AM
July 13, 2026	Regular Meeting	10:00 AM
August 10, 2026	Regular Meeting	10:00 AM
September 14, 2026	Regular Meeting	10:00 AM