

*Lake Lizzie
Community Development District*

Agenda

February 7, 2024

AGENDA

Lake Lizzie
Community Development District

219 E. Livingston Street, Orlando, FL 32801
Phone: 407-841-5524 – Fax: 407-839-1526

January 31, 2024

Board of Supervisors
Lake Lizzie Community
Development District

Dear Board Members:

The regular meeting of the Board of Supervisors of the Lake Lizzie Community Development District will be held **Wednesday, January 31, 2024, at 12:30 PM at the West Osceola Branch Library, 305 Campus St., Celebration, FL 34747.** Following is the advance agenda for the regular meeting:

Audit Committee Meeting

1. Roll Call
2. Public Comment Period
3. Approval of Minutes of the December 6, 2023 Audit Committee Meeting
4. Review of Proposals and Tally of Audit Committee Members Rankings
 - a. Grau & Associates
 - b. Dibartolomeo, McBee, Hartley & Barnes
5. Adjournment

Board of Supervisors Meeting

1. Roll Call
2. Public Comment Period
3. Approval of Minutes of the December 6, 2023, Board of Supervisors Meeting
4. Acceptance of Ranking of the Audit Committee and Authorizing Staff to Send a Notice of Intent to Award
5. Staff Reports
 - a. Attorney
 - b. Engineer
 - c. District Manager's Report
 - i. Balance Sheet & Income Statement
6. Other Business
7. Supervisors Requests
8. Adjournment

AUDIT COMMITTEE MEETING

MINUTES

**MINUTES OF MEETING
LAKE LIZZIE
COMMUNITY DEVELOPMENT DISTRICT**

The Audit Committee meeting of the Lake Lizzie Community Development District was held Wednesday, **December 6, 2023** at 12:37 p.m. at the West Osceola Branch Library, 305 Campus Street, Celebration, Florida.

Present were:

Present and constituting a quorum:

Tony Iorio	Chairman
Rocky Owen	Assistant Secretary
Tom Franklin	Assistant Secretary

Also present were:

Tricia Adams	District Manager, GMS
Sarah Sandy	District Counsel, Kutak Rock

FIRST ORDER OF BUSINESS

Roll Call

Ms. Adams called the meeting to order. Three committee members were present.

SECOND ORDER OF BUSINESS

Public Comment Period

There were no members of the public present for the meeting.

THIRD ORDER OF BUSINESS

Audit Services

- A. Approval of Request for Proposals and Selection Criteria**
- B. Approval of Notice of Request for Proposals for Audit Services**
- C. Public Announcement of Opportunity to Provide Audit Services**

Ms. Adams stated the Florida Statutes requires the request for proposals for audit services as well as the selection criteria. She noted the forms included in the agenda were standard including the form of notice, request for proposals and selection criteria. At the next audit meeting all of the proposals would be envaulted in relation to this criteria. She noted all could be approved as presented.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, the Request for Proposals and Selection Criteria, Notice of Request for Proposals and Public Announcement to Provide Audit Services were all approved.

FOURTH ORDER OF BUSINESS

Adjournment

Ms. Adams asked for a motion of adjournment.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, the meeting was adjourned.

Secretary/Assistant Secretary

Chairman/Vice Chairman

SECTION IV

Lake Lizzie CDD Auditor Selection

	Ability of Personnel (20 pts)	Proposer's Experience (20 pts)	Understading of Scope of Work (20 pts)	Ability to Furnish the Required Services (20 pts)	Price (20 pts)	Total Points Earned	Ranking (1 being highest)
Grau & Associates							
DMHB							

SECTION A



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

Proposal to Provide Financial Auditing Services:

LAKE LIZZIE

COMMUNITY DEVELOPMENT DISTRICT

Proposal Due: December 22, 2023
5:00PM

Submitted to:

Lake Lizzie
Community Development District
c/o District Manager
219 East Livingston Street
Orlando, Florida 32801

Submitted by:

Antonio J. Grau, Partner
Grau & Associates
951 Yamato Road, Suite 280
Boca Raton, Florida 33431

Tel (561) 994-9299
(800) 229-4728

Fax (561) 994-5823

tgrau@graucpa.com

www.graucpa.com



Table of Contents

Page

EXECUTIVE SUMMARY / TRANSMITTAL LETTER 1

FIRM QUALIFICATIONS.....3

FIRM & STAFF EXPERIENCE.....6

REFERENCES..... 11

SPECIFIC AUDIT APPROACH..... 13

COST OF SERVICES 17

SUPPLEMENTAL INFORMATION 19



Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

December 22, 2023

Lake Lizzie Community Development District
c/o District Manager
219 East Livingston Street
Orlando, Florida 32801

Re: Request for Proposal for Professional Auditing Services for the fiscal year ended September 30, 2023, with an option for four (4) additional annual renewals.

Grau & Associates (Grau) welcomes the opportunity to respond to the Lake Lizzie Community Development District's (the "District") Request for Proposal (RFP), and we look forward to working with you on your audit. We are an energetic and robust team of knowledgeable professionals and are a recognized leader of providing services to Community Development Districts. As one of Florida's few firms to primarily focus on government, we are especially equipped to provide you an effective and efficient audit.

Special district audits are at the core of our practice: **we have a total of 360 clients, 329 or 91% of which are special districts.** We know the specifics of the professional services and work products needed to meet your RFP requirements like no other firm. With this level of experience, we are able to increase efficiency, to provide immediate and continued savings, and to minimize disturbances to client operations.

Why Grau & Associates:

Knowledgeable Audit Team

Grau is proud that the personnel we assign to your audit are some of the most seasoned auditors in the field. Our staff performs governmental engagements year round. When not working on your audit, your team is refining their audit approach for next year's audit. Our engagement partners have decades of experience and take a hands-on approach to our assignments, which all ensures a smoother process for you.

Servicing your Individual Needs

Our clients enjoy personalized service designed to satisfy their unique needs and requirements. Throughout the process of our audit, you will find that we welcome working with you to resolve any issues as swiftly and easily as possible. In addition, due to Grau's very low turnover rate for our industry, you also won't have to worry about retraining your auditors from year to year.

Developing Relationships

We strive to foster mutually beneficial relationships with our clients. We stay in touch year round, updating, collaborating and assisting you in implementing new legislation, rules and standards that affect your organization. We are also available as a sounding board and assist with technical questions.

Maintaining an Impeccable Reputation

We have never been involved in any litigation, proceeding or received any disciplinary action. Additionally, we have never been charged with, or convicted of, a public entity crime of any sort. We are financially stable and have never been involved in any bankruptcy proceedings.

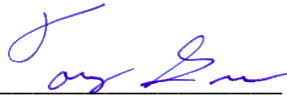
Complying With Standards

Our audit will follow the Auditing Standards of the AICPA, Generally Accepted Government Auditing Standards, issued by the Comptroller General of the United States, and the Rules of the Auditor General of the State of Florida, and any other applicable federal, state and local regulations. We will deliver our reports in accordance with your requirements.

This proposal is a firm and irrevocable offer for 90 days. We certify this proposal is made without previous understanding, agreement or connection either with any previous firms or corporations offering a proposal for the same items. We also certify our proposal is in all respects fair, without outside control, collusion, fraud, or otherwise illegal action, and was prepared in good faith. Only the person(s), company or parties interested in the project as principals are named in the proposal. Grau has no existing or potential conflicts, and anticipates no conflicts during the engagement. Our Federal I.D. number is 20-2067322.

We would be happy to answer any questions or to provide any additional information. We are genuinely excited about the prospect of serving you and establishing a long-term relationship. Please do not hesitate to call or email either of our Partners, Antonio J. Grau, CPA (tgrau@graucpa.com) or David Caplivski, CPA (dcaplivski@graucpa.com) at 561.994.9299. We thank you for considering our firm's qualifications and experience.

Very truly yours,
Grau & Associates



Antonio J. Grau

Firm Qualifications



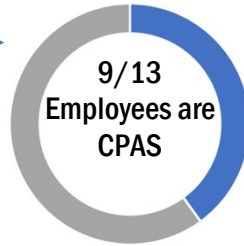
Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

Grau's Focus and Experience

Our Team



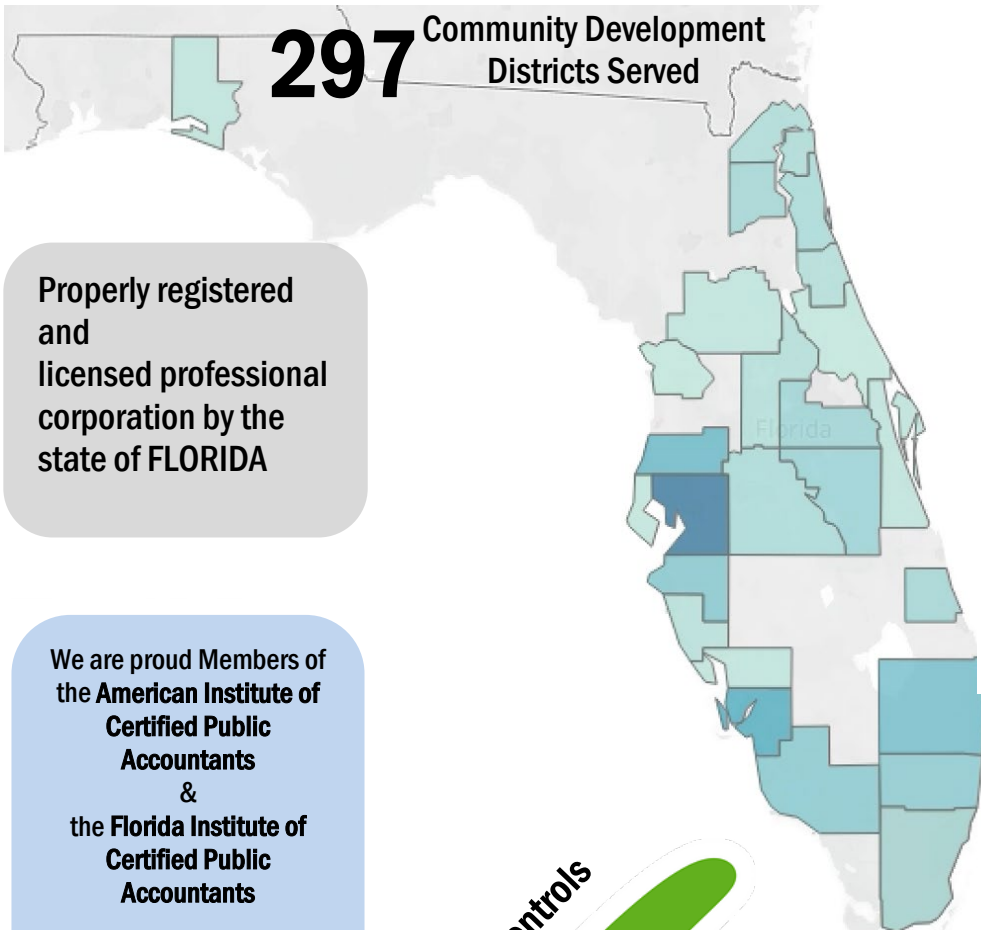
3 Partners
10 Professional Staff
2 Administrative Professionals



2005

Year founded

Services Provided



Properly registered and licensed professional corporation by the state of FLORIDA

We are proud Members of the American Institute of Certified Public Accountants & the Florida Institute of Certified Public Accountants

Quality Controls

- ⇒ External quality review program: consistently receives a pass
- ⇒ Internal: ongoing monitoring to maintain quality



AICPA | FICPA | GFOA | FASD | FGFOA

See next page for report and certificate



Florida Institute of Certified Public Accountants

FICPA Peer Review Program
Administered in Florida
by The Florida Institute of CPAs



Peer Review
Program

AICPA Peer Review Program
Administered in Florida
by the Florida Institute of CPAs

March 17, 2023

Antonio Grau
Grau & Associates
951 Yamato Rd Ste 280
Boca Raton, FL 33431-1809

Dear Antonio Grau:

It is my pleasure to notify you that on March 16, 2023, the Florida Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is December 31, 2025. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation.

Sincerely,

FICPA Peer Review Committee

Peer Review Team
FICPA Peer Review Committee

850.224.2727, x5957

cc: Daniel Hevia, Racquel McIntosh

Firm Number: 900004390114

Review Number: 594791

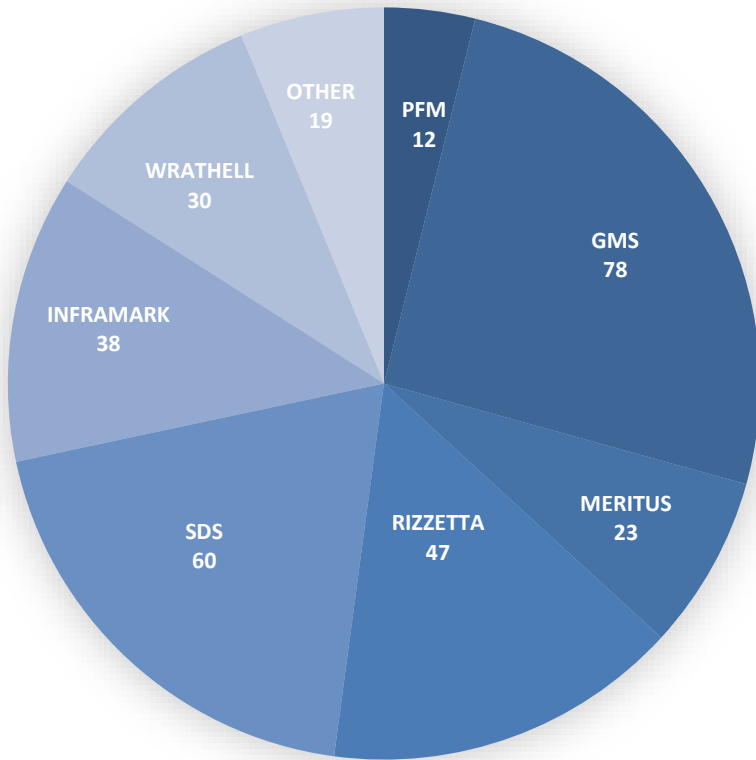
119 S Monroe Street, Suite 121 | Tallahassee, FL 32301 | 850.224.2727, in Florida | www.ficpa.org

Firm & Staff Experience



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

GRAU AND ASSOCIATES COMMUNITY DEVELOPMENT DISTRICT EXPERIENCE BY MANAGEMENT COMPANY



Profile Briefs:

Antonio J GRAU, CPA (Partner)

Years Performing Audits: 35+
 CPE (last 2 years): Government Accounting, Auditing: 24 hours; Accounting, Auditing and Other: 56 hours
 Professional Memberships: AICPA, FICPA, FGFOA, GFOA

David Caplivski, CPA (Partner)

Years Performing Audits: 13+
 CPE (last 2 years): Government Accounting, Auditing: 24 hours; Accounting, Auditing and Other: 64 hours
 Professional Memberships: AICPA, FICPA, FGFOA, FASD

“Here at Grau & Associates, staying up to date with the current technological landscape is one of our top priorities. Not only does it provide a more positive experience for our clients, but it also allows us to perform a more effective and efficient audit. With the every changing technology available and utilized by our clients, we are constantly innovating our audit process.”

- Tony Grau

“Quality audits and exceptional client service are at the heart of every decision we make. Our clients trust us to deliver a quality audit, adhering to high standards and assisting them with improvements for their organization.”

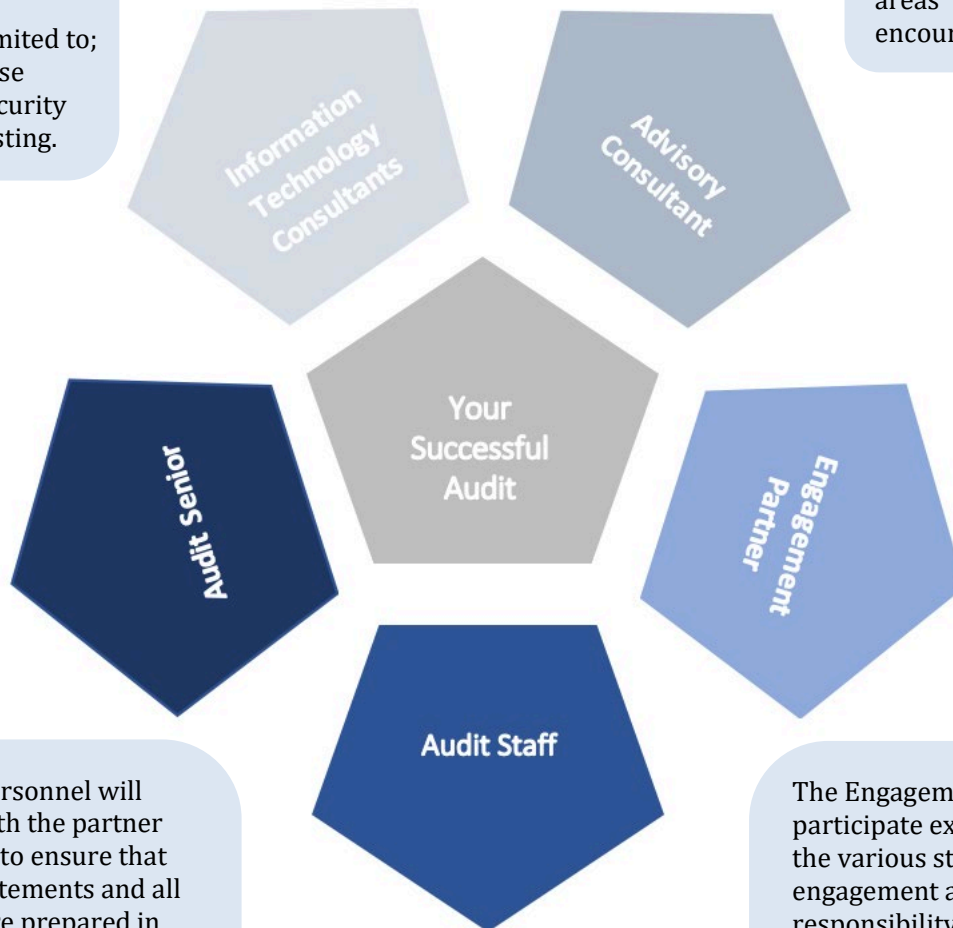
- David Caplivski

YOUR ENGAGEMENT TEAM

Grau's client-specific engagement team is meticulously organized in order to meet the unique needs of each client. Constant communication within our solution team allows for continuity of staff and audit team.

Grau contracts with an outside group of IT management consultants to assist with matters including, but not limited to; network and database security, internet security and vulnerability testing.

An advisory consultant will be available as a sounding board to advise in those areas where problems are encountered.



The assigned personnel will work closely with the partner and the District to ensure that the financial statements and all other reports are prepared in accordance with professional standards and firm policy. Responsibilities will include planning the audit; communicating with the client and the partners the progress of the audit; and determining that financial statements and all reports issued by the firm are accurate, complete and are prepared in accordance with professional standards and firm policy.

The Engagement Partner will participate extensively during the various stages of the engagement and has direct responsibility for engagement policy, direction, supervision, quality control, security, confidentiality of information of the engagement and communication with client personnel. The engagement partner will also be involved directing the development of the overall audit approach and plan; performing an overriding review of work papers and ascertain client satisfaction.



Antonio 'Tony' J. Grau, CPA

Partner

Contact: tgrau@graucpa.com | (561) 939-6672

Experience

For over 30 years, Tony has been providing audit, accounting and consulting services to the firm's governmental, non-profit, employee benefit, overhead and arbitrage clients. He provides guidance to clients regarding complex accounting issues, internal controls and operations.

As a member of the Government Finance Officers Association Special Review Committee, Tony participated in the review process for awarding the GFOA Certificate of Achievement in Financial Reporting. Tony was also the review team leader for the Quality Review of the Office of Management Audits of School Board of Miami-Dade County. Tony received the AICPA advanced level certificate for governmental single audits.

Education

University of South Florida (1983)
Bachelor of Arts
Business Administration

Clients Served (partial list)

(>300) Various Special Districts, including:

Bayside Improvement Community Development District	St. Lucie West Services District
Dunes Community Development District	Ave Maria Stewardship Community District
Fishhawk Community Development District (I,II,IV)	Rivers Edge II Community Development District
Grand Bay at Doral Community Development District	Bartram Park Community Development District
Heritage Harbor North Community Development District	Bay Laurel Center Community Development District
Boca Raton Airport Authority	
Greater Naples Fire Rescue District	
Key Largo Wastewater Treatment District	
Lake Worth Drainage District	
South Indian River Water Control	

Professional Associations/Memberships

American Institute of Certified Public Accountants Florida Government Finance Officers Association
Florida Institute of Certified Public Accountants Government Finance Officers Association Member
City of Boca Raton Financial Advisory Board Member

Professional Education (over the last two years)

<u>Course</u>	<u>Hours</u>
Government Accounting and Auditing	24
Accounting, Auditing and Other	<u>56</u>
Total Hours	<u>80</u> (includes of 4 hours of Ethics CPE)



David Caplivski, CPA/CITP, Partner
 Contact : dcaplivski@graucpa.com / 561-939-6676

Experience

Grau & Associates	Partner	2021-Present
Grau & Associates	Manager	2014-2020
Grau & Associates	Senior Auditor	2013-2014
Grau & Associates	Staff Auditor	2010-2013

Education

Florida Atlantic University (2009)
 Master of Accounting
 Nova Southeastern University (2002)
 Bachelor of Science
 Environmental Studies

Certifications and Certificates

Certified Public Accountant (2011)
 AICPA Certified Information Technology Professional (2018)
 AICPA Accreditation COSO Internal Control Certificate (2022)

Clients Served (partial list)

(>300) Various Special Districts	Hispanic Human Resource Council
Aid to Victims of Domestic Abuse	Loxahatchee Groves Water Control District
Boca Raton Airport Authority	Old Plantation Water Control District
Broward Education Foundation	Pinetree Water Control District
CareerSource Brevard	San Carlos Park Fire & Rescue Retirement Plan
CareerSource Central Florida 403 (b) Plan	South Indian River Water Control District
City of Lauderhill GERS	South Trail Fire Protection & Rescue District
City of Parkland Police Pension Fund	Town of Haverhill
City of Sunrise GERS	Town of Hypoluxo
Coquina Water Control District	Town of Hillsboro Beach
Central County Water Control District	Town of Lantana
City of Miami (program specific audits)	Town of Lauderdale By-The-Sea Volunteer Fire Pension
City of West Park	Town of Pembroke Park
Coquina Water Control District	Village of Wellington
East Central Regional Wastewater Treatment Fac.	Village of Golf
East Naples Fire Control & Rescue District	

Professional Education (over the last two years)

<u>Course</u>	<u>Hours</u>
Government Accounting and Auditing	24
Accounting, Auditing and Other	64
Total Hours	<u>88</u> (includes 4 hours of Ethics CPE)

Professional Associations

Member, American Institute of Certified Public Accountants
Member, Florida Institute of Certified Public Accountants
Member, Florida Government Finance Officers Association
Member, Florida Association of Special Districts

References



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

We have included three references of government engagements that require compliance with laws and regulations, follow fund accounting, and have financing requirements, which we believe are similar to the District.

Dunes Community Development District

Scope of Work	Financial audit
Engagement Partner	Antonio J. Grau
Dates	Annually since 1998
Client Contact	Darrin Mossing, Finance Director 475 W. Town Place, Suite 114 St. Augustine, Florida 32092 904-940-5850

Two Creeks Community Development District

Scope of Work	Financial audit
Engagement Partner	Antonio J. Grau
Dates	Annually since 2007
Client Contact	William Rizzetta, President 3434 Colwell Avenue, Suite 200 Tampa, Florida 33614 813-933-5571

Journey's End Community Development District

Scope of Work	Financial audit
Engagement Partner	Antonio J. Grau
Dates	Annually since 2004
Client Contact	Todd Wodraska, Vice President 2501 A Burns Road Palm Beach Gardens, Florida 33410 561-630-4922

Specific Audit Approach



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

AUDIT APPROACH

Grau's Understanding of Work Product / Scope of Services:

We recognize the District is an important entity and we are confident our firm is eminently qualified to meet the challenges of this engagement and deliver quality audit services. ***You would be a valued client of our firm and we pledge to commit all firm resources to provide the level and quality of services (as described below) which not only meet the requirements set forth in the RFP but will exceed those expectations.*** Grau & Associates fully understands the scope of professional services and work products requested. Our audit will follow the Auditing Standards of the AICPA, *Generally Accepted Government Auditing Standards*, issued by the Comptroller General of the United States, and the Rules of the Auditor General of the State of Florida and any other applicable Federal, State or Local regulations. **We will deliver our reports in accordance with your requirements.**

Proposed segmentation of the engagement

Our approach to the audit engagement is a risk-based approach which integrates the best of traditional auditing techniques and a total systems concept to enable the team to conduct a more efficient and effective audit. The audit will be conducted in three phases, which are as follows:



Phase I - Preliminary Planning

A thorough understanding of your organization, service objectives and operating environment is essential for the development of an audit plan and for an efficient, cost-effective audit. During this phase, we will meet with appropriate personnel to obtain and document our understanding of your operations and service objectives and, at the same time, give you the opportunity to express your expectations with respect to the services that we will provide. Our work effort will be coordinated so that there will be minimal disruption to your staff.

During this phase we will perform the following activities:

- » Review the regulatory, statutory and compliance requirements. This will include a review of applicable federal and state statutes, resolutions, bond documents, contracts, and other agreements;
- » Read minutes of meetings;
- » Review major sources of information such as budgets, organization charts, procedures, manuals, financial systems, and management information systems;
- » Obtain an understanding of fraud detection and prevention systems;
- » Obtain and document an understanding of internal control, including knowledge about the design of relevant policies, procedures, and records, and whether they have been placed in operation;
- » Assess risk and determine what controls we are to rely upon and what tests we are going to perform and perform test of controls;
- » Develop audit programs to incorporate the consideration of financial statement assertions, specific audit objectives, and appropriate audit procedures to achieve the specified objectives;
- » Discuss and resolve any accounting, auditing and reporting matters which have been identified.

Phase II – Execution of Audit Plan

The audit team will complete a major portion of transaction testing and audit requirements during this phase. The procedures performed during this period will enable us to identify any matter that may impact the completion of our work or require the attention of management. Tasks to be performed in Phase II include, but are not limited to the following:

- » Apply analytical procedures to further assist in the determination of the nature, timing, and extent of auditing procedures used to obtain evidential matter for specific account balances or classes of transactions;
- » Perform tests of account balances and transactions through sampling, vouching, confirmation and other analytical procedures; and
- » Perform tests of compliance.

Phase III - Completion and Delivery

In this phase of the audit, we will complete the tasks related to year-end balances and financial reporting. All reports will be reviewed with management before issuance, and the partners will be available to meet and discuss our report and address any questions. Tasks to be performed in Phase III include, but are not limited to the following:

- » Perform final analytical procedures;
- » Review information and make inquiries for subsequent events; and
- » Meeting with Management to discuss preparation of draft financial statements and any potential findings or recommendations.

You should expect more from your accounting firm than a signature in your annual financial report. Our concept of truly responsive professional service emphasizes taking an active interest in the issues of concern to our clients and serving as an effective resource in dealing with those issues. In following this approach, we not only audit financial information with hindsight but also consider the foresight you apply in managing operations.

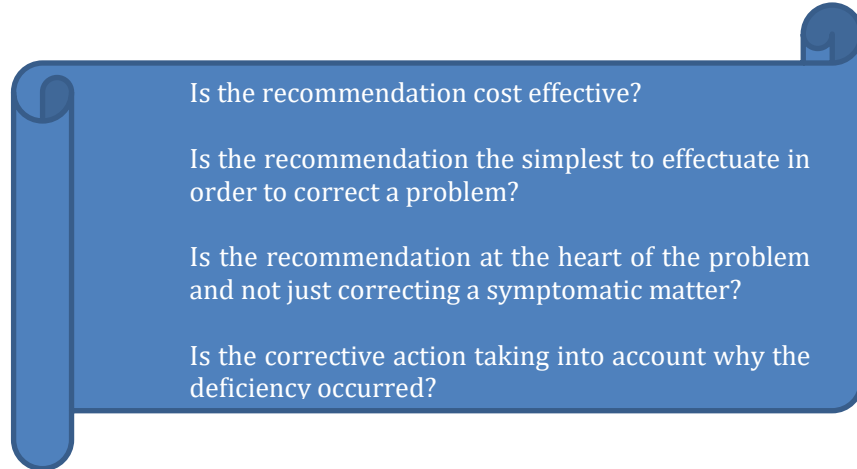
Application of this approach in developing our management letter is particularly important given the increasing financial pressures and public scrutiny facing today's public officials. We will prepare the management letter at the completion of our final procedures.

In preparing this management letter, we will initially review any draft comments or recommendations with management. In addition, we will take necessary steps to ensure that matters are communicated to those charged with governance.

In addition to communicating any recommendations, we will also communicate the following, if any:

- » Significant audit adjustments;
- » Significant deficiencies or material weaknesses;
- » Disagreements with management; and
- » Difficulties encountered in performing the audit.

Our findings will contain a statement of condition describing the situation and the area that needs strengthening, what should be corrected and why. Our suggestions will withstand the basic tests of corrective action:



To assure full agreement with facts and circumstances, we will fully discuss each item with Management prior to the final exit conference. This policy means there will be no “surprises” in the management letter and fosters a professional, cooperative atmosphere.

Communications

We emphasize a continuous, year-round dialogue between the District and our management team. We regularly communicate through personal telephone calls and electronic mail throughout the audit and on a regular basis.

Our clients have the ability to transmit information to us on our secure client portal with the ability to assign different staff with separate log on and viewing capability. This further facilitates efficiency as all assigned users receive electronic mail notification as soon as new information has been posted into the portal.

Cost of Services



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

Our proposed all-inclusive fees for the financial audit for the fiscal years ended September 30, 2023-2027 are as follows:

<u>Year Ended September 30,</u>	<u>Fee</u>
2023	\$3,800
2024	\$3,900
2025	\$4,000
2026	\$4,100
2027	<u>\$4,200</u>
TOTAL (2023-2027)	<u>\$20,000</u>

The above fees are based on the assumption that the District maintains its current level of operations. Should conditions change or Bonds are issued the fees would be adjusted accordingly upon approval from all parties concerned.

Supplemental Information



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

PARTIAL LIST OF CLIENTS

SPECIAL DISTRICTS	Governmental Audit	Single Audit	Utility Audit	Current Client	Year End
Boca Raton Airport Authority	✓	✓		✓	9/30
Captain's Key Dependent District	✓			✓	9/30
Central Broward Water Control District	✓			✓	9/30
Collier Mosquito Control District	✓			✓	9/30
Coquina Water Control District	✓			✓	9/30
East Central Regional Wastewater Treatment Facility	✓		✓		9/30
Florida Green Finance Authority	✓				9/30
Greater Boca Raton Beach and Park District	✓			✓	9/30
Greater Naples Fire Control and Rescue District	✓	✓		✓	9/30
Green Corridor P.A.C.E. District	✓			✓	9/30
Hobe-St. Lucie Conservancy District	✓			✓	9/30
Indian River Mosquito Control District	✓				9/30
Indian Trail Improvement District	✓			✓	9/30
Key Largo Wastewater Treatment District	✓	✓	✓	✓	9/30
Lake Padgett Estates Independent District	✓			✓	9/30
Lake Worth Drainage District	✓			✓	9/30
Lealman Special Fire Control District	✓			✓	9/30
Loxahatchee Groves Water Control District	✓				9/30
Old Plantation Control District	✓			✓	9/30
Pal Mar Water Control District	✓			✓	9/30
Pinellas Park Water Management District	✓			✓	9/30
Pine Tree Water Control District (Broward)	✓			✓	9/30
Pinetree Water Control District (Wellington)	✓				9/30
Ranger Drainage District	✓	✓		✓	9/30
Renaissance Improvement District	✓			✓	9/30
San Carlos Park Fire Protection and Rescue Service District	✓			✓	9/30
Sanibel Fire and Rescue District	✓			✓	9/30
South Central Regional Wastewater Treatment and Disposal Board	✓			✓	9/30
South-Dade Venture Development District	✓			✓	9/30
South Indian River Water Control District	✓	✓		✓	9/30
South Trail Fire Protection & Rescue District	✓			✓	9/30
Spring Lake Improvement District	✓			✓	9/30
St. Lucie West Services District	✓		✓	✓	9/30
Sunshine Water Control District	✓			✓	9/30
West Villages Improvement District	✓			✓	9/30
Various Community Development Districts (297)	✓			✓	9/30
TOTAL	333	5	3	328	

ADDITIONAL SERVICES

CONSULTING / MANAGEMENT ADVISORY SERVICES

Grau & Associates also provide a broad range of other management consulting services. Our expertise has been consistently utilized by Governmental and Non-Profit entities throughout Florida. Examples of engagements performed are as follows:

- Accounting systems
- Development of budgets
- Organizational structures
- Financing alternatives
- IT Auditing
- Fixed asset records
- Cost reimbursement
- Indirect cost allocation
- Grant administration and compliance

ARBITRAGE

The federal government has imposed complex rules to restrict the use of tax-exempt financing. Their principal purpose is to eliminate any significant arbitrage incentives in a tax-exempt issue. We have determined the applicability of these requirements and performed the rebate calculations for more than 150 bond issues, including both fixed and variable rate bonds.

73 Current
Arbitrage
Calculations

We look forward to providing Lake Lizzie Community Development District with our resources and experience to accomplish not only those minimum requirements set forth in your Request for Proposal, but to exceed those expectations!

**For even more information on Grau & Associates
please visit us on www.graucpa.com.**

SECTION B

Lake Lizzie Community Development District

Proposer

**DiBartolomeo, McBee, Hartley & Barnes, P.A.
Certified Public Accountants**

**2222 Colonial Road, Suite 200
Fort Pierce, Florida 34950
(772) 461-8833**

**591 SE Port St. Lucie Boulevard
Port Saint Lucie, Florida 34984
(772) 878-1952**

Contact:

**Jim Hartley, CPA
Principal**

TABLE OF CONTENTS

Letter of Transmittal

Professional Qualifications

- Professional Staff Resources 1-2
- Current and Near Future Workload..... 2
- Identification of Audit Team 2
- Resumes 3-5
- Governmental Audit Experience 6

Additional Data

- Procedures for Ensuring Quality Control & Confidentiality 7
- Independence 7-8
- Computer Auditing Capabilities 8
- Contracts of Similar Nature 9

Technical Approach

- Agreement to Meet or Exceed the Performance Specifications..... 10
- Tentative Audit Schedule 11
- Description of Audit Approach 12-15
- Proposed Audit Fee..... 16

Lake Lizzie
Community Development District
Audit Selection Committee

Dear Committee Members:

We are pleased to have this opportunity to present the qualifications of DiBartolomeo, McBee, Hartley & Barnes, P.A. (DMHB) to serve as Lake Lizzie Community Development District's independent auditors. The audit is a significant engagement demanding various professional resources, governmental knowledge and expertise, and, most importantly, experience serving Florida local governments. DMHB understands the services required and is committed to performing these services within the required time frame. We have the staff available to complete this engagement in a timely fashion. We audit several entities across the State making it feasible to schedule and provide services at the required locations.

Proven Track Record— Our clients know our people and the quality of our work. We have always been responsive, met deadlines, and been willing to go the extra mile with the objective of providing significant value to mitigate the cost of the audit. This proven track record of successfully working together to serve governmental clients will enhance the quality of services we provide.

Experience—DMHB has a history of providing quality professional services to an impressive list of public sector clients in Florida. We currently serve a large number of public sector entities in Florida, including cities, villages, special districts, as well as a large number of community development districts. Our firm has performed in excess of 100 community development district audits. In addition, our senior management team members have between 25 and 35 years experience in serving Florida governments. DMHB is a recognized leader in providing services to governmental and non-profit agencies within the State of Florida. Through our experience in performing audits, we have been able to increase our audit efficiency and therefore reduce cost. We have continually passed this cost saving on to our clients and will continue to do so in the future. As a result of our experience and expertise, we have developed an effective and efficient audit approach designed to meet or exceed the performance specifications in accordance with audit 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 with minimal disruption to your operations. Our firm has frequent technical updates to keep our personnel informed and up to date on all changes that are occurring within the industry.

Timeliness – In order to meet the Districts needs, we will perform interim internal control testing by January 31st from unaudited preliminary general ledgers provided. The remaining testing will be completed no later than May 1st. We will also review all minutes and subsequent needs related to the review of the minutes by January 31st. Follow up review will be completed as necessary.

Communication and Knowledge Sharing— Another driving force behind our service approach is frequent, candid and open communication with management with no surprises. During the course of the audit, we will communicate with management on a regular basis to provide you with a status report on the audit and to discuss any issues that arise, potential management letter comments, or potential audit differences.

In the accompanying proposal, you will find additional information upon which you can evaluate DMHB's qualifications. Our full team is in place and waiting to serve you. Please contact us at 2222 Colonial Road, Suite 200 Fort Pierce, FL 34950. Our phone number is (772) 461-8833. We look forward to further discussion on how our team can work together with you.

Very truly yours,

A handwritten signature in black ink that reads "DiBartolomeo, McBee, Hartley & Barnes". The signature is written in a cursive, flowing style.

DiBartolomeo, McBee, Hartley & Barnes, P.A.

PROFESSIONAL QUALIFICATIONS

DiBartolomeo, McBee, Hartley & Barnes, P.A. is a local public accounting firm with offices in the cities of Fort Pierce and Port St. Lucie. The firm was formed in 1982.

➤ *Professional Staff Resources*

Our services will be delivered through personnel in both our Port St. Lucie and Ft. Pierce offices, located at 591 S.E. Port St. Lucie Blvd., Port St. Lucie, FL 34984 and 2222 Colonial Road, Suite 200, Fort Pierce, Florida 34950, respectively. DMHB has a total of 19 professional staff including 9 with extensive experience serving governmental entities.

Professional Staff Classification	Number of Professionals
Partner	4
Managers	2
Senior	2
Staff	11
	19

DiBartolomeo, McBee, Hartley & Barnes provides a variety of accounting, auditing, tax litigation support, estate planning, and consulting services. Some of the governmental, non-profit accounting, auditing and advisory services currently provided to clients include:

- Annual financial and compliance audits including Single Audits of State and Federal financial assistance programs under the OMB A-133 audit criteria
- Issuance of Comfort Letters, consent letters, and parity certificates in conjunction with the issuance of tax-exempt debt obligations, including compiling financial data and interim period financial statement reviews
- Assisting in compiling historical financial data for first-time and subsequent submissions for the GFOA Certificate of Achievement for Excellence in Financial Reporting

PROFESSIONAL QUALIFICATIONS (CONTINUED)

➤ *Professional Staff Resources (Continued)*

- Audits of franchise fees received from outside franchisees
- Preparation of annual reports to the State Department of Banking and Finance
- Audits of Internal Controls – Governmental Special Project
- Assistance with Implementation of current GASB pronouncements

➤ *Current and Near Future Workload*

In order to better serve and provide timely and informative financial data, we have comprised an experienced audit team. Our present and future workloads will permit the proposed audit team to perform these audits within the time schedule required and meet all deadlines.

➤ *Identification of Audit Team*

The team is composed of people who are experienced, professional, and creative. They fully understand your business and will provide you with reliable opinions. In addition, they will make a point to maintain ongoing dialogue with each other and management about the status of our services.

The auditing firm you select is only as good as the people who serve you. We are extremely proud of the outstanding team we have assembled for your engagement. Our team brings many years of relevant experience coupled with the technical skill, knowledge, authority, dedication, and most of all, the commitment you need to meet your government reporting obligations and the challenges that will result from the changing accounting standards.

A flow chart of the audit team and brief resumes detailing individual team members' experience in each of the relevant areas follow.

Jim Hartley, CPA – Engagement Partner (resume attached)
Will assist in the field as main contact

Jay McBee, CPA – Technical Reviewer (resume attached)

Christine Kenny, CPA – Senior (resume attached)

Jim Hartley

Partner – DiBartolomeo, McBee, Hartley & Barnes

Experience and Training

Jim has over 35 years of public accounting experience and would serve as the engagement partner. His experience and training include:

- 35 years of non-profit and governmental experience.
- Specializing in serving entities ranging from Government to Associations and Special District audits.
- Has performed audits and advisory services for a variety of public sector entities.
- Has extensive experience performing audits of federal grant recipients in accordance with the Single Audit Act and the related Office of Management and Budget (OMB) guidelines.
- Experienced in maintaining the GFOA Certificate of Achievement.
- 120 hours of CPE credits over the past 3 years.

Recent Engagements

Has provided audit services on governmental entities including towns, villages, cities, counties, special districts and community development districts. Jim has assisted with financial statement preparation, system implementation, and a variety of services to a wide range of non-profit and governmental entities. Jim currently provides internal audit and consulting services to governmental entities and non-profit agencies to assist in implementing and maintaining “best practice” accounting policies and procedures. Jim provides auditing services to the Fort Pierce Utilities Authority, St. Lucie County Fire District, City of Port St. Lucie, Tradition CDD #1 – 10, Southern Groves CDD #1-6, Multiple CDD audits, Town of St. Lucie Village, Town of Sewall’s Point, Town of Jupiter Island along with several other entities, including Condo and Homeowner Associations.

Education and Registrations

- Bachelor of Science in Accounting – Sterling College.
- Certified Public Accountant

Professional Affiliations

- Member of the American Institute of Certified Public Accountants
- Member of the Florida Institute of Certified Public Accountants
- Member of the Florida Government Finance Officers Association

Volunteer Service

- Treasurer & Executive Board - St. Lucie County Chamber of Commerce
- Budget Advisory Board - St. Lucie County School District
- Past Treasurer - Exchange Club for Prevention of Child Abuse & Exchange Foundation Board
- Board of Directors – State Division of Juvenile Justice

Jay L. McBee

Partner – DiBartolomeo, McBee, Hartley & Barnes

Experience and Training

Jay has over 45 years of public accounting experience and would serve as the technical reviewer on the audit. His experience and training include:

- 45 years of government experience.
- Specializing in serving local government entities.
- Has performed audits and advisory services for a variety of public sector entities including counties, cities, special districts, and school districts.
- Has experience performing audits of federal grant recipients in accordance with the Single Audit Act and the related Office of Management and Budget (OMB) guidelines, including Circular A-133 and the Rules of the Auditor General.
- Has extensive experience in performing pension audits.
- Experienced in developing and maintaining the GFOA Certificate of Achievement.
- 120 Hours of relevant government CPE credits over the past 3 years.
- Experience in municipal bond and other governmental-financing options and offerings.

Recent Engagements

Has provided auditing services on local governmental entities including towns, villages, cities, counties, special district and community development districts. Jay has assisted with financial preparation, system implementation, and a variety of government services to a wide range of governmental entities. Jay currently provides auditing services to the City of Port St. Lucie, City of Okeechobee Pension Trust Funds, St. Lucie County Fire District Pension funds, along with several other non-profit and governmental entities.

Education and Registrations

- Bachelor of Science in Accounting and Quantitative Business Management – West Virginia University.
- Certified Public Accountant

Professional Affiliations

- Member of the American Institute of Certified Public Accountants
- Member of the Florida Institute of Certified Public Accountants
- Member of the Florida Government Finance Officers Association

Volunteer Service

- Member of the St. Lucie County Citizens Budget Committee
- Finance committee for the First United Methodist Church
- Treasurer of Boys & Girls Club of St. Lucie County

Christine M. Kenny, CPA

Senior Staff – DiBartolomeo, McBee, Hartley & Barnes

Experience and training

Christine has over 18 years of public accounting experience and would serve as a senior staff for the Constitutional Officers. Her experience and training include:

- 18 years of manager and audit experience.
- Has performed audits and advisory services for a variety of public sector entities including counties, cities, towns and special districts.
- Has experience performing audits of federal grant recipients in accordance with the Single Audit Act and the related Office of Management and Budget (OMB) guidelines, including Circular A-133 and the Rules of the Auditor General.
- 100 hours of relevant government CPE credits over the past 3 years.

Recent Engagements

Has provided audit services on governmental entities including towns, villages, cities and special districts. Christine has assisted with financial statement preparation, system implementation, and a variety of services to a wide range of non-profit and governmental entities. Christine currently provides services to multiple agencies to assist in implementing and maintaining “best practice” accounting policies and procedures.

Engagements include St. Lucie County Fire District, City of Fort Pierce, Town of Sewall’s Point, and Town of St. Lucie Village.

Education and Registrations

- Bachelor of Science in Accounting – Florida State University
- Professional Affiliations
- Active Member of the Florida Institute of Certified Public Accountants
- Active Member of the American Institute of Certified Public Accountants
- Member of the Florida Government Finance Officers Association

PROFESSIONAL QUALIFICATIONS (CONTINUED)

➤ *Governmental Audit Experience*

DiBartolomeo, McBee, Hartley & Barnes, P.A., through its principals and members, has provided continuous in-depth professional accounting, auditing, and consulting services to local government units, nonprofit organizations, and commercial clients. Our professionals have developed considerable expertise in performing governmental audits and single audits and in preparing governmental financial statements in conformance with continually evolving GASB pronouncements, statements, and interpretations. All of the public sector entities we serve annually are required to be in accordance with GASB pronouncements and government auditing standards. We currently perform several Federal and State single audits in compliance with OMB Circular A-133 and under the Florida Single Audit Act. Our professionals are also experienced in assisting their clients with preparing Comprehensive Annual Financial Reports (GFOA).

All work performed by our firm is closely supervised by experienced certified public accountants. Only our most seasoned CPA's perform consulting services. Some of the professional accounting, auditing, and management consulting services currently provided to our local governmental clients include:

- Annual financial and compliance audits including Single Audits of State and Federal financial assistance programs under OMB A-133 audit criteria and the Florida Single Audit Act
- Assisting in compiling historical financial data for first-time and supplemental submissions for GFOA Certificate of Achievement of Excellence in Financial Reporting
- Audits of franchise fees received from outside franchisees
- Assistance with Implementation of GASB-34
- Internal audit functions
- Fixed assets review and updating cost/depreciation allocations and methods

ADDITIONAL DATA

➤ *Procedures for Ensuring Quality Control & Confidentiality*

Quality control in any CPA firm can never be taken for granted. It requires a continuing commitment to professional excellence. DiBartolomeo, McBee, Hartley & Barnes is formally dedicated to that commitment.

In an effort to continue to maintain the standards of working excellence required by our firm, DiBartolomeo, McBee, Hartley & Barnes, P.A. joined the Quality Review Program of the American Institute of Certified Public Accountants. To be a participating member firm, a firm must obtain an independent compliance review of its quality control policies and procedures to ascertain the firm's compliance with existing auditing standards on the applicable engagements. The scope of peer review is comprehensive in that it specifically reviews the following quality control policies and procedures of the participating firm:

- Professional, economic, and administrative independence
- Assignment of professional personnel to engagements
- Consultation on technical matters
- Supervision of engagement personnel
- Hiring and employment of personnel
- Professional development
- Advancement
- Acceptance and continuance of clients
- Inspection and review system

➤ *Independence*

Independence is a hallmark of our profession. We encourage our staff to use professional judgment in situations where our independence could be impaired or the perception of a conflict of interest might exist. In the governmental sector, public perception is as important as professional standards. Therefore, independent auditors must exercise utmost care in the performance of their duties.

Our firm has provided continuous certified public accounting services in the government sector for 31 years, and we are independent of the Community Development Districts as defined by the following rules, regulations, and standards:

ADDITIONAL DATA (CONTINUED)

➤ *Independence (Continued)*

- Au Section 220 – Statements on Auditing Standards issued by the American Institute of Certified Public Accountants
- ET Sections 101 and 102 – Code of Professional Conduct of the American Institute of Certified Public Accountants
- Chapter 21A-21, Florida Administrative Code
- Section 473.315, Florida Statutes
- Government Auditing Standards, issued by the Comptroller General of the United States

➤ *Computer Auditing Capabilities*

DiBartolomeo, McBee, Hartley & Barnes' strong computer capabilities as demonstrated by our progressive approach to computer auditing and extensive use of microcomputers. Jay McBee is the MIS partner for DMHB. Jay has extensive experience in auditing and evaluating various computer systems and would provide these services in this engagement.

We view the computer operation as an integral part of its accounting systems. We would evaluate the computer control environment to:

- Understand the computer control environment's effect on internal controls
- Conclude on whether aspects of the environment require special audit attention
- Make preliminary determination of comments for inclusion in our management letter

This evaluation includes:

- System hardware and software
- Organization and administration
- Access

Contracts of Similar Nature within References

Client	Years	Annual Audit In Accordance With GAAS	Engagement Partner	Incl. Utility Audit/ Consulting	GFOA Cert.	GASB 34 Implementation & Assistance	Total Hours
St. Lucie County Fire District Karen Russell, Clerk-Treasurer (772)462-2300	1984 - Current	√	Jim Hartley			√	250-300
City of Fort Pierce Johnna Morris, Finance Director (772)-460-2200	2005-current	√	Mark Barnes		√	√	800
Fort Pierce Utilities Authority Nina Hurtubise, Finance Director (772)-466-1600	2005-current	√	Jim Hartley	√	√	√	600
Town of St. Lucie Village Diane Robertson, Town Clerk (772) 595-0663	1999 – current	√	Jim Hartley			√	100
City of Okeechobee Pension Trust Funds Marita Rice, Supervisor of Finance (863)763-9460	1998 – current	√	Jay McBee				60
St. Lucie County Fire District 175 Pension Trust Fund Chris Bushman , Captain (772) 462-2300	1990 – current	√	Jay McBee				60
Tradition Community Development District 1-10 Alan Mishlove, District Finance Manager (407)382-3256	2002 - current	√	Jim Hartley			√	350
Legends Bay Community Development District Patricia Comings-Thibault (321)263-0132	2013-current	√	Jim Hartley				50
Union Park Community Development District Patricia Comings-Thibault (321)263-0132	2013-current	√	Jim Hartley				50
Deer Island Community Development District Patricia Comings-Thibault (321)263-0132	2013-current	√	Jim Hartley				50
Park Creek Community Development District Patricia Comings-Thibault (321)263-0132	2013-current	√	Jim Hartley				50
Waterleaf Community Development District Patricia Comings-Thibault (321)263-0132	2013-current	√	Jim Hartley				50

TECHNICAL APPROACH

a. *An Express Agreement to Meet or Exceed the Performance Specifications.*

1. The audit will be conducted in compliance with the following requirements:
 - a. Rules of the Auditor General for form and content of governmental audits
 - b. Regulations of the State Department of Banking and Finance
 - c. Audits of State and Local Governmental Units-American Institute of Certified Public Accountants.
2. The audit report shall contain the opinion of the auditor in reference to all financial statements, and an opinion reflecting compliance with applicable legal provisions.
3. We will also provide the required copies of the audit report, the management letter, any related reports on internal control weaknesses and one copy of the adjusting journal entries and financial work papers.
4. The auditor shall, at no additional charge, make all related work papers available to any Federal or State agency upon request in accordance with Federal and State Laws and Regulations.
5. We will work in cooperation with the District, its underwriters and bond council in regard to any bond issues that may occur during the term of the contract.
6. The financial statements shall be prepared in conformity with Governmental Accounting Standards Board Statement Number 34, 63 and 65.

We will commit to issuing the audit for each Fiscal year by June 1st of the following year. In order to ensure this we will perform interim internal control testing as required by January 31st from unaudited preliminary general ledgers provided. The remaining testing will be completed no later than May 1st. We will also review all minutes and subsequent needs related to the review of the minutes by January 30th. Follow up review will be completed as necessary.

b. SPECIFIC AUDIT APPROACH

Our partners are not strangers who show up for an entrance conference and an exit conference. We have developed an audit plan that allows the partners to directly supervise our staff in the field. By assigning two partners to the audit, we will have a partner on-site for a significant portion of the fieldwork. This also gives the District an additional contact individual for questions or problems that may arise during the audit.

The scope of our services will include a financial, as well as, a compliance audit of the District’s financial statements. Our audit will be conducted in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Additionally, our audit will be conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local government entity audits performed in the State of Florida.

Our audit approach places emphasis on the accounting information system and how the data is recorded, rather than solely on the verification of numbers on a financial statement. This approach enables us to:

- Maximize our understanding of the District’s operating environment
- Minimize time required conducting the audit since we start with broad considerations and narrow to specific audit objectives in critical areas

Our audit approach consists of four phases encompassing our audit process:

- Planning Phase
- Detailed Audit Phase
- Closing Phase
- Reporting

Planning Phase

Meetings and Expectations:

Our first step in this phase will be to set up a planning meeting with the financial and operating management of Lake Lizzie Community Development District. Our goal here is to eliminate “surprises.” By meeting with responsible officials early on we can discuss significant accounting policies, closing procedures and timetables, planned timing of our audit procedures and expectations of our work. This will also be the starting point for our discussions with management related to *SAS No. 99-Consideration of Fraud in a Financial Statement Audit*. Inquiries will be made regarding managements knowledge of fraud and on management’s views regarding the risk of fraud.

Review Operations and Develop Engagement Plan

It is critical that we understand the District's operating environment. To do this we will obtain and review such items as, organizational charts, recent financial statements, budget information, major contracts and lease agreements. We will also gather other information necessary to increase our understanding of the District's operations, organization, and internal control.

Study and Evaluate Internal Control

As part of general planning, we will obtain an understanding and assessment of the District's control environment. This assessment involves a review of management's operating style, written internal control procedures, and the District's accounting system. The assessment is necessary to determine if we can rely on control procedures and thus reduce the extent of substantive testing.

We then test compliance with established control procedures by ascertaining that the significant strengths within the system are functioning as described to us. Generally, transactions are selected and reviewed in sufficient detail to permit us to formulate conclusions regarding compliance with control procedures and the extent of operation compliance with pertinent laws and regulations. This involves gaining an understanding of the District's procedures, laws and regulations, and testing systems for compliance by examining contracts, invoices, bid procedures, and other documents. After testing controls, we then evaluate the results of those tests and decide whether we can rely on controls and thus reduce other audit procedures.

Conduct Preliminary Analytical Review

Also during the planning stage, we undertake analytical procedures that aid us in focusing our energies in the right direction. We call these analytical reviews.

A properly designed analytical review can be a very effective audit procedure in audits of governmental units. Analytical reviews consist of more than just a comparison of current-year actual results to prior-year actual results. Very effective analytical review techniques include trend analysis covering a number of years and comparisons of information not maintained totally within the financial accounting system, such as per capita information, prevailing market interest rates, housing statistics, etc.

Some examples of effective analytical reviews performed together and/or individually include:

- Comparison of current-year actual results with current-year budget for the current and past years with investigation of significant differences and/or trends
- Trend analysis of the percentage of current-year revenues to current-year rates for the current and previous years with investigation of significant changes in the collection percentage
- Trend analysis of the percentage of expenditures by function for the current and previous years with investigation of significant changes in percentages by department
- Monthly analysis of receipts compared to prior years to detect trends that may have audit implications

Conclusions reached enable us to determine the nature, timing and extent of other substantive procedures.

Detailed Audit Phase

Conduct Final Risk Assessment and Prepare Audit Programs

Risk assessment requires evaluating the likelihood of errors occurring that could have a material affect on the financial statements being audited. The conclusions we reach are based on many evaluations of internal control, systems, accounts, and transactions that occur throughout the audit. After evaluating the results of our tests of control and our final risk assessment we can develop detailed audit programs.

Perform Substantive Tests of Account Balances

These tests are designed to provide reasonable assurance as to the validity of the information produced by the accounting system. Substantive tests involve such things as examining invoices supporting payments, confirmation of balances with independent parties, analytical review procedures, and physical inspection of assets. All significant accounts will be subjected to substantive procedures. Substantive tests provide direct evidence of the completeness, accuracy, and validity of data.

Perform Single Audit Procedures (if applicable)

During the planning phase of the audit we will request and review schedules of expenditures of federal awards and state financial assistance. These schedules will be the basis for our determination of the specific programs we will test.

In documenting our understanding of the internal control system for the financial statement audit, we will identify control activities that impact major federal and state programs as well. This will allow us to test certain controls for the financial audit and the single audit concurrently. We will then perform additional tests of controls for each federal and state program selected for testing. We will then evaluate the results of the test of controls to determine the nature, timing and extent of substantive testing necessary to determine compliance with major program requirements.

Perform Statutory Compliance Testing

We have developed audit programs for Lake Lizzie Community Development District designed to test Florida Statutes as required by the Auditor General. These programs include test procedures such as general inquiries, confirmation from third parties, and examination of specific documents.

Closing Phase

During the closing phase we perform detail work paper reviews, request legal letters, review subsequent events and proposed audit adjustments. Communication with the client is critical in this phase to ensure that the information necessary to prepare financial statements in conformity with accounting principles generally accepted in the United States has been obtained.

Reporting Phase

Financial Statement Preparation

As a local firm, we spend a considerable amount of time on financial statement preparation and support. With this in mind, we can assist in certain portions of the preparation of financial statements or simply review a draft of financials prepared by your staff. We let you determine our level of involvement.

Management Letters

We want to help you solve problems before they become major.

Our management letters go beyond citing possible deficiencies in the District's internal control structures. They identify opportunities for increasing revenues, decreasing costs, improving management information, protecting assets and improving operational efficiency.

The diversity of experience of our personnel and their independent and objective viewpoints make the comments, observations, and conclusions presented in our management letters a valuable source of information. We have provided positive solution-oriented objective recommendations to our governmental clients regarding investments, accounting accuracy, data processing, revenue bonds, payroll, utility billing, purchasing, budgeting, risk management, and internal auditing.

This review ensures the integrity of the factual data in the management letter but does not influence or impair our independence.

Exit Conferences and Delivery of Reports

We anticipate meeting with appropriate District personnel in February and issuing the final required reports by the May meeting of each year.

PROPOSED AUDIT FEE

DiBartolomeo, McBee, Hartley & Barnes P.A. will perform the annual audit of Lake Lizzie Community Development District for the five years as follows:

September 2023	\$ 3,700
September 2024	\$ 3,850
September 2025	\$ 3,950
September 2026	\$ 4,100
September 2027	\$ 4,250

In years of new debt issuance fees may be adjusted as mutually agreed upon.

**BOARD OF SUPERVISORS
MEETING**

MINUTES

**MINUTES OF MEETING
LAKE LIZZIE
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Lake Lizzie Community Development District was held Wednesday, **December 6, 2023** at 12:30 p.m. at the West Osceola Branch Library, 305 Campus Street, Celebration, Florida.

Present and constituting a quorum:

Tony Iorio	Chairman
Rocky Owen	Assistant Secretary
Tom Franklin	Assistant Secretary

Also present were:

Tricia Adams	District Manager, GMS
Sarah Sandy	District Counsel, Kutak Rock

FIRST ORDER OF BUSINESS

Roll Call

Ms. Adams called the meeting to order and called the roll. Three Board members were present constituting a quorum.

SECOND ORDER OF BUSINESS

Public Comment Period

There were no members of the public present for the meeting and there were no members of the public on the Zoom line.

THIRD ORDER OF BUSINESS

**Approval of Minutes of the November 1,
2023, Board of Supervisors Meeting**

Ms. Adams presented the minutes from the November 1, 2023 Board of Supervisors meeting. She noted the minutes have been reviewed by District counsel and District management staff. There were no corrections from Board Members.

On MOTION by Mr. Iorio, seconded by Mr. Franklin, with all in favor, the Minutes of the November 1, 2023 Board of Supervisors Meeting, were approved.

FOURTH ORDER OF BUSINESS

Ratification of Data Sharing & Usage Agreement with Osceola County

Ms. Adams stated that this Agreement is between the district and the county agreeing to hold records exempt from public disclosure and the District will do the same. She noted the Agreement has been executed.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, Ratification of Data Sharing and Usage Agreement with Osceola County.

FIFTH ORDER OF BUSINESS

Appointment of Board of Supervisors as Audit Committee

Ms. Adams asked the Board if they would like the Board of Supervisors appointed as the Audit Committee.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, Appointment of Board of Supervisors as Audit Committee

SIXTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Sandy had nothing to report. Ms. Adams asked if the Board had any questions for Sarah.

B. Engineer

Ms. Adams stated the engineer was not in attendance.

C. District Manager's Report

i. Balance Sheet & Income Statement

Ms. Adams presented the balance sheet that is included in the agenda packet. These are the unaudited financials through the first month of the new fiscal year. She noted the revenue received so far is developer contributions and have received some of the assessments that are direct billed. This is provided for informational purposes and no Board action is required.

ii. Ratification of Funding Requests 16 & 17

Ms. Adams stated these are funding requests for the fiscal year 2024 budget. Funding request number 16 was processed on October 27th in the amount of \$5,470 and funding request 17 was processed on November 10th in the amount of \$605.50.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, Ratification of Funding Requests 16 and 17, were approved.

iii. Ratification of Requisitions No. 1-3

Ms. Adams stated the next two items were ratification of Series 2023 Requestions 1, 2, and 3. She noted there is quite a bit of back up for one of them because it delt with property conveyance. Requisition number 1 was \$6,941, requisition number 2 is in the amount of \$17,590.29, lastly, requestion number 3 was \$2,994,716.29.

On MOTION by Mr. Iorio, seconded by Mr. Franklin, with all in favor, Ratification of Requisitions Number 1-3, were approved.

ELEVENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Owen, seconded by Mr. Franklin, with all in favor, the meeting was adjourned.

Secretary/Assistant Secretary

Chairman/Vice Chairman

SECTION V

SECTION D

SECTION 1

Lake Lizzie
Community Development District

Unaudited Financial Reporting
December 31, 2023



Table of Contents

1	<hr/>	<u>Balance Sheet</u>
2	<hr/>	<u>General Fund</u>
3	<hr/>	<u>Debt Service</u>
4	<hr/>	<u>Capital Projects</u>
5	<hr/>	<u>Month to Month</u>
6	<hr/>	<u>Assessment Receipt Schedule</u>
7	<hr/>	<u>Long-Term Debt</u>

Lake Lizzie
Community Development District
Combined Balance Sheet
December 31, 2023

	<i>General Fund</i>	<i>Debt Service Fund</i>	<i>Capital Projects Fund</i>	<i>Totals Governmental Funds</i>
Assets:				
Operating Account	\$ 401,118	\$ -	\$ -	\$ 401,118
Due from General Fund	\$ -	\$ 240,229	\$ -	\$ 240,229
Investments:				
<u>Series 2023</u>				
Reserve	\$ -	\$ 120,013	\$ -	\$ 120,013
Revenue	\$ -	\$ 1,069	\$ -	\$ 1,069
Construction	\$ -	\$ -	\$ 2,438	\$ 2,438
Cost of Issuance	\$ -	\$ -	\$ 7,100	\$ 7,100
Total Assets	\$ 401,118	\$ 361,311	\$ 9,538	\$ 771,967
Liabilities:				
Accounts Payable	\$ 1,380	\$ -	\$ -	\$ 1,380
Due to Debt Service (Other)	\$ 240,229	\$ -	\$ -	\$ 240,229
Total Liabilities	\$ 241,609	\$ -	\$ -	\$ 241,609
Fund Balance:				
Restricted For:				
Debt Service - Series 2022	\$ -	\$ 361,311	\$ -	\$ 361,311
Capital Projects	\$ -	\$ -	\$ 9,538	\$ 9,538
Unassigned	\$ 159,509	\$ -	\$ -	\$ 159,509
Total Fund Balances	\$ 159,509	\$ 361,311	\$ 9,538	\$ 530,358
Total Liabilities & Fund Balance	\$ 401,118	\$ 361,311	\$ 9,538	\$ 771,967

Lake Lizzie

Community Development District

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

For The Period Ending December 31, 2023

	Adopted	Prorated Budget	Actual	
	Budget	Thru 12/31/23	Thru 12/31/23	Variance
Revenues:				
Assessments - On Roll	\$ 143,523	\$ 143,523	\$ 143,646	\$ 123
Assessments - Direct	\$ 59,042	\$ 29,521	\$ 29,521	\$ -
Developer Contributions	\$ -	\$ -	\$ 8,795	\$ 8,795
Total Revenues	\$ 202,566	\$ 173,044	\$ 181,962	\$ 8,918
Expenditures:				
<i>General & Administrative:</i>				
Supervisors Fees	\$ 12,000	\$ 3,000	\$ 1,200	\$ 1,800
FICA Expense	\$ 918	\$ 230	\$ 92	\$ 138
Engineering	\$ 15,000	\$ 3,750	\$ -	\$ 3,750
Attorney	\$ 25,000	\$ 6,250	\$ 2,302	\$ 3,948
Annual Audit	\$ 5,000	\$ -	\$ -	\$ -
Assessment Administration	\$ 5,000	\$ 5,000	\$ 5,000	\$ -
Arbitrage	\$ 450	\$ -	\$ -	\$ -
Dissemination	\$ 5,000	\$ 1,250	\$ 1,250	\$ -
Trustee Fees	\$ 5,000	\$ -	\$ -	\$ -
Management Fees	\$ 37,500	\$ 9,375	\$ 9,375	\$ -
Information Technology	\$ 1,800	\$ 450	\$ 450	\$ -
Website Maintenance	\$ 1,200	\$ 300	\$ 300	\$ -
Telephone	\$ 300	\$ 75	\$ -	\$ 75
Postage & Delivery	\$ 1,000	\$ 250	\$ 5	\$ 245
Insurance	\$ 6,000	\$ 6,000	\$ 5,000	\$ 1,000
Printing	\$ 1,000	\$ 250	\$ 8	\$ 242
Legal Advertising	\$ 15,000	\$ 3,750	\$ 503	\$ 3,247
Contingency	\$ 3,938	\$ 985	\$ 24	\$ 961
Office Supplies	\$ 625	\$ 156	\$ 0	\$ 156
Travel Per Diem	\$ 660	\$ 165	\$ -	\$ 165
Dues, Licenses & Subscriptions	\$ 175	\$ 175	\$ 175	\$ -
Total General & Administrative:	\$ 142,566	\$ 41,410	\$ 25,684	\$ 15,726
<i>Operation and Maintenance</i>				
Field Expenditures				
Field Management	\$ 10,000	\$ 2,500	\$ -	\$ 2,500
Pond Mowing	\$ 30,000	\$ 7,500	\$ -	\$ 7,500
Pond Maintenance	\$ 10,000	\$ 2,500	\$ 1,656	\$ 844
Contingency	\$ 10,000	\$ 2,500	\$ -	\$ 2,500
Subtotal	\$ 60,000	\$ 15,000	\$ 1,656	\$ 13,344
Total O&M Expenditures:	\$ 60,000	\$ 15,000	\$ 1,656	\$ 13,344
Total Expenditures	\$ 202,566	\$ 56,410	\$ 27,340	\$ 29,070
Excess Revenues (Expenditures)	\$ -		\$ 154,622	
Fund Balance - Beginning	\$ -		\$ 4,887	
Fund Balance - Ending	\$ -		\$ 159,509	

Lake Lizzie

Community Development District

Debt Service Fund - Series 2023

Statement of Revenues, Expenditures, and Changes in Fund Balance

For The Period Ending December 31, 2023

	Adopted Budget	Prorated Budget Thru 12/31/23	Actual Thru 12/31/23	Variance
Revenues:				
Assessments	\$ -	\$ -	\$ 240,229	\$ 240,229
Interest	\$ -	\$ -	\$ 1,607	\$ 1,607
Total Revenues	\$ -	\$ -	\$ 241,836	\$ 241,836
Expenditures:				
Interest Expense 11/1	\$ -	\$ -	\$ 58,965	\$ (58,965)
Total Expenditures	\$ -	\$ -	\$ 58,965	\$ (58,965)
Other Financing Sources:				
Transfer In/(Out)	\$ -	\$ -	\$ (1,893)	\$ 1,893
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ (1,893)	\$ 1,893
Excess Revenues (Expenditures)	\$ -	\$ -	\$ 180,979	
Fund Balance - Beginning	\$ -	\$ -	\$ 180,333	
Fund Balance - Ending	\$ -	\$ -	\$ 361,311	

Lake Lizzie
Community Development District
Capital Projects Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
For The Period Ending December 31, 2023

	Adopted Budget	Prorated Budget Thru 12/31/23	Actual Thru 12/31/23	Variance
Revenues:				
Interest	\$ -	\$ -	\$ 94	\$ 94
Total Revenues	\$ -	\$ -	\$ 94	\$ 94
Expenditures:				
Capital Outlay-Construction	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ -	\$ -	\$ -	\$ -
Other Financing Sources:				
Transfer In/(Out)	\$ -	\$ -	\$ 2,438	\$ (2,438)
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ 2,438	\$ (2,438)
Excess Revenues (Expenditures)	\$ -	\$ -	\$ 2,532	
Fund Balance - Beginning	\$ -		\$ 7,006	
Fund Balance - Ending	\$ -		\$ 9,538	

Lake Lizzie
Community Development District
Month to Month

	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sept	Total
Revenues:													
Assessment - On Roll	\$ -	\$ -	\$ 143,645.57	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 143,645.57
Assessment - Direct	\$ 29,521	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,521
Developer Contributions	\$ 8,795	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,795
Total Revenues	\$ 38,316	\$ -	\$ 143,646	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 181,962
Expenditures:													
General & Administrative:													
Supervisor Fees	\$ -	\$ -	\$ 1,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,200
FICA Expenditures	\$ -	\$ -	\$ 92	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 92
Engineering	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Attorney	\$ 2,302	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,302
Annual Audit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Assessment Administration	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000
Arbitrage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Disemination Fees	\$ 417	\$ 417	\$ 417	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,250
Trustee Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Management Fees	\$ 3,125	\$ 3,125	\$ 3,125	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,375
Information Technology	\$ 150	\$ 150	\$ 150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 450
Website Maintenance**	\$ 100	\$ 100	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300
Telephone	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Postage & Delivery	\$ 1	\$ 1	\$ 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5
Insurance	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000
Printing	\$ 2	\$ 4	\$ 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8
Legal Advertising	\$ -	\$ 227	\$ 276	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 503
Contingency	\$ 8	\$ 8	\$ 8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24
Office Supplies	\$ 0	\$ 0	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0
Travel Per Diem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dues, Licenses & Subscriptions	\$ 175	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 175
Total General & Administrative:	\$ 16,280	\$ 4,032	\$ 5,372	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,684
Operation and Maintenance													
Field Expenses													
Field Management	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pond Mowing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pond Maintenance	\$ 552	\$ 552	\$ 552	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,656
Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ 552	\$ 552	\$ 552	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,656
Total Expenditures	\$ 16,832	\$ 4,584	\$ 5,924	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,340
Excess Revenues (Expenditures)	\$ 21,484	\$ (4,584)	\$ 137,722	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 154,622

Lake Lizzie
COMMUNITY DEVELOPMENT DISTRICT
Special Assessment Receipts
Fiscal Year 2024

ON ROLL ASSESSMENTS

Gross Assessments	\$	152,684.61	\$	255,346.14	\$	408,030.75
Net Assessments	\$	143,523.53	\$	240,025.37	\$	383,548.91

<i>Date</i>	<i>Distribution</i>	<i>Gross Amount</i>	<i>Discount/Penalty</i>	<i>Commission</i>	<i>Interest</i>	<i>Net Receipts</i>	<i>General Fund</i>	<i>Debt Service</i>	<i>Total</i>
							37%	63%	100%
12/8/23	ACH	\$ 65,946.90	\$ (2,637.90)	\$ (1,266.18)		\$ 62,042.82	\$ 23,216.35	\$ 38,826.47	\$ 62,042.82
12/21/23	ACH	\$342,083.85	\$ (13,683.63)	\$ (6,568.00)		\$ 321,832.22	\$ 120,429.22	\$ 201,403.00	\$ 321,832.22
	Total	\$408,030.75	\$ (16,321.53)	\$ (7,834.18)	\$ -	\$ 383,875.04	\$ 143,645.57	\$ 240,229.47	\$ 383,875.04

	100%	Net Percent Collected
\$ -		Balance Remaining to Collect

Lake Lizzie

Community Development District

Long Term Debt Report

Series 2023, Special Assessment Revenue Bonds	
Interest Rate:	4.500%, 4.600%, 5.300%, 5.500%
Maturity Date:	5/1/2053
Reserve Fund Definition	50% of Maximum Annual Debt Service
Reserve Fund Requirement	\$120,013
Reserve Fund Balance	\$120,013
Bonds Outstanding - 07/07/2023	\$3,535,000
Current Bonds Outstanding	\$3,535,000