



Community Development District

Board of Supervisors

Special Meeting & Public Hearings

July 10, 2023 at 8:30 AM

505 Whiskey Creek Drive, Marco Island, FL 34145

Anyone wishing to listen and participate in the meeting can do so by calling
1-888-468-1195, Participant Pin 636522.

Additionally, participants are encouraged to submit questions and comments to the District Manager in advance to facilitate the Board's consideration of such questions and comments during the meeting.

The agenda is as follows:

1. Call to Order/Roll Call
2. Approval of Agenda
3. Public Comments
4. Consideration of Resolution 2023-10, to Reset the Date of the Public Hearing on the Proposed Budget for Fiscal Year 2023-24
5. Public Hearing on Adopting Final Fiscal Year 2023-2024 Budget
 - a. Open Public Hearing on Final Fiscal Year 2024 Budget
 - b. Staff Presentations
 - c. Public Comments
 - d. Consideration of Resolution 2023-07, Adopting a Fiscal Year 2024 Final Budget
 - e. Close Public Hearing on Fiscal Year 2024 Final Budget
6. Public Hearing on Levying O&M Assessments
 - a. Open Public Hearing on Levying O&M Assessments
 - b. Staff Presentations
 - c. Public Comments
 - d. Consideration of Resolution 2023-08, Levying and Imposing Non-Ad Valorem Maintenance Special Assessments
 - e. Close Public Hearing on Levying O&M Assessments
7. Approval of Minutes
 - a. April 19, 2023 Regular Meeting Minutes
8. Old Business
 - a. District Bank Account Restructuring
9. New Business
 - a. Resolution 2023-09, Setting Fiscal Year 2023-2024 Meeting Calendar

- b. Gate Operator Replacement Proposal
- c. Gate Powder Coating and Pineapple Design Proposal
- d. Damaged Exit Gate Replacement Proposal
- 10. Attorney Report
- 11. Engineer Report
 - a. Bridge/Streetlight Painting Quote Update
 - b. Pavement Repair Update
- 12. Supervisors' Requests
- 13. District Manager Report
 - a. Acceptance of Fiscal Year 2021-2022 Annual Financial Report
 - b. Acceptance of Financials Ending May 31, 2023
 - c. Bridge Solar Streetlight Conversion Project
 - d. Roadway Usage Study Report Update
- 14. Public Comments
- 15. Adjournment

RESOLUTION 2023-10

A RESOLUTION OF THE BOARD OF SUPERVISORS OF KEY MARCO COMMUNITY DEVELOPMENT DISTRICT AMENDING RESOLUTION 2023-06 TO RESET THE DATE OF THE PUBLIC HEARING ON THE PROPOSED BUDGET FOR FISCAL YEAR 2023-24; RATIFYING THE ACTION OF THE DISTRICT MANAGER TO PROVIDE NOTICE THEREOF; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the District Manager has previously prepared and submitted a proposed budget to the Board of Supervisors (“**Board**”) of Key Marco Community Development District (“**District**”) for Fiscal Year 2023-24; and

WHEREAS, on April 19, 2023 at a duly noticed public meeting, the Board adopted Resolution 2023-06 approving the Fiscal Year 2023-24 Proposed Budget and set a hearing thereon pursuant to Florida law for Wednesday, June 21, 2023 8:30 a.m., at Key Marco Community Center, 505 Whiskey Creek Drive, Marco Island, Florida 34145; and

WHEREAS, the Board was unable to obtain a quorum necessary to conduct business and desires to change the date of the public hearing to July 10, 2023 at 8:30 a.m.; and

WHEREAS, the District Manager reset the public hearing on the Fiscal Year 2023-24 Budget to July 10, 2023 at 8:30 a.m., at Key Marco Community Center, 505 Whiskey Creek Drive, Marco Island, Florida 34145; and

WHEREAS, to set the new budget hearing, the District Manager caused additional notice of the public hearing to be given pursuant to Chapters 190 and 197 of the Florida Statutes and other applicable law; and

WHEREAS, the Board now desires to ratify the District Manager’s action in resetting the public hearing.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF KEY MARCO COMMUNITY DEVELOPMENT DISTRICT;

SECTION 1. RECITALS. The foregoing recitals are true and correct and incorporated herein as if written into this Section.

SECTION 2. AMENDED PUBLIC HEARING. Resolution 2023-06 is hereby amended to reflect that the public hearing as declared in Resolution 2023-06 is reset to the following:

DATE: July 10, 2023
HOUR: 8:30 a.m.
LOCATION: Key Marco Community Center

505 Whiskey Creek Drive
Marco Island, Florida 34145

The District Manager's actions in causing publication of the notice of the public hearing in accordance with Florida law, with the new date and time, are hereby ratified.

SECTION 3. SEVERABILITY. Should any sentence, section, clause, part or provision of this Resolution be declared by a court of competent jurisdiction to be invalid, the same shall not affect the validity of this Resolution as a whole, or any part thereof, other than the part declared invalid.

SECTION 4. CONFLICTS. All Sections or parts of Sections of any Resolutions or actions of the Board in conflict are hereby repealed to the extent of such conflict.

SECTION 5. EFFECTIVE DATE. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED this 10th day of July, 2023, by the Board of Supervisors of Key Marco Community Development District, Collier County, Florida.

Attest:

**KEY MARCO COMMUNITY
DEVELOPMENT DISTRICT**

Joshua Carter, Secretary

Mary Beth Schewitz, Chair

***PRELIMINARY - BUDGET
FISCAL YEAR 2022-2023***

***KEY MARCO
COMMUNITY DEVELOPMENT DISTRICT***

April 19, 2023

DRAFT #2 Approved
April 19, 2023 KM CDD
Board of Supervisors

KEY MARCO

Community Development District

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KEY MARCO

Community Development District

General Fund

DESCRIPTION	Adopted Budget FY 2022-2023	Actual Thru 3/31/2023	Projected Next 6 Months	Total Projected 9/30/2023	Proposed Budget FY 2023-2024
REVENUES					
Maintenance Assessments - Levy	\$214,400	\$174,492	\$39,908	\$214,400	\$214,400
Maintenance Assessments - Discounts (4%)	(\$8,040)	(\$4,692)	(\$3,348)	(\$8,040)	(\$8,040)
Road Use Fee	\$5,000	\$3,942	\$1,377	\$5,319	\$5,000
Interest Income	\$500	\$261	\$239	\$500	\$500
FEMA Proceeds	\$0	\$0	\$47,720	\$47,720	\$0
Miscellaneous Income	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$211,860	\$174,004	\$85,896	\$259,899	\$211,860
EXPENDITURES					
Administrative					
Supervisors Fees	\$5,000	\$3,000	\$2,000	\$5,000	\$5,000
Fica Taxes	\$0	\$0	\$0	\$0	\$0
Engineering Fees	\$9,000	\$6,695	\$5,000	\$11,695	\$15,000
Attorney Fees	\$5,000	\$5,917	\$3,000	\$8,917	\$7,000
Management Fees	\$10	\$0	\$10	\$10	\$10
Property Appraiser Admin Costs	\$1,020	\$547	\$0	\$547	\$800
Assessments Rolls	\$1,000	\$1,000	\$0	\$1,000	\$1,000
Tax Collector (2% Commission)	\$5,098	\$3,988	\$798	\$4,786	\$4,300
Accounting Services	\$0	\$0	\$0	\$0	\$0
Audit Fees	\$5,000	\$0	\$5,700	\$5,700	\$6,000
Postage	\$0	\$16	\$0	\$16	\$0
Rentals & Leases	\$360	\$350	\$350	\$700	\$900
Insurance - General Liability	\$30,922	\$30,309	\$920	\$31,229	\$44,207
Legal Advertising	\$1,000	\$1,722	\$812	\$2,534	\$2,500
Bank Fees	\$0	\$0	\$0	\$0	\$0
Transcribing Costs	\$1,000	\$0	\$400	\$400	\$500
Computer Support	\$600	\$440	\$160	\$600	\$600
Office Supplies	\$300	\$0	\$0	\$0	\$300
Road Use Fee Study	\$0	\$0	\$0	\$0	\$5,000
Dues, Licenses, Subscriptions	\$175	\$175	\$0	\$175	\$175
TOTAL ADMINISTRATIVE	\$65,485	\$54,159	\$19,150	\$73,309	\$93,292
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Capital Expenditures & Projects					
Roads	\$50,000	\$0	\$0	\$0	\$45,000
Solar Streetlighting	\$12,000	\$0	\$0	\$0	\$12,000
Bridge Reserves	\$18,000	\$0	\$0	\$0	\$18,000
Bridge Inspection Reserves	\$5,000	\$18,809	\$0	\$18,809	\$5,000
Bridge Painting	\$27,000	\$0	\$27,000	\$27,000	\$0
Gatehouse Gates	\$0	\$0	\$0	\$0	\$5,000
Gatehouse Paver Replacement	\$20,000	\$0	\$0	\$0	\$0
Gate Operator Replacement	\$0	\$0	\$0	\$0	\$28,000
TOTAL CAPITAL EXPENDITURES & PROJECTS	\$132,000	\$18,809	\$27,000	\$45,809	\$113,000

KEY MARCO

Community Development District

General Fund

DESCRIPTION	Adopted Budget FY 2022-2023	Actual Thru 3/31/2023	Projected Next 6 Months	Total Projected 9/30/2023	Proposed Budget FY 2023-2024
Lighting					
Utilities-Electric	\$0	\$0	\$0	\$0	\$0
R&M - General	\$0	\$0	\$0	\$0	\$0
Misc.-Holiday Lighting	\$0	\$0	\$0	\$0	\$0
TOTAL LIGHTING	\$0	\$0	\$0	\$0	\$0
Access Control					
Contractual Services	\$0	\$0	\$0	\$0	\$0
Utilities-Electric	\$0	\$0	\$0	\$0	\$0
R&M-Gate	\$0	\$0	\$0	\$0	\$0
R&M-Gatehouse	\$0	\$0	\$0	\$0	\$0
Operating Supplies-General	\$0	\$0	\$0	\$0	\$0
TOTAL ACCESS CONTROL	\$0	\$0	\$0	\$0	\$0
Road Maintenance					
Repairs & Maintenance Catch Basins & Culverts	\$12,000	\$0	\$6,000	\$6,000	\$5,000
TOTAL FIELD	\$12,000	\$0	\$6,000	\$6,000	\$5,000
Hurricane Ian Expenses					
Misc - FEMA Expenses	\$0	\$47,720	\$0	\$47,720	\$0
Total Hurricane Ian Expenses	\$0	\$47,720	\$0	\$47,720	\$0
TOTAL EXPENDITURES	\$209,485	\$120,687	\$52,150	\$125,117	\$211,292
EXCESS REVENUES (EXPENDITURES)	\$2,375	\$53,317	\$33,745	\$134,782	\$568
NET CHANGE IN FUND BALANCE	\$2,375	\$53,317	\$33,745	\$134,782	\$568
FUND BALANCE - BEGINNING	\$766,417	\$766,417	\$0	\$766,417	\$901,199
FUND BALANCE - ENDING	\$768,792	\$819,734	\$33,745	\$901,199	\$901,767

Net Assessment	\$205,824
Discounts 4%	\$8,576
Gross Assessment	\$214,400

<u>Unit Type</u>	<u># of Units</u>	<u>Gross Per Unit</u>	<u>Gross Total</u>
Single Family Home	134	\$1,600	\$214,400
	134		\$214,400

REVENUES:

Interest Income

The District earns interest on the monthly average collected balance for their money market account and operating account.

Special Assessments-Levy

The District will levy a non ad-valorem special assessment on all taxable property within the District to fund all of the General Operating Expenditures for the fiscal year.

Special Assessments-Discounts

Per Section 197.162, Florida Statutes, discounts are allowed for early payment of assessments up to a maximum of 4%.

EXPENDITURES:

Administrative:

Supervisor Fees

The Florida Statutes allows each board member to receive \$200 per meeting not to exceed \$5,000 in one year. The amount for the fiscal year is based upon all 5 supervisors attending the estimated 5 meetings.

Engineering Fees

The District's engineer will be providing general engineering services to the District including attendance and preparation for board meetings, etc.

Attorney

The District's legal counsel will be providing general legal services to the District, i.e., attendance and preparation for monthly meetings, review operating and maintenance contracts, etc.

Management Fees

The District receives Management and Administrative services as part of a Management Agreement with Key Marco Association Inc.

Property Appraiser

The Property Appraiser provides the District with a listing of the legal description of each property parcel within the District boundaries, and the names and addresses of the owners of such property. The District reimburses the Property Appraiser for necessary administrative costs incurred to provide this service. Per the Florida Statutes, administrative costs shall include, but not be limited to, those costs associated with personnel, forms, supplies, data processing, computer equipment, postage, and programming.

Assessment Roll Costs

Administrative costs for preparation of the District's assessment roll are prepared by AJC Associates, Inc. The annual fee for fiscal year 2022– 2023 is \$1,000.

Assessment Roll Costs

The District reimburses the Tax Collector for her or his necessary administrative costs. Per the Florida Statutes, administrative costs shall include, but not be limited to, those costs associated with personnel, forms, supplies, data processing, computer equipment, postage, and programming. The District also compensates the Tax Collector for the actual cost of collection or 2.0% on the amount of special assessments collected and remitted, whichever is greater. The budget for collection costs was based on a maximum of 2.0% of the anticipated assessment collections.

Annual Audit

The District is required annually to conduct an audit of its financial records by an Independent Certified Public Accounting Firm.

Rentals and Leases

Storage of District public records.

Insurance

The District's General Liability, Commercial Property & Public Officials Liability Insurance policy is with Public Risk Insurance Agency. The Public Risk Insurance Agency provides insurance coverage to governmental agencies.

Legal Advertising

The District is required to advertise various notices for monthly Board meetings, public hearings, etc. in a newspaper of general circulation.

Transcribing Costs

Printing and Binding agenda packages for board meetings, printing of computerized checks, stationary, envelopes etc. The District also receives Transcription services from Pam Arsenault for meeting and landowner minutes.

Computer Support

The District is mandated to post on the internet the approved and adopted budgets, minutes and audits per State requirements. This service includes Website hosting and annual domain renewal.

Office Supplies

Miscellaneous office supplies.

Road Use Fee Study

The District is responsible for periodically updating the Road Use Fee Study Methodology and must engage consulting services to update the study.

Dues, Licenses & Subscriptions

The District is required to pay an annual fee to the Department of Economic Opportunity for \$175. This is the only expense under this category for the District.

KEY MARCO

Community Development District

EXHIBIT "A"

Allocation of Fund Balances

<u>AVAILABLE FUNDS</u>	<u>AMOUNT</u>
Beginning Fund Balance - Fiscal Year 2023	<u>\$901,199</u>
Net Change in Fund Balance - Fiscal Year 2022	\$0
Reserves - Fiscal Year 2022 Additions	\$0
TOTAL FUNDS AVAILABLE (ESTIMATED) - 9/30/2023	\$901,199
 <u>ALLOCATION OF AVAILABLE FUNDS</u>	
Assigned Fund Balance	
Operating Reserve - First Quarter Operating Capital	\$121,183
	Subtotal <u>\$121,183</u>
TOTAL ALLOCATION OF AVAILABLE FUNDS	\$121,183
TOTAL UNAASIGNED (UNDESIGNATED) CASH	\$780,016

RESOLUTION 2023-07

A RESOLUTION OF THE BOARD OF SUPERVISORS OF KEY MARCO COMMUNITY DEVELOPMENT DISTRICT RELATING TO THE ANNUAL APPROPRIATIONS OF THE DISTRICT AND ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2023 AND ENDING SEPTEMBER 30, 2024, AND REFERENCING THE MAINTENANCE AND BENEFIT SPECIAL ASSESSMENTS TO BE LEVIED BY THE DISTRICT FOR SAID FISCAL YEAR; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the District Manager has, prior to June 15, 2023, submitted to the Board of Supervisors (the “**Board**”) a proposed budget for the next ensuing budget year along with an explanatory and complete financial plan for each fund of Key Marco Community Development District (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 annual budget and any proposed long-term financial plan or program of the District for future operations (the “**Proposed Budget**”) the District filed a copy of the Proposed Budget with the general purpose 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, District further posted the Proposed Budget on its website as required pursuant to Section 189.016, Florida Statutes; and

WHEREAS, the Board set July 10, 2023, as the date for 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, Section 190.008(2)(a), Florida Statutes requires that, prior to October 1 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 on a Cash Flow Budget basis, 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; and

WHEREAS, Section 190.021, Florida Statutes provides that the Annual Appropriation Resolution shall also fix the Maintenance Special Assessments and Benefit Special Assessments upon each piece of property within the boundaries of the District benefited, specifically and peculiarly, by the maintenance and/or capital improvement programs of the District, such levy representing the amount of District assessments necessary to provide for payment during the ensuing budget year of all properly authorized expenditures to be incurred by the District, including principal and interest of special revenue, capital improvement and/or benefit assessment bonds, in order for the District to exercise its various general and special powers to implement its single and specialized infrastructure provision purpose; and

WHEREAS, the Board finds and determines that the non-ad valorem special assessments it imposes and levies by this Resolution for maintenance on the parcels of property involved will constitute a mechanism by which the property owners lawfully and validly will reimburse the District for those certain special and peculiar benefits the District has determined are received by, and flow to, the parcels of property from the systems, facilities and services being provided, and that the special and peculiar benefits are apportioned in a manner that is fair and reasonable in accordance with applicable assessment methodology and related case law; and

WHEREAS, the Chair of the Board may designate the District Manager or other person to certify the non-ad valorem assessment roll to the Tax Collector in and for Collier County political subdivision on compatible electronic medium tied to the property identification number no later than September 15, 2023 so that the Tax Collector may merge that roll with others into the collection roll from which the November tax notice is to be printed and mailed; and

WHEREAS, the proceeds from the collections of these imposed and levied non-ad valorem assessments shall be paid to the District; and

WHEREAS, the Tax Collector, under the direct supervision of the Florida Department of Revenue performs the state work in preparing, mailing out, collecting and enforcing against delinquency the non-ad valorem assessments of the District using the Uniform Collection Methodology for non-ad valorem assessments; and

WHEREAS, if the Property Appraiser and the Tax Collector have adopted a different technological procedure for certifying and merging the rolls, then that procedure must be worked out and negotiated with Board approval through the auspices of the District Manager before there are any deviations from the provisions of Section 197.3632, Florida Statutes, and Rule 12D-18, Florida Administrative Code.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF KEY MARCO COMMUNITY DEVELOPMENT DISTRICT;

Section 1. Recitals. The foregoing recitals are true and correct and incorporated herein by reference.

Section 2. Budget.

a. The Board has reviewed the District Manager’s Proposed Budget, a copy of which is on file with the office of the District Treasurer and the office of the Recording Secretary, and is hereby attached to this Resolution, and hereby approves certain amendments thereto, as referenced herein.

b. The District Manager’s Proposed Budget, as amended by the Board, is adopted hereby in accordance with the provisions of Section 190.008(2)(a), Florida Statutes and incorporated herein by reference; provided, however, that the comparative figures contained in the adopted budget may be revised subsequently as deemed necessary by the District Manager to reflect actual revenues and expenditures for Fiscal Year 2022-23 and/or revised projections for Fiscal Year 2023-24.

c. The adopted budget, as amended, shall be maintained in the office of the District Treasurer and the District Recording Secretary and identified as “The Budget for Key Marco Community Development District for the Fiscal Year Ending September 30, 2024”, as adopted by the Board of Supervisors on July 10, 2023.

Section 3. Appropriations. There is hereby appropriated out of the revenues of the District, for the Fiscal Year beginning October 1, 2023, and ending September 30, 2024 the sum of _____ (\$ _____) to be raised by the applicable imposition and levy by the Board of applicable non-ad valorem special assessments and otherwise, which sum is deemed by the Board of Supervisors 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	\$ _____
Total All Funds	\$ _____

Section 4. Supplemental Appropriations. The Board may authorize by resolution supplemental appropriations or revenue changes for any lawful purpose from funds on hand or estimated to be received within the fiscal year as follows:

- a. The Board may authorize a transfer of the unexpended balance or portion thereof of any appropriation item.
- b. The Board may authorize an appropriation from the unappropriated balance of any fund.
- c. The Board may increase any revenue or income budget account to reflect receipt of any additional unbudgeted monies and make the corresponding change to appropriations or the unappropriated balance.

The District Manager and Treasurer shall have the power within a given fund to authorize the transfer of any unexpended balance of any appropriation item or any portion thereof, provided such transfers do not exceed Ten Thousand (\$10,000) Dollars or have the effect of causing more than 10% of the total appropriation of a given program or project to be transferred previously approved transfers included. Such transfer shall not have the effect of causing a more than \$10,000 or 10% increase, previously approved transfers included, to the original budget appropriation for the receiving program. Transfers within a program or project may be approved by the applicable department director and the District Manager or Treasurer. The District Manager or Treasurer must establish administrative procedures, which require information on the request forms proving that such transfer requests comply with this section.

Section 5. Maintenance Special Assessment Levy: Fixed and Referenced and to be Levied by the Board.

a. The Fiscal Year 2023-24 Maintenance Special Assessment Levy (the “Assessment Levy”) for the assessment upon all the property within the boundaries of the District based upon the special and peculiar benefit received and further based upon reasonable and fair apportionment of the special benefit, shall be in accordance with the attached Exhibit “A”, which levy represents the amount of District assessments necessary to provide for payment during the aforementioned budget year of all properly authorized expenditures to be incurred by the District, including principal and interest of special revenue, capital improvement and/or benefit assessment bonds. The Assessment Levy shall be distributed as follows:

General Fund O & M	\$ _____
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b. The designee of the Chair of the Board shall be the Manager or the Treasurer of the District designated to certify the non-ad valorem assessment roll to the Tax Collector in and for the Collier County

political subdivision, in accordance with applicable provisions of State law (Chapters 170, 190 and 197, Florida Statutes) and applicable rules (Rule 12D-18, Florida Administrative Code) which shall include not only the maintenance special assessment levy but also the total for the debt service levy, as required by and pursuant to law.

Section 6. Effective Date. This Resolution shall be effective immediately upon its adoption.

PASSED AND ADOPTED at a meeting of the Board of Supervisors of Key Marco Community Development District this 10th day of July, 2023.

Attest:

**KEY MARCO COMMUNITY
DEVELOPMENT DISTRICT**

Joshua Carter, Secretary

Mary Beth Schewitz, Chair

Exhibit “A”

RESOLUTION 2023-08

A RESOLUTION OF THE BOARD OF SUPERVISORS OF KEY MARCO COMMUNITY DEVELOPMENT DISTRICT LEVYING AND IMPOSING NON-AD VALOREM MAINTENANCE SPECIAL ASSESSMENTS FOR KEY MARCO COMMUNITY DEVELOPMENT DISTRICT AND CERTIFYING AN ASSESSMENT ROLL FOR FISCAL YEAR 2023-24; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR CONFLICT AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Key Marco Community Development District (the “**District**”) is a local unit of special-purpose government established pursuant to Chapter 190, Florida Statutes for the purpose of providing, operating and maintaining infrastructure improvements, facilities and services to the lands within the District; and

WHEREAS, the District is located in the City of Marco Island in Collier County, Florida (the “**County**”); and

WHEREAS, the District has constructed or acquired certain public improvements within the District and provides certain services in accordance with Chapter 190, Florida Statutes; and

WHEREAS, the Board of Supervisors of the District (“**Board**”) hereby determines to undertake various operations and maintenance activities described in the District’s general fund budget for Fiscal Year 2023-24 attached hereto as Exhibit “A” and incorporated by reference herein (“**Operations and Maintenance Budget**”); and

WHEREAS, the District must obtain sufficient funds to provide for the operation and maintenance of the services and facilities provided by the District as described in the Operations and Maintenance Budget for Fiscal Year 2023-24; and

WHEREAS, the provision of such services, facilities, and operations is a benefit to lands within the District; and

WHEREAS, Chapter 190, Florida Statutes, provides that the District may impose special assessments on benefited lands within the District; and

WHEREAS, Chapter 197, Florida Statutes, provides a mechanism pursuant to which such special assessments may be placed on the tax roll and collected by the local tax collector (“**Uniform Method**”); and

WHEREAS, the District has previously evidenced its intention to utilize the Uniform Method; and

WHEREAS, the District has approved an Agreement with the Property Appraiser and Tax Collector of the County to provide for the collection of the special assessments under the Uniform Method; and

WHEREAS, the Board finds that the District's total Operations and Maintenance special assessments, taking into consideration other revenue sources during Fiscal Year 2023-24 (defined as October 1, 2023 through September 30, 2024), will amount to \$ _____; and

WHEREAS, the Board finds that the non-ad valorem special assessments it levies and imposes by this resolution for operation and maintenance on the parcels of property involved will reimburse the District for certain special and peculiar benefits received by the property flowing from the maintenance of the improvements, facilities and services apportioned in a manner that is fair and reasonable, in accordance with the applicable assessment methodology as adopted by the District; and

WHEREAS, it is in the best interests of the District to proceed with the imposition of the special assessments; and

WHEREAS, it is in the best interests of the District to adopt the Assessment Roll of the District (the "**Assessment Roll**") attached to this Resolution as Exhibit "B" and incorporated as a material part of this Resolution by this reference, and to certify the Assessment Roll to the County Tax Collector pursuant to the Uniform Method; and

WHEREAS, it is in the best interests of the District to permit the District Manager to amend the Assessment Roll, certified to the County Tax Collector by this Resolution, as the Property Appraiser updates the property roll for the County, for such time as authorized by Florida law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF KEY MARCO COMMUNITY DEVELOPMENT DISTRICT OF COLLIER COUNTY, FLORIDA;

Section 1. Recitals. The foregoing recitals are true and correct and incorporated herein by reference.

Section 2. Benefit. The provision of the services, facilities, and operations as described in Exhibit "A" confer a special and peculiar benefit to the lands within the District, which benefits exceed or equal the costs of the Assessments (as defined below). The allocation of the costs to the specially benefitted lands is shown in Exhibits "A" and "B".

Section 3. Assessment Imposition. A special assessment for operations and maintenance as provided for in Chapter 190, Florida Statutes is hereby imposed and levied on the benefitted lands within the District in accordance with Exhibits "A" and "B" (the "**Assessments**"). The lien of the Assessments imposed and levied by this Resolution shall be effective upon passage of this Resolution.

Section 4. Collection. The collection of the Assessments shall be at the same time and in the same manner as County taxes in accordance with the Uniform Method.

Section 5. Assessment Roll. The District's Assessment Roll, attached to this Resolution as Exhibit "B," is hereby certified to the County Tax Collector and shall be collected by the County Tax Collector in the same manner and time as County taxes. The proceeds therefrom shall be paid to Key Marco Community Development District. The Chair of the Board designates the District Manager to perform the certification duties. A copy of this Resolution be transmitted to the proper public officials so that its purpose and effect may be carried out in accordance with law.

Section 6. Assessment Roll Amendment. The District Manager shall keep apprised of all updates made to the County property tax roll by the Property Appraiser after the date of this Resolution, and shall amend the District's Assessment Roll in accordance with any such updates, for such time as authorized by

Florida law, to the County property tax roll. After any amendment of the Assessment Roll, the District Manager shall file the updates to the property tax roll in the District records.

Section 7. Conflict. All Resolutions, sections or parts of sections of any Resolutions or actions of the Board in conflict are hereby repealed to the extent of such conflict.

Section 8. Severability. The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

Section 9. Effective Date. This Resolution shall take effect upon the passage and adoption of this Resolution by the Board of the District.

PASSED AND ADOPTED at a meeting of the Board of Supervisors of Key Marco Community Development District this 10th day of July, 2023.

Attest:

**KEY MARCO COMMUNITY
DEVELOPMENT DISTRICT**

Joshua Carter, Secretary

Mary Beth Schewitz, Chair

Exhibit “A”

Exhibit “B”

**Key Marco Community Development District
FY 2023-2024 Assessment Roll**

O&M on

Folio	2023 tax bill	Name	Legal1	Legal2
50940000107	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	TRACT F (NATIVE HABITAT PARK)
50940000204	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	TRACT G (NATIVE HABITAT PARK)
50940000301	\$ -	KEY MARCO CMNTY DEV DIST	HORR'S ISLAND AKA KEY MARCO	TRACT H-1 (R/W)
50940000408	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	TRACT H-2 (ACCESS ROAD)
50940000505	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	TRACT I (NATIVE HABITAT PARK)
50940000602	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	TRACT L (NATIVE HABITAT PARK)
50940000709	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	TRACT M (NATIVE HABITAT PARK)
50940000806	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	TRACT N (NATIVE HABITAT PARK)
50940000903	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	TRACT O (NATIVE HABITAT PARK)
50940001009	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	TRACT P (NATIVE HABITAT PARK)
50940001106	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	TRACT Q (NATIVE HABITAT PARK)
50940001203	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	TRACT R (NATIVE HABITAT PARK)
50940001452	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	TRACT S (DOCKMASTER FACILITY)
50940001559	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	TRACT T (REC PARCEL)
50940001656	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	TRACT U (REC PARCEL)
50940001753	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	TRACT V (NATIVE HABITAT PARK)
50940001850	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	TRACT W (NATIVE HABITAT PARK)
50940001957	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	TRACT X (REC PARCEL)
50940002053	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	TRACT Y (REC PARCEL)
50940002150	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	TRACT Z (NATIVE HABITAT PARK)
50940002257	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	PARCEL A-1 (ACCESS & UTILITY)
50940002354	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	PARCEL A-2 (ACCESS & UTILITY)
50940002451	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	PARCEL A-3 (ACCESS & UTILITY)
50940002558	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	PARCEL A-4 (ACCESS & UTILITY)
50940002655	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	PARCEL A-5 (ACCESS & UTILITY)
50940002752	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	PARCEL A-6 (ACCESS & UTILITY)
50940002804	\$ 1,600.00	TSAKALOS, THOMAS	HORR'S ISLAND AKA KEY MARCO	BLK 1 LOT 1
50940002820	\$ 1,600.00	PRIME CONTRACTORS & ASSOC INC	HORR'S ISLAND AKA KEY MARCO	BLK 1 LOT 2
50940002846	\$ 1,600.00	COVELLA, THOMAS R=& LAURA	HORR'S ISLAND AKA KEY MARCO	BLK 1 LOT 3

O&M on

Folio	2023 tax bill	Name	Legal1	Legal2
50940002862	\$ 1,600.00	COLLIN E ROCHE 2006 TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 1 LOT 4
50940002888	\$ 1,600.00	TRUNCALI, ANTHONY	HORR'S ISLAND AKA KEY MARCO	BLK 1 LOT 5
50940002901	\$ 1,600.00	HONDA J ELSE REV TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 1 LOT 6
50940002927	\$ 1,600.00	VRDOLYAK, JOHN J	HORR'S ISLAND AKA KEY MARCO	BLK 1 LOT 7
50940002969	\$ 3,200.00	BROWN, RANDOLPH=& MARGARET	HORR'S ISLAND AKA KEY MARCO	BLK 1 LOT 8 AND LOT 9
50940002985	\$ 1,600.00	BREND, KENNETH=& MARY BETH	HORR'S ISLAND AKA KEY MARCO	BLK 1 LOT 10
50940003007	\$ 1,600.00	JOYCE, SHAWN C	HORR'S ISLAND AKA KEY MARCO	BLK 1 LOT 11
50940003023	\$ 1,600.00	JANET A HARVEY R/L TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 1 LOT 12
50940003049	\$ 1,600.00	CONSTANTINOU, CONSTANTINOS	HORR'S ISLAND AKA KEY MARCO	BLK 1 LOT 13
50940003065	\$ 1,600.00	JENNIFER K SPRAGUE REV TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 1 LOT 14
50940003081	\$ 1,600.00	KRUTISCH, HERBERT J=& MARICA	HORR'S ISLAND AKA KEY MARCO	BLK 2 LOT 1
50940003104	\$ 1,600.00	BENTLEY HANSON CORP, THE	HORR'S ISLAND AKA KEY MARCO	BLK 2 LOT 2
50940003120	\$ 1,600.00	DOBRE, ALJOSA	HORR'S ISLAND AKA KEY MARCO	BLK 2 LOT 3
50940003146	\$ 1,600.00	BRUSCO, MARK=& CAREY	HORR'S ISLAND AKA KEY MARCO	BLK 2 LOT 4
50940003162	\$ 1,600.00	GERARD J KERINS LIVING TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 2 LOT 5
50940003188	\$ 1,600.00	TSANDOULAS, GERASIMOS N	HORR'S ISLAND AKA KEY MARCO	BLK 2 LOT 6
50940003201	\$ 1,600.00	MILLER, JOHN T=& TAMMY L	HORR'S ISLAND AKA KEY MARCO	BLK 2 LOT 7
50940003227	\$ 1,600.00	KERINS, KEVIN F=& LUANNE	HORR'S ISLAND AKA KEY MARCO	BLK 2 LOT 8
50940003243	\$ 1,600.00	FORRESTER FAMILY TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 2 LOT 9
50940003269	\$ 1,600.00	BOOSALIS, PETER JOHN	HORR'S ISLAND AKA KEY MARCO	BLK 2 LOT 10
50940003285	\$ 1,600.00	STANTON-CLEMENT, TERRI L	HORR'S ISLAND AKA KEY MARCO	BLK 2 LOT 11
50940003308	\$ 1,600.00	DOUCET, Jay J	HORR'S ISLAND AKA KEY MARCO	BLK 2 LOT 12
50940003324	\$ 1,600.00	ATHLEEN L HUIZENGA TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 3 LOT 1 OR 2023 PG 1232
50940003340	\$ 1,600.00	Panama, LLC	HORR'S ISLAND AKA KEY MARCO	BLK 3, Lot 2
50940003366	\$ 3,200.00	MCDONNELL, RICHARD E	HORR'S ISLAND AKA KEY MARCO	BLK 3 LOT 3 AND LOT 4
50940003405	\$ 1,600.00	HEINTZ, JOHN V	HORR'S ISLAND AKA KEY MARCO	BLK 3 LOT 5
50940003421	\$ 1,600.00	KM & JC TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 3 LOT 6
50940003447	\$ 1,600.00	ROCHE, CHRISTOPHER=& LILLIAN	HORR'S ISLAND AKA KEY MARCO	BLK 3 LOT 7
50940003463	\$ 1,600.00	MELLEMA, RICHARD R	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 1
50940003489	\$ 1,600.00	JENNIFER A ACKERMAN REV TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 2
50940003502	\$ 1,600.00	CARTWRIGHT, JAY=& JENNY	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 3 OR 2033 PG 01
50940003528	\$ 1,600.00	REGANTI, SRIKANT=& SOWJANYA	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 4
50940003544	\$ 1,600.00	BLAZER, TODD L	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 5

O&M on

Folio	2022 tax bill	Name	Legal1	Legal2
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50940003560	\$ 1,600.00	SKORUPA, DANIEL R=& PAULA D	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 6
50940003586	\$ 1,600.00	BLUE CREEK ONE LLC	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 7
50940003609	\$ 1,600.00	ESPOSITO TR, JOHN L	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 8
50940003625	\$ 1,600.00	WALTER, KENNETH CARL	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 9
50940003641	\$ 1,600.00	SURVIVING GRANTOR'S TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 10
50940003667	\$ 1,600.00	Russin, Andrea L	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 11
50940003683	\$ 1,600.00	JAMES C DRISCOLL REV TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 12
50940003706	\$ 1,600.00	WEBER, JOHN M=& NANCY R	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 13
50940003722	\$ 1,600.00	STEVE THOMAS/PALMS LP, THE	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 14
50940003748	\$ 1,600.00	MELLEMA, RICHARD	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 15
50940003764	\$ 1,600.00	KEY MARCO PROPERTY LLC	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 16
50940003780	\$ 1,600.00	PEZT CO USA LLC	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 17
50940003803	\$ 1,600.00	LARSEN, JOHN E=& MICHELE P	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 18
50940003829	\$ 1,600.00	MATLALATL, LLC	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 19
50940003845	\$ 1,600.00	MATLALATL, LLC	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 20
50940003861	\$ 1,600.00	MATLALATL, LLC	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 21
50940003887	\$ 1,600.00	ROLLINS, BERNARD A	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 22
50940003900	\$ 1,600.00	LEE FAMILY TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 23
50940003926	\$ 1,600.00	KENNETH J STUART REV TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 24
50940003942	\$ 1,600.00	SCHEWITZ, DAVID C=& MARY E	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 25
50940003968	\$ 1,600.00	OSORIO III, ALFREDO A	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 26 OR 2017 PG 1992
50940003984	\$ 1,600.00	FOWLER, JOHN C=& JOANNE K	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 27
50940004006	\$ 1,600.00	CORRIE J LLEWELLYN REV TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 28
50940004022	\$ 1,600.00	GRANT, DOUGLAS JAMES=& BARBARA	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 29
50940004048	\$ 1,600.00	LANDMARK LAND TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 30
50940004064	\$ 1,600.00	HOOD FAMILY TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 31
50940004080	\$ 1,600.00	MILLER SR, JOHN	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 32
50940004103	\$ 1,600.00	TAVELLA, DOMINICK	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 33
50940004129	\$ 1,600.00	KEY MARCO HOMES LLC	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 34
50940004145	\$ 1,600.00	GEHRING, CHRISTOPHER	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 1
50940004161	\$ 1,600.00	JENNINGS, JAMES R=& VALERIE D	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 2
50940004187	\$ 1,600.00	VASS, DAN	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 3

O&M on

Folio	2022 tax bill	Name	Legal1	Legal2
50940004200	\$ 1,600.00	BLUE MARCO INVESTMENTS LLC	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 4
50940004226	\$ 1,600.00	ADVANTAIRA TRUST LLC	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 5
50940004242	\$ 1,600.00	SLOCUM, JOHN GORDON	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 6
50940004268	\$ 1,600.00	DAVIS, JASON R	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 7
50940004284	\$ 1,600.00	MATLALATL LLC	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 8
50940004307	\$ 1,600.00	MATLALATL LLC	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 9
50940004323	\$ 1,600.00	SIMMONS, RICHARD A=& MONICA L	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 10
50940004349	\$ 1,600.00	KEY MARCO HOLDINGS LLC	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 11
50940004365	\$ 1,600.00	KEY MARCO HOLDINGS LLC	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 12
50940004381	\$ 1,600.00	KEY MARCO HOLDINGS LLC	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 13
50940004404	\$ 1,600.00	KEY MARCO HOLDINGS LLC	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 14
50940004420	\$ 1,600.00	MAILLOUX, TROY M	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 15
50940004446	\$ 1,600.00	KEY MARCO HOLDINGS LLC	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 16
50940004462	\$ 1,600.00	ROSEN, JAY CHRISTOPHER	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 17
50940004488	\$ 1,600.00	NARATH, PIERRE A	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 18
50940004501	\$ 1,600.00	LUTTRELL, STORMY D	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 19
50940004527	\$ 1,600.00	HEX LLC	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 20
50940004543	\$ 1,600.00	WEST KEY GROUP INVESTMENTS LLC	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 21
50940004569	\$ 1,600.00	JAVIER VILLAMIZAR REV TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 22
50940004585	\$ 1,600.00	PANOPLY KEY MARCO LLC	HORR'S ISLAND AKA KEY MARCO	BLK 6 LOT 1
50940004608	\$ 1,600.00	JAMES, JASON	HORR'S ISLAND AKA KEY MARCO	BLK 6 LOT 2
50940004624	\$ 1,600.00	VALIENTE, JUAN CARLOS	HORR'S ISLAND AKA KEY MARCO	BLK 6 LOT 3
50940004640	\$ 1,600.00	RESSLAND, ROBERT J=& CHERYL A	HORR'S ISLAND AKA KEY MARCO	BLK 6 LOT 4
50940004666	\$ 1,600.00	CAPIRO HOMES LLC	HORR'S ISLAND AKA KEY MARCO	BLK 6 LOT 5
50940004682	\$ 1,600.00	MUSUMANO, PATSY=& DONNA	HORR'S ISLAND AKA KEY MARCO	BLK 6 LOT 6
50940004705	\$ 1,600.00	MORRIS, WILLIAM G=& PEGLIEE	HORR'S ISLAND AKA KEY MARCO	BLK 6 LOT 7
50940004721	\$ 1,600.00	TSAKALOS, THOMAS	HORR'S ISLAND AKA KEY MARCO	BLK 6 LOT 8
50940004747	\$ 1,600.00	TSAKALOS, THOMAS	HORR'S ISLAND AKA KEY MARCO	BLK 6 LOT 9
50940004763	\$ 1,600.00	TSAKALOS, THOMAS	HORR'S ISLAND AKA KEY MARCO	BLK 6 LOT 10
50940004789	\$ 1,600.00	HANKE TR, GLENN E. D	HORR'S ISLAND AKA KEY MARCO	BLK 6 LOT 11
50940004802	\$ 1,600.00	SPOTTSWOOD PARTNERS LTD	HORR'S ISLAND AKA KEY MARCO	BLK 7 LOT 1
50940004828	\$ 1,600.00	KAJY, KOLIN	HORR'S ISLAND AKA KEY MARCO	BLK 7 LOT 2

O&M on

Folio	2022 tax bill	Name	Legal1	Legal2
50940004844	\$ 1,600.00	NELSON, CASEY L	HORR'S ISLAND AKA KEY MARCO	BLK 7 LOT 3
50940004860	\$ 1,600.00	RAYMOND W MILLER TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 7 LOT 4
50940004886	\$ 1,600.00	KEY MARCO DEVELOPMENTS LLC	HORR'S ISLAND AKA KEY MARCO	BLK 7 LOT 5

50940004909	\$ 1,600.00	KEY MARCO DEVELOPMENTS LLC	HORR'S ISLAND AKA KEY MARCO	BLK 7 LOT 6
50940004925	\$ 1,600.00	NATHAN E BAXTER REV TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 7 LOT 7
50940004941	\$ 1,600.00	ROCHE, CHRISTOPHER A	HORR'S ISLAND AKA KEY MARCO	BLK 7 LOT 8
50940004967	\$ 1,600.00	R & R FAMILY TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 7 LOT 9
50940004983	\$ 1,600.00	R & R FAMILY TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 7 LOT 10
50940005005	\$ 1,600.00	KEELER, CLAYTON G=& SUZANNE H	HORR'S ISLAND AKA KEY MARCO	BLK 7 LOT 11
50940005021	\$ 1,600.00	MENDEZ, MARTIN=& BETHY	HORR'S ISLAND AKA KEY MARCO	BLK 7 LOT 12
50940005047	\$ 1,600.00	KENNEDY PROPERTIES LLC	HORR'S ISLAND AKA KEY MARCO	BLK 7 LOT 13
50940005063	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	BLK 8 (NATIVE HABITAT PARK)
50940005089	\$ 1,600.00	PROPERTY POOL LLC	HORR'S ISLAND AKA KEY MARCO	BLK 9 LOT 1
50940005102	\$ 1,600.00	MOYA, LUIS=& JENNIFER	HORR'S ISLAND AKA KEY MARCO	BLK 9 LOT 2
50940005128	\$ 1,600.00	BLUE HILL LLC	HORR'S ISLAND AKA KEY MARCO	BLK 9 LOT 3
50940005144	\$ 1,600.00	WINECA LIVING TRUST SURVIVORS	HORR'S ISLAND AKA KEY MARCO	BLK 9 LOT 4
50940005160	\$ 1,600.00	SURVIVING GRANTOR'S TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 9 LOT 5
50940005186	\$ 1,600.00	WALKER, JOHN M=& KATIE K	HORR'S ISLAND AKA KEY MARCO	BLK 9 LOT 6
50940005209	\$ 1,600.00	PRANGE, JAMES A=& MELISSA D	HORR'S ISLAND AKA KEY MARCO	BLK 9 LOT 7
50940005225	\$ 1,600.00	RECHTIN, ELISABETH L	HORR'S ISLAND AKA KEY MARCO	BLK 9 LOT 8
50940005241	\$ -	KEY MARCO CMNTY ASSOC INC	HORR'S ISLAND AKA KEY MARCO	BLK 10 (NATIVE HABITAT PARK)
50940005267	\$ 1,600.00	STAFFORD, CHRISTOPHER B	HORR'S ISLAND AKA KEY MARCO	BLK 11 LOT 1 OR 2061 PG 2237
50940005283	\$ 1,600.00	SPOLTOR, THEODORE	HORR'S ISLAND AKA KEY MARCO	BLK 11 LOT 2
50940005306	\$ 1,600.00	THREE BROTHERS PROPERTY LLC	HORR'S ISLAND AKA KEY MARCO	BLK 11 LOT 3
50940005322	\$ 1,600.00	ROTCHFORD, MARGARET M	HORR'S ISLAND AKA KEY MARCO	BLK 11 LOT 4
50940005348	\$ 1,600.00	ZIELINSKI, LUKASZ M= DOROTA M	HORR'S ISLAND AKA KEY MARCO	BLK 11 LOT 5
50940005364	\$ 1,600.00	KATZ, MICHAEL	HORR'S ISLAND AKA KEY MARCO	BLK 11 LOT 6
50940005380	\$ 1,600.00	ALDRIDGE, GABRIEL	HORR'S ISLAND AKA KEY MARCO	BLK 11 LOT 7
50940005403	\$ 1,600.00	MCKENDRICK, DEAN M	HORR'S ISLAND AKA KEY MARCO	BLK 11 LOT 8
50940005429	\$ 1,600.00	MCKENDRICK, DEAN M=& DAYNA H	HORR'S ISLAND AKA KEY MARCO	BLK 11 LOT 9 OR 2045 PG 1268
50940005445	\$ 1,600.00	SMITH, DOUGLAS E=& JENNIFER L	HORR'S ISLAND AKA KEY MARCO	BLK 11 LOT 10
50940005461	\$ 1,600.00	QUAGLIETTA, MICHAEL A	HORR'S ISLAND AKA KEY MARCO	BLK 11 LOT 11

O&M on

Folio	2022 tax bill	Name	Legal1	Legal2
50940005487	\$ 1,600.00	GRISKENAS, ARUNAS=& ANA	HORR'S ISLAND AKA KEY MARCO	BLK 11 LOT 12
50940005500	\$ 1,600.00	PRANGE, JAMES A=& MELISSA D	HORR'S ISLAND AKA KEY MARCO	BLK 11 LOT 13
FY 2022 Budget	\$ 214,400.00			

1
2 **Key Marco Community Development District**
3 **Regular Meeting**
4 **April 19, 2023**

5 **Appearances**

6 Mary Beth Schewitz, Chairman
7 Luanne Kerins, Co-Chair
8 Lynn Narath
9 John Esposito (Via Speakerphone)

10 **Also Present**

11 Joshua Carter, District Manager
12 Dave Schmitt, Hole Montes
13 Greg Urbancic, District Attorney (Via Speakerphone)

14
15
16 **CALL TO ORDER/ROLL CALL**

17
18 The meeting was called to order by the Chairman at 8:40 AM, a quorum was established with
19 four supervisors in attendance.

20
21 **APPROVAL OF AGENDA**

22 Mary Beth Schewitz noted that a discussion around banking and qualified public depositors be
23 added to the agenda under new business.
24 Mary Beth Schewitz noted that a discussion on Solar Street Light Conversion Strategy be added
25 to agenda under new business.

26
27
28 On a voice vote by Mrs. Schewitz and a second by Mrs. Narath, the amended agenda was
29 unanimously approved.

30
31 **APPROVAL OF MINUTES**

32
33 A typo in line 136 of the February 15, 2023 Minutes was noted and would require revision.

34
35 On a voice vote by Mrs. Schewitz and a second by Mrs. Narath, the revised October 19, 2023
36 Regular Meeting Minutes were unanimously approved.

37
38 **OLD BUSINESS**

39
40 Road Usage Fee Study Proposal

41 Mr. Carter noted that the two proposals received for the updated Road Usage Fee Study
42 Methodology were quoted at \$7,500 from each vendor. Mrs. Schewitz noted that the cost to
43 conduct this study exceeded the annual revenue brought in through the road usage fee and

44 asked Mr. Urbancic to confirm whether the study needed to be updated given the cost. Mr.
45 Urbancic noted that per the roadway usage fee study report methodology, the study should be
46 conducted every 3-5 years and suggested that this should be done to ensure the methodology
47 remained sound. After discussion, Mrs. Schewitz suggested that \$5,000 ought to be the
48 maximum expenditure for the re-engagement of the study. Mr. Urbancic suggested that Mr.
49 Carter reach out to the vendors for the study to determine if they would be willing to reduce
50 their fee to update the study with current budgetary figures.

51

52 On a voice vote by Mrs. Schewitz and a second by Mrs. Narath, a not-to-exceed limit of \$5,000
53 for the Road Usage Fee Study Report was authorized unanimously.

54

55

56 **NEW BUSINESS**

57

58 Banking and Qualified Public Depositors

59 Mrs. Schewitz noted that considering the current shortfalls of banks throughout the country it
60 was needed to consider adjusting the banking strategy of Key Marco Community Development
61 District. Mrs. Schewitz noted that the District currently maintained general and public funds in
62 separate accounts under one qualified public depository and asked Mr. Urbancic what
63 requirements the District is subject to in regard to banking. Mr. Urbancic noted that the statute
64 requires that community development districts maintain deposits in qualified public
65 depositories, and he would provide Mr. Carter with a list of Florida QPDs. Mr. Carter noted that
66 the District's current public depository paid little to no interest on the deposits held in the
67 accounts. Mrs. Schewitz suggested that it would be of value to have the District's funds placed
68 in separate accounts at different QPDs below the FDIC \$250,000 threshold that offer more
69 attractive interest rates in their savings accounts. Mr. Carter noted that he would research
70 Qualified Public Depositories and determine those with better interest rates for the District's
71 deposits and have a list prepared for the next meeting.

72

73 Solar Street Lighting Conversion Strategy

74 Mrs. Schewitz noted that there were remaining lights on the Key Marco Bridge that were still
75 on the LCEC circuit powered by electricity rather than solar as in the rest of the community.
76 Solar Streetlighting had been included in the budget and Mrs. Schewitz suggested a strategy be
77 developed for the community streetlighting. Mr. Carter noted that the solar streetlights
78 throughout the community were added onto the existing lights rather than as a replacement to
79 the standard light fixtures. Mrs. Schewitz suggested that a plan be put together to determine
80 whether a replacement fixture be installed on lights to replace the added on solar lights and
81 panels with the solar components included in the fixture. Mrs. Narath noted that the original
82 standard light fixtures were not particularly attractive and was curious if there would be any
83 option for beautification other than replacing the light fixture such as having them as
84 landscaping pieces to hold plants, etc. Mr. Carter noted that there would be concern around
85 the maintenance of any plantings suspended up into the streetlights as a bucket truck would be
86 required for access and noted the difficulty of irrigation. Mr. Carter noted that he would
87 research the streetlight solutions and solar offerings to determine the cost of the

88 transformation and noted that the remaining LCEC lights on Key Marco Bridge may be a good
89 starting point to get the community's streetlights completely solar.

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92

93 **ATTORNEY'S REPORT**

94
95

Mr. Urbancic did not have a report to share during the April 19, 2023 Meeting.

96
97 **ENGINEER'S REPORT**

98
99

Pavement Repair Bid Solicitation

100 Mr. Schmitt noted that he had completed the bid solicitation for the pavement repairs in Key
101 Marco and received a bid from Bonness. Mr. Schmitt noted that the price of \$64,046 quoted
102 did appear to be a fair price but did not include pricing for Location 7. Mr. Schmitt suggested
103 that the total cost for the project to include location 7 would not exceed \$75,000. Mr. Schmitt
104 suggested that this would be a good price for this service and provided his recommendation to
105 the District to move forward.

106

107 On a voice vote by Mrs. Schewitz and a second by Mrs. Narath, authorization for the District
108 Manager to finalize the contract including location 7 at a cost not-to-exceed \$75,000 was
109 approved unanimously.

110
111
112

113 Update on Catch Basin Cleaning

114 Mr. Schmitt noted that the inspection by SewerViewer of Key Marco's drainage catch basins
115 had been completed. Mr. Schmitt provided his report outlining that the catch basins in Key
116 Marco showed no signs of any damage or required cleaning and no action would be required.
117 Mr. Schmitt noted however that Catch Basin #52 near the marina roundabout was covered by
118 rip-rap landscaping and was inaccessible during the inspection. Mr. Carter noted that he was
119 familiar with this area of rocks and Mrs. Kerins noted that she would be happy to assist in
120 having the rock moved to allow for inspection of the final catch basin.

121
122

123 **SUPERVISORS' REQUESTS**

124

125 Mrs. Kerins noted that years ago, the district had planned to have the Key Marco Gates updated
126 to include the community's pineapple logo mounted on the gates and had a design schematic
127 for this improvement back when it was originally considered. Mr. Carter noted that
128 improvement projects would come up during the preliminary budget discussion during his
129 report, but that he would be happy to investigate the cost for this item under the scope of the
130 gatehouse capital improvements. Mrs. Kerins noted that she would bring the design schematic
131 from her home to the District Management Office for Mr. Carter's reference.

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DISTRICT MANAGER’S REPORT

Acceptance of Financials Ending March 31, 2023

Mr. Carter presented the unaudited financial statements for month end March 31, 2023.

On a voice vote by Mrs. Schewitz and a second by Mrs. Kerins, the Financial Statements ending March 31, 2023 were accepted unanimously.

Review of 2023-2024 Preliminary Budget

Mr. Carter presented the preliminary budget for the 2023-2024 Fiscal Year to the Board of Supervisors. Mr. Carter noted that there were no changes year over year to the revenues section, maintaining the \$214,400 income from assessments from 2022-2023. For administrative expenses, Mr. Carter noted that there were minor increases in expected costs for engineering, records storage and legal advertising. Mr. Carter noted that a major cost increase year-over-year would be the increase of the District’s insurance costs. Mr. Carter noted that he had spoken with representatives of the District’s insurance trust and they noted that costs have increased significantly for property schedules due to the increased cost of building construction. Mr. Carter noted that the insurance trust had provided a not-to-exceed cost figure for the upcoming year of \$44,207 vs the 2022-2023 FY cost of \$30,309. Mr. Carter noted that he would continue to work alongside the District’s insurance trust to determine any opportunities for cost savings due to the significant increase.

Mr. Carter noted that capital expenditures and projects had been budgeted to include consideration for items that had been completed following hurricane Ian including the bridge inspection. Mr. Schmitt noted that the proposed budget figure of \$5,000 annually should be sufficient to cover the next bridge inspection when required. Mr. Carter noted that the budget reserve for road repairs and improvements hadn’t been utilized in 2022 and the budget figure was reduced from \$50,000 to \$45,000 for this item as the approved 2023 road repairs would be completed in the coming months of the current fiscal year. Mr. Carter noted that bridge painting had been reduced to \$0 for FY 2024 as Mr. Schmitt would be completing the bid process for bridge painting to be completed during the current fiscal year. Mr. Carter noted that the Key Marco Gates line item had been increased to \$5,000 to allow for the re-painting of gates due to salt corrosion. Mrs. Schewitz suggested that the Gatehouse Paver Replacement line item budgeted at \$28,000 in FY 2023 be reduced to zero as the current pavers show little sign of wear and the high volume of construction traffic would put instant strain on new pavers. Mr. Carter noted that with this line item eliminated, there would be room allowed within the budget to have the gate operators replaced. Mr. Carter noted that the current gate operators were installed in 2014. In speaking with the District’s gate service provider, Mr. Carter noted that a major contributor to downtime of Key Marco’s gates when repairs are required is the lead time for parts that are end of life and have to be ordered by the service provider from a third party. Mr. Carter noted that he had been quoted \$27,000 for a replacement of all gate operators. After discussion, \$28,000 was attributed to a line item for the gate operator replacement. Mr. Carter noted that with the budget proposed and revisions discussed, the districts expenditure was largely the same as FY 2023 and would be sufficient to keep assessments at their current level of \$1,600 per unit of land. Mr. Carter noted that once

176 approved, he would submit the preliminary budget to Collier County as well as the City of
177 Marco Island as required by Florida Statutes.

178

179 On a voice vote by Mrs. Schewitz and a second by Mrs. Narath, the 2023-2024 Preliminary
180 budget was approved as amended unanimously.

181

182

183 **PUBLIC COMMENT**

184 No Public Comment was received at this time.

185

186 **NEXT MEETING**

187 The next meeting will be held in June on the 21st at 8:30 AM ET

188

189 **ADJOURNMENT**

190 The meeting was then adjourned at 11:25 AM on a Motion by Mrs. Kerins and a second by Mrs.
191 Schewitz. The motion was passed unanimously.

DRAFT

RESOLUTION 2023-09

A RESOLUTION OF THE KEY MARCO COMMUNITY DEVELOPMENT DISTRICT DESIGNATING DATES, TIME, AND LOCATION FOR REGULAR MEETINGS OF THE BOARD OF SUPERVISORS OF THE DISTRICT FOR FISCAL YEAR 2023/2024 AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Key Marco Community Development District (the “District”) is a local unit of special-purpose government created by and existing pursuant to Chapter 190, *Florida Statutes*, being situated entirely within the City of Marco Island in Collier County, Florida; and

WHEREAS, the Board of Supervisors of the District (“Board”) is statutorily authorized to exercise the powers granted to the District; and

WHEREAS, all meetings of the Board shall be open to the public and governed by the provisions of Chapter 286, *Florida Statutes*; and

WHEREAS, the Board is statutorily required to file annually, with the local governing authority and the Florida Department of Economic Opportunity, a schedule of its regular meetings.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE KEY MARCO COMMUNITY DEVELOPMENT DISTRICT

Section 1. ADOPTING REGULAR MEETING SCHEDULE. Regular meetings of the District’s Board shall be held during the Fiscal Year 2023/2024 as provided on the schedule attached hereto as **Exhibit A**.

Section 2. FILING REQUIREMENT. In accordance with Section 189.015(1), *Florida Statutes*, the District’s Secretary is hereby directed to file a schedule of the District’s regular meetings annually with Collier County and the Florida department of Economic Opportunity.

Section 3. EFFECTIVE DATE. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED this 10th day of July, 2023.

KEY MARCO COMMUNITY DEVELOPMENT DISTRICT

ATTEST:

Joshua Carter, Secretary

Mary Beth Schewitz, Chair

Exhibit "A"
FISCAL YEAR 2021-2022
PROPOSED
KEY MARCO COMMUNITY DEVELOPMENT DISTRICT MEETING SCHEDULE

Meetings are conducted the 3rd Wednesday of the month.

Time: 8:30 a.m.

**Location: 505 Whiskey Creek Drive,
Marco Island, Florida 34145**

October 18, 2023	Regular Meeting
November 15, 2023	Regular Meeting
December 20, 2023	Regular Meeting
February 21, 2024	Regular Meeting
April 17, 2024	Regular Meeting & Preliminary Budget Review
June 19, 2024	Budget Hearing & Regular Meeting to follow



HANDS FREE SECURITY, LLC

6063 Janes Ln
 Naples, FL 34109
 (239) 351-2871
 Info@handsfreellc.com

Estimate

ESTIMATE#	10422
DATE	05/30/2023
PO#	10422

CUSTOMER
Key Marco CDD 505 Whiskey Creek Drive Marco Island FL 34145 (239) 394-4346

SERVICE LOCATION
Key Marco CDD 505 Whiskey Creek Drive Marco Island FL 34145 (239) 394-4346

DESCRIPTION Quote is to replace Swing Gate Operators exposed to salt water during hurricane Ian.

Estimate			
Description	Qty	Rate	Total
** 6 Swing Gate Operators **	0.00	0.00	0.00
CSW24UL Liftmaster "Liftmaster CSW-24UL" Heavy Duty Swing Gate Operators, (Newer model replacement for the CSW-200 models in place now) Fla. Code Compliant, Auto reversing obstruction sensor, 24VDC continuous-duty motor with soft start/stop, Overload protected, Commercial Duty Long Life construction, 1/4" Zinc Plated All Welded Frame, Advanced Feature Control Board, up to 18' Gate Panel.	6.00	4,530.00	27,180.00

CUSTOMER MESSAGE

Estimate Total: \$27,180.00



HANDS FREE SECURITY, LLC

6063 Janes Ln
 Naples, FL 34109
 (239) 351-2871
 Info@handsfreellc.com

Estimate

ESTIMATE#	10466
DATE	06/14/2023
PO#	

CUSTOMER
Key Marco CDD 505 Whiskey Creek Drive Marco Island FL 34145 (239) 394-4346

SERVICE LOCATION
Key Marco CDD 505 Whiskey Creek Drive Marco Island FL 34145 (239) 394-4346

DESCRIPTION

Powder coat gate			
Description	Qty	Rate	Total
Scope of Work To sand blast and powder coat gate's and make 2 touch ups.	0.00	0.00	0.00
** to sandblast and powder coat two 6.5' tall and 15' wide gates and two 6.5' tall and 18' wide gates	1.00	10,296.00	10,296.00
** replace outbound strip that is bent and reinforce inbound gate where hinge is pressing in.	1.00	125.00	125.00
+Trailer Call Base Charge for use of trailer during transport	1.00	131.98	131.98
+General Labor Labor Based Per Worker Per Hour	4.00	110.00	440.00

CUSTOMER MESSAGE

Estimate Total: \$10,992.98

The client is responsible for providing unmitigated access to the work area. This includes moving any furnishings, wall-hangings, or other items which could prevent Hands Free Security from carrying out the listed services. Client is responsible for all insurance of dwellings and service location for the entire time of work. The client will provide accessible electricity to all working areas including outdoor areas. This includes providing a live power outlet or generator within 150 feet of the working area. Sitework, including demolition or removal of debris, is not included in this contract. All areas of installation will be left in the condition found unless otherwise stated in writing by the Client. The client is responsible for providing any site plans or engineering drawings needed to complete this agreement. All obligations under this Section shall survive the termination of this Agreement for a period of five (5) years. Hands Free Security, LLC understands that, as an independent contractor, any personal injury or property damage suffered in the course of carrying out any duties under this Agreement will be Hands Free Security, LLC's responsibility. Hands Free Security, LLC shall comply with worker's compensation laws and shall provide a certificate of worker's compensation insurance, where applicable. Client agrees to indemnify and hold Hands Free Security, LLC harmless against all claims, demands, suits, liabilities, losses, damages, or injuries (collectively Liabilities) that arise out of Client's use of the Services, except to the extent such Liabilities result from the negligence or wrongdoing of Hands Free Security, LLC. Hands Free Security, LLC agrees to indemnify and hold Client harmless against all claims, demands, suits, liabilities, losses, damages, or injuries that arise out of the performance of this Agreement, except to the extent such Liabilities result from the negligence or wrongdoing of Client. In no event will either party be liable for any SPECIAL, INDIRECT, CONSEQUENTIAL, OR INCIDENTAL DAMAGES. Hands Free Security, LLC, to the best of their knowledge has provided installation and quality parts for the overall best quality of the product. Furthermore, all parts will be warranted for a 12-month period after installation for any technical defects. All applicable goods and products installed will become the property of the client on the date of installation. All goods not paid in full and remaining with Client will be the property of Hands Free Security, LLC until payment has been made.

Payment Terms:

Payment on all invoices is due upon receipt. If not paid in 30 days a late fee of \$25 will be applied and will accrue at 1.5% every 30 days after. The client shall be responsible for all costs of collection, including responsible attorney's fees. Venue for any proceeding from the subject transaction shall be in Collier County, Florida.

This quote is valid for the next 30 days, after which values may be subject to change.

Hinge and post

Description	Qty	Rate	Total
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Description	Qty	Rate	Total
Scope of Work To remove current gate posts and replace with stronger 4x4 steel gate posts that are freshly powder coated and to replace current hinges with a maintenance free hinge.	0.00	0.00	0.00
4x4 Steel Gate Post	6.00	521.18	3,127.08
ALUMINUM NYLON J-BOLT HINGES PA HD Aluminum Block w/ stainless J-Bolt Adjustable Plate	6.00	310.66	1,863.96
+General Labor Labor Based Per Worker Per Hour	20.00	110.00	2,200.00

CUSTOMER MESSAGE

Estimate Total: \$7,191.04



HANDS FREE SECURITY, LLC
 6063 Janes Ln
 Naples, FL 34109
 (239) 351-2871
 Info@handsfreellc.com

Estimate

ESTIMATE#	10515
DATE	06/29/2023
PO#	

CUSTOMER
Key Marco CDD 505 Whiskey Creek Drive Marco Island FL 34145 (239) 394-4346

SERVICE LOCATION
Key Marco CDD 505 Whiskey Creek Drive Marco Island FL 34145 (239) 394-4346

DESCRIPTION

Estimate			
Description	Qty	Rate	Total
Scope of Work To install custom pineapple cut out similar to image provided 3' tall and 2' wide	0.00	0.00	0.00
** custom 2d pineapple	4.00	1,047.00	4,188.00
+Welder Call Base Charge for Initial Mobile Welder Service Charge. Charge waived if found to be repeat issue	1.00	87.99	87.99
+Welding Labor Welder Labor based on per hour rate	16.00	192.49	3,079.84

CUSTOMER MESSAGE

Estimate Total: \$7,355.83



HANDS FREE SECURITY, LLC
 6063 Janes Ln
 Naples, FL 34109
 (239) 351-2871
 Info@handsfreellc.com

Estimate

ESTIMATE#	10479
DATE	06/19/2023
PO#	

CUSTOMER
Key Marco CDD 505 Whiskey Creek Drive Marco Island FL 34145 (239) 394-4346

SERVICE LOCATION
Key Marco CDD 505 Whiskey Creek Drive Marco Island FL 34145 (239) 394-4346

DESCRIPTION

1 leaf

Description	Qty	Rate	Total
Scope of Work To replace damaged gate leaf with a new custom fabricated gate. Please note this estimate is for just the damaged leaf and not the entire gate. Although design would be similar we can't guarantee they would be identical unless we redid the entire gate.	0.00	0.00	0.00
Custom Fabricated Gate	1.00	3,042.00	3,042.00
ALUMINUM NYLON J-BOLT HINGES PA HD Aluminum Block w/ stainless J-Bolt Adjustable Plate	1.00	310.66	310.66

CUSTOMER MESSAGE

Estimate Total: \$3,352.66

The client is responsible for providing unmitigated access to the work area. This includes moving any furnishings, wall-hangings, or other items which could prevent Hands Free Security from carrying out the listed services. Client is responsible for all insurance of dwellings and service location for the entire time of work. The client will provide accessible electricity to all working areas including outdoor areas. This includes providing a live power outlet or generator within 150 feet of the working area. Sitework, including demolition or removal of debris, is not included in this contract. All areas of installation will be left in the condition found unless otherwise stated in writing by the Client. The client is responsible for providing any site plans or engineering drawings needed to complete this agreement. All obligations under this Section shall survive the termination of this Agreement for a period of five (5) years. Hands Free Security, LLC understands that, as an independent contractor, any personal injury or property damage suffered in the course of carrying out any duties under this Agreement will be Hands Free Security, LLC's responsibility. Hands Free Security, LLC shall comply with worker's compensation laws and shall provide a certificate of worker's compensation insurance, where applicable. Client agrees to indemnify and hold Hands Free Security, LLC harmless against all claims, demands, suits, liabilities, losses, damages, or injuries (collectively Liabilities) that arise out of Client's use of the Services, except to the extent such Liabilities result from the negligence or wrongdoing of Hands Free Security, LLC. Hands Free Security, LLC agrees to indemnify and hold Client harmless against all claims, demands, suits, liabilities, losses, damages, or injuries that arise out of the performance of this Agreement, except to the extent such Liabilities result from the negligence or wrongdoing of Client. In no event will either party be liable for any SPECIAL, INDIRECT, CONSEQUENTIAL, OR INCIDENTAL DAMAGES. Hands Free Security, LLC, to the best of their knowledge has provided installation and quality parts for the overall best quality of the product. Furthermore, all parts will be warranted for a 12-month period after installation for any technical defects. All applicable goods and products installed will become the property of the client on the date of installation. All goods not paid in full and remaining with Client will be the property of Hands Free Security, LLC until payment has been made.

Payment Terms:

Payment on all invoices is due upon receipt. If not paid in 30 days a late fee of \$25 will be applied and will accrue at 1.5% every 30 days after. The client shall be responsible for all costs of collection, including responsible attorney's fees. Venue for any proceeding from the subject transaction shall be in Collier County, Florida.

This quote is valid for the next 30 days, after which values may be subject to change.

New Gate

Description	Qty	Rate	Total
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Description	Qty	Rate	Total
Scope of Work To replace damaged gate leaf with a new custom fabricated gate. Please note this estimate is for the entire gate.	0.00	0.00	0.00
Custom Fabricated Gate	1.00	6,084.00	6,084.00
ALUMINUM NYLON J-BOLT HINGES PA HD Aluminum Block w/ stainless J-Bolt Adjustable Plate	2.00	310.66	621.32

CUSTOMER MESSAGE

Estimate Total: \$6,705.32

**KEY MARCO COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2022**

**KEY MARCO COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Key Marco Community Development District
Collier County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of Key Marco Community Development District, Collier County, Florida ("District") as of and for the fiscal year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the District as of September 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the 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.

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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities 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 opinions. 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 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, 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information 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 we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information Included in the Financial Report

Management is responsible for the other information included in the financial report. The other information comprises the information for compliance with FL Statute 218.39 (3) (c), but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2023, 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, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 the District's internal control over financial reporting and compliance.

June 19, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Key Marco Community Development District, Collier County, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2022. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year resulting in a net position balance of \$4,301,067.
- The change in the District's total net position in comparison with the prior fiscal year was (\$120,255), a decrease. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2022, the District's governmental fund reported an ending fund balance of \$876,664 an increase of \$117,059 in comparison with the prior fiscal year. The total fund balance is unassigned fund balance which is available for spending at the District's discretion.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as the introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the residual amount being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements include all governmental activities that are principally supported by special assessment revenues. The District does not have any business-type activities. The governmental activities of the District include the general government (management) and maintenance functions.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has one fund category: governmental funds.

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains one governmental fund for external reporting. Information is presented in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund. The general fund is considered a major fund.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the District, assets exceeded liabilities at the close of the most recent fiscal year.

Key components of the District's net position are reflected in the following table:

	NET POSITION	
	SEPTEMBER 30,	
	2022	2021
Current and other assets	\$ 880,378	\$ 790,026
Capital assets, net of depreciation	3,424,403	3,661,717
Total assets	4,304,781	4,451,743
Current liabilities	3,714	30,421
Total liabilities	3,714	30,421
Net position		
Investment in capital assets	3,424,403	3,661,717
Unrestricted	876,664	759,605
Total net position	\$ 4,301,067	\$ 4,421,322

The District's net position reflects its investment in capital assets (e.g. land, land improvements, and infrastructure) less any related debt used to acquire those assets that is still outstanding. These assets are used to provide services to residents; consequently, these assets are not available for future spending.

The remaining balance of unrestricted net position may be used to meet the District's other obligations.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The District's net position decreased during the most recent fiscal year. The majority of the decrease represents the extent to which the cost of operations and depreciation expense exceeded ongoing program revenues.

Key elements of the change in net position are reflected in the following table:

	CHANGES IN NET POSITION	
	FOR THE FISCAL YEAR ENDED SEPTEMBER 30,	
	2022	2021
Revenues:		
Program revenues		
Charges for services	\$ 250,344	\$ 247,464
General revenues	7,080	8,287
Total revenues	<u>257,424</u>	<u>255,751</u>
Expenses:		
General government	123,516	128,685
Maintenance and operations	254,163	420,147
Total expenses	<u>377,679</u>	<u>548,832</u>
Change in net position	(120,255)	(293,081)
Net position - beginning	<u>4,421,322</u>	<u>4,714,403</u>
Net position - ending	<u>\$ 4,301,067</u>	<u>\$ 4,421,322</u>

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2022 was \$377,679. The costs of the District's activities were primarily funded by program revenues. Program revenues comprised primarily of assessments during the current and prior fiscal years. In total, expenses decreased from prior fiscal year, due to less road projects work.

GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2022.

CAPITAL ASSETS

At September 30, 2022, the District had \$9,630,805 invested in capital assets for its governmental activities. In the government-wide financial statements depreciation of \$6,206,402 has been taken, which resulted in a net book value of \$3,424,403. More detailed information about the District's capital assets is presented in the notes of the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND OTHER EVENTS

The District does not anticipate any major projects or significant changes to its infrastructure maintenance program for the subsequent fiscal year. In addition, it is anticipated that the general operations of the District will remain fairly constant.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, land owners, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact the Key Marco Community Development District's management at 505 Whiskey Creek Drive, Marco Island, FL 34145.

**KEY MARCO COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022**

	Governmental Activities
ASSETS	
Cash	\$ 880,378
Capital assets:	
Depreciable	1,455,200
Nondepreciable	1,969,203
Total assets	4,304,781
 LIABILITIES	
Accounts payable	3,714
Total liabilities	3,714
 NET POSITION	
Investment in capital assets	3,424,403
Unrestricted	876,664
Total net position	\$ 4,301,067

See notes to the financial statements

**KEY MARCO COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

Functions/Programs	Expenses	Program Charges for Services	Net (Expense) Revenue and Changes in Net Position Governmental Activities
Primary government:			
Governmental activities:			
General government	\$ 123,516	\$ 123,516	\$ -
Maintenance and operations	254,163	126,828	(127,335)
Total governmental activities	377,679	250,344	(127,335)
General revenues:			
Interest and other revenues			7,080
Total general revenues			7,080
Change in net position			(120,255)
Net position - beginning			4,421,322
Net position - ending			\$ 4,301,067

See notes to the financial statements

**KEY MARCO COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022**

	Major Fund General	Total Governmental Funds
ASSETS		
Cash	\$ 880,378	\$ 880,378
Total assets	\$ 880,378	\$ 880,378
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable and accrued expenses	\$ 3,714	\$ 3,714
Total liabilities	3,714	3,714
Fund balances:		
Unassigned	876,664	876,664
Total fund balances	876,664	876,664
Total liabilities and fund balances	\$ 880,378	\$ 880,378

See notes to the financial statements

**KEY MARCO COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA
RECONCILIATION OF BALANCE SHEET – GOVERNMENTAL FUNDS
TO STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022**

Total fund balances - governmental funds \$ 876,664

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

Capital assets used in governmental activities are not financial resources and therefore, are not reported as assets in the governmental funds. The statement of net position includes those capital assets, net of any accumulated depreciation, in the net position of the government as a whole.

Cost of capital assets	9,630,805	
Accumulated depreciation	(6,206,402)	3,424,403
Net position of governmental activities		\$ 4,301,067

See notes to the financial statements

**KEY MARCO COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Major Fund General	Total Governmental Funds
REVENUES		
Assessments	\$ 250,344	\$ 250,344
Interest and other revenues	7,080	7,080
Total revenues	257,424	257,424
EXPENDITURES		
Current:		
General government	123,516	123,516
Maintenance and operations	16,849	16,849
Total expenditures	140,365	140,365
Excess (deficiency) of revenues over (under) expenditures	117,059	117,059
Fund balances - beginning	759,605	759,605
Fund balances - ending	\$ 876,664	\$ 876,664

See notes to the financial statements

**KEY MARCO COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

Net change in fund balances - total governmental funds	\$ 117,059
Amounts reported for governmental activities in the statement of activities are different because:	
Depreciation on capital assets is not recongnized in the governmental fund financial statement but is reported as an expense in the statement of activities.	<u>(237,314)</u>
Change in net position of governmental activities	<u>\$ (120,255)</u>

See notes to the financial statements

**KEY MARCO COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

Key Marco Community Development District ("District") was created on July 7, 1992 pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes, under Collier County Ordinance 92-45. The Act provides among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

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

The District is governed by the Board of Supervisors ("Board") which is composed of five members. The Supervisors are elected on an at large basis by the owners of the property within the District. Ownership of land within the District entitles the owner to one vote per acre. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes.

The Board has the final responsibility for:

1. Assessing and levying assessments.
2. Approving budgets.
3. Exercising control over facilities and properties.
4. Controlling the use of funds generated by the District.
5. Approving the hiring and firing of key personnel.
6. Financing improvements.

The financial statements were prepared in accordance with Governmental Accounting Standards Board ("GASB") Statements. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the District is considered to be financially accountable and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements

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

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment (Operating-type special assessments for maintenance and debt service are treated as charges for services.) and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not included among program revenues are reported instead as *general revenues*.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Assessments

Assessments are non-ad valorem assessments on benefited lands within the District. Assessments are levied to pay for the operations and maintenance of the District. The fiscal year for which annual assessments are levied begins on October 1 with discounts available for payments through February 28 and become delinquent on April 1. The District's annual assessments for operations and debt service are billed and collected by the County Tax Assessor/Collector. The amounts remitted to the District are net of applicable discounts or fees and include interest on monies held from the day of collection to the day of distribution.

Assessments and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. The portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period.

The District reports the following major governmental fund:

General Fund

The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first for qualifying expenditures, then unrestricted resources as they are needed.

Assets, Liabilities and Net Position or Equity

Restricted Assets

These assets represent cash and investments set aside pursuant to contractual restrictions.

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and demand deposits (interest and non-interest bearing).

The District has elected to proceed under the Alternative Investment Guidelines as set forth in Section 218.415 (17) Florida Statutes. The District may invest any surplus public funds in the following:

- a) The Local Government Surplus Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act;
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
- c) Interest bearing time deposits or savings accounts in qualified public depositories;
- d) Direct obligations of the U.S. Treasury

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Deposits and Investments (Continued)

Securities listed in paragraph c and d shall be invested to provide sufficient liquidity to pay obligations as they come due. In addition, surplus funds may be deposited into certificates of deposit which are insured.

The District records all interest revenue related to investment activities in the respective funds. Investments are measured at amortized cost or reported at fair value as required by generally accepted accounting principles.

Inventories and Prepaid Items

Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets, which include property, plant and equipment, and infrastructure assets (e.g., roads, sidewalks and similar items) are reported in the government activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

<u>Assets</u>	<u>Years</u>
Building and improvements	10 – 30
Infrastructure assets	10 – 40
Machinery and equipment	20

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

Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position.

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Fund Equity/Net Position

In the fund financial statements, governmental funds report non spendable and restricted fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change.

The District can establish limitations on the use of fund balance as follows:

Committed fund balance – Amounts that can be used only for the specific purposes determined by a formal action (resolution) of the Board of Supervisors. Commitments may be changed or lifted only by the Board of Supervisors taking the same formal action (resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

Assigned fund balance – Includes spendable fund balance amounts established by the Board of Supervisors that are intended to be used for specific purposes that are neither considered restricted nor committed. The Board may also assign fund balance as it does when appropriating fund balance to cover differences in estimated revenue and appropriations in the subsequent year's appropriated budget. Assignments are generally temporary and normally the same formal action need not be taken to remove the assignment.

The District first uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Net position is the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position in the government-wide financial statements are categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets represents net position related to infrastructure and property, plant and equipment. Restricted net position represents the assets restricted by the District's Bond covenants or other contractual restrictions. Unrestricted net position consists of the net position not meeting the definition of either of the other two components.

Other Disclosures

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 3 – BUDGETARY INFORMATION

The District is required to establish a budgetary system and an approved Annual Budget. Annual Budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. All annual appropriations lapse at fiscal year-end.

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

- a) Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- b) Public hearings are conducted to obtain public comments.
- c) Prior to October 1, the budget is legally adopted by the District Board.
- d) All budget changes must be approved by the District Board.
- e) The budgets are adopted on a basis consistent with generally accepted accounting principles.
- f) Unused appropriation for annually budgeted funds lapse at the end of the year.

NOTE 4 – DEPOSITS

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

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2022 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
<u>Governmental activities</u>				
Capital assets, not being depreciated				
Land and land improvements	\$ 1,969,203	\$ -	\$ -	\$ 1,969,203
Total capital assets, not being depreciated	1,969,203	-	-	1,969,203
Capital assets, being depreciated				
Buildings	143,369	-	-	143,369
Improvements	883,297	-	-	883,297
Infrastructure	6,511,876	-	-	6,511,876
Machinery & Equipment	123,060	-	-	123,060
Total capital assets, being depreciated	7,661,602	-	-	7,661,602
Less accumulated depreciation for:				
Buildings	130,203	4,779	-	134,982
Improvements	756,734	21,108	-	777,842
Infrastructure	5,024,723	205,274	-	5,229,997
Machinery & Equipment	57,428	6,153	-	63,581
Total accumulated depreciation	5,969,088	237,314	-	6,206,402
Total capital assets, being depreciated, net	1,692,514	(237,314)	-	1,455,200
Governmental activities capital assets, net	\$ 3,661,717	\$ (237,314)	\$ -	\$ 3,424,403

Depreciation expense was charged to maintenance and operations.

NOTE 6 – MANAGEMENT AGREEMENT

In November 2019, the District entered into an agreement with Key Marco Community Association (“KMCA”) regarding District management services. Per the agreement, the HOA Manager will provide District management services and will report to both the KMCA Board and the District Board. The District has agreed to pay KMCA an annual management fee of \$55,000. The agreement is for a one year term and is automatically renewed for successive one year periods. For the fiscal year ended September 30, 2022, the District paid a total of \$50,413 to KMCA for these services.

NOTE 7 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. There were no settled claims during the past three years.

**KEY MARCO COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Budgeted Amounts Original & Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Assessments	\$ 244,416	\$ 250,344	\$ 5,928
Interest and other revenues	6,300	7,080	780
Total revenues	250,716	257,424	6,708
EXPENDITURES			
Current:			
General government	127,838	123,516	4,322
Maintenance and operations	117,000	16,849	100,151
Total expenditures	244,838	140,365	104,473
Net change in fund balances	\$ 5,878	117,059	\$ 111,181
Fund balance - beginning		759,605	
Fund balance - ending		\$ 876,664	

See notes to required supplementary information

**KEY MARCO COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

The District is required to establish a budgetary system and an approved Annual Budget for the general fund. The District's budgeting process is based on estimates of cash receipts and cash expenditures which are approved by the Board. The budget approximates a basis consistent with accounting principles generally accepted in the United States of America (generally accepted accounting principles).

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2022

**KEY MARCO COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA
OTHER INFORMATION – DATA ELEMENTS
REQUIRED BY FL STATUTE 218.39(3)(C)
UNAUDITED**

<u>Element</u>	<u>Comments</u>
Number of district employees compensated at 9/30/2022	5
Number of independent contractors compensated in September 2022	0
Employee compensation for FYE 9/30/2022 (paid/accrued)	\$3,600
Independent contractor compensation for FYE 9/30/2022	Not applicable
Construction projects to begin on or after October 1; (\$65K)	Not applicable
Budget variance report	See Page 18 of Annual Financial Report
Ad Valorem taxes;	Not applicable
Non ad valorem special assessments;	
Special assessment rate for FYE 9/30/2022	Operations and Maintenance - \$1900
	Not applicable
Special assessments collected FYE 9/30/2022	\$254,600



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

To the Board of Supervisors
Key Marco Community Development District
Collier County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of Key Marco Community Development District, Collier County, Florida ("District") as of and for the fiscal year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated June 19, 2023.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control 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 were not identified.

Report on Compliance and Other Matters

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

June 19, 2023



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE
REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY
RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Board of Supervisors
Key Marco Community Development District
Collier County, Florida

We have examined Key Marco Community Development District, Collier County, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2022. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2022.

This report 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, management, and the Board of Supervisors of Key Marco Community Development District, Collier County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

June 19, 2023



**MANAGEMENT LETTER PURSUANT TO THE RULES OF
THE AUDITOR GENERAL FOR THE STATE OF FLORIDA**

To the Board of Supervisors
Key Marco Community Development District
Collier County, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of Key Marco Community Development District ("District") as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated June 19, 2023.

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 Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters based on an audit of the financial statements performed in accordance with *Government Auditing Standards*; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 19, 2023, should be considered in conjunction with this management letter.

Purpose of this Letter

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General for the State of Florida. Accordingly, in connection with our audit of the financial statements of the District, as described in the first paragraph, we report the following:

- I. Current year findings and recommendations.**
- II. Status of prior year findings and recommendations.**
- III. Compliance with the Provisions of the Auditor General of the State of Florida.**

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, as applicable, management, and the Board of Supervisors of Key Marco Community Development District, Collier County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank Key Marco Community Development District, Collier County, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements and the courtesies extended to us.

June 19, 2023

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

None

III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2021.

2. Any recommendations to improve the local governmental entity's financial management.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2022.

3. Noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2022.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.

5. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.

6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2022. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

7. Management has provided the specific information required by Section 218.39(3)(c) in the Other Information section of the financial statements on page 20.

Key Marco Community Development District

Balance Sheet

As of May 31, 2023

	<u>May 31, 23</u>
ASSETS	
Current Assets	
Checking/Savings	
Fifth Third Money Market	460,103.48
Fifth Third Public Fund	472,652.37
Total Checking/Savings	<u>932,755.85</u>
Total Current Assets	<u>932,755.85</u>
TOTAL ASSETS	<u>932,755.85</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	6,879.77
Total Accounts Payable	<u>6,879.77</u>
Total Current Liabilities	<u>6,879.77</u>
Total Liabilities	6,879.77
Equity	
Retained Earnings	876,664.79
Net Income	49,211.29
Total Equity	<u>925,876.08</u>
TOTAL LIABILITIES & EQUITY	<u>932,755.85</u>

Key Marco Community Development District Profit & Loss Budget Performance May 2023

	May 23	Budget	Oct '22 - May 23	YTD Budget	Annual Budget
Income					
FEMA Proceeds	0.00	0.00	0.00	0.00	0.00
Interest Income	44.41	41.66	383.64	333.36	500.00
Maintenance Assessments (4%)	0.00	-670.00	-4,691.68	-5,360.00	-8,040.00
Maintenance Assessments - Levy	1,600.00	17,866.66	190,491.77	142,933.36	214,400.00
Miscellaneous Income	0.00	0.00	1.00	0.00	0.00
Road Use Fee Revenue	293.57	416.66	4,861.68	3,333.36	5,000.00
Total Income	1,937.98	17,654.98	191,046.41	141,240.08	211,860.00
Gross Profit	1,937.98	17,654.98	191,046.41	141,240.08	211,860.00
Expense					
ACCESS CONTROL					
Contractual Services	0.00	0.00	0.00	0.00	0.00
Operating Supplies	0.00	0.00	0.00	0.00	0.00
R&M Gatehouse	0.00	0.00	0.00	0.00	0.00
R&M Gates	0.00	0.00	0.00	0.00	0.00
Utilities	0.00	0.00	0.00	0.00	0.00
Total ACCESS CONTROL	0.00	0.00	0.00	0.00	0.00
ADMINISTRATION					
Accounting Services	0.00	0.00	0.00	0.00	0.00
Assessment Rolls	0.00	0.00	1,000.00	1,000.00	1,000.00
Attorney Fees	735.00	416.66	8,581.50	3,333.36	5,000.00
Audit Fees	0.00	1,500.00	0.00	1,500.00	5,500.00
Bank Fees	0.00	0.00	0.00	0.00	0.00
Computer- Website Support	300.00	50.00	740.00	400.00	600.00
Dues, Licenses, Subscriptions	0.00	0.00	175.00	175.00	175.00
Engineering Fees	2,056.25	750.00	11,567.50	6,000.00	9,000.00
FICA Taxes	0.00	0.00	0.00	0.00	0.00
Insurances	153.33	0.00	30,615.31	30,000.00	30,000.00
Legal Advertising	0.00	83.33	2,128.00	666.68	1,000.00
Management Fees	0.00	0.00	0.00	10.00	10.00
Office Supplies	0.00	25.00	0.00	200.00	300.00
Postage	0.00	0.00	16.17	0.00	0.00
Property Appraiser	0.00	85.00	547.03	680.00	1,020.00
Property Tax Collector (2%)	32.00	424.83	3,677.12	3,398.68	5,098.00
Rentals & Leases	74.95	30.00	574.70	240.00	360.00
Supervisor Expenses	0.00	416.66	3,800.00	3,333.36	5,000.00
Trascription Costs	0.00	83.33	0.00	666.68	1,000.00
Total ADMINISTRATION	3,351.53	3,864.81	63,422.33	51,603.76	65,063.00
CAPITAL EXPENDITURES & PROJECTS					
Bridge Inspection Reserves	0.00	416.67	18,808.75	3,333.32	5,000.00
Bridge Painting	0.00	2,250.00	0.00	18,000.00	27,000.00
Bridge Reserves	0.00	1,500.00	0.00	12,000.00	18,000.00

Key Marco Community Development District Profit & Loss Budget Performance May 2023

	May 23	Budget	Oct '22 - May 23	YTD Budget	Annual Budget
Contingency Reserves	0.00	4,118.57	0.00	4,298.57	7,614.50
Gate Access Control	0.00	0.00	0.00	0.00	0.00
Gatehouse Gates	0.00	0.00	0.00	0.00	0.00
Landscape Improvements	0.00	0.00	0.00	0.00	0.00
Roads	0.00	5,833.33	0.00	46,666.68	70,000.00
Roads - Root Barrier	0.00	0.00	0.00	0.00	0.00
Solar Streetlighting	0.00	1,000.00	0.00	8,000.00	12,000.00
Street Lighting	0.00	0.00	0.00	0.00	0.00
Total CAPITAL EXPENDITURES & PROJECTS	0.00	15,118.57	18,808.75	92,298.57	139,614.50
Hurricane Ian Expenses					
Hurricane Ian Debris Cleanup	0.00		47,720.00		
Hurricane Ian Gatehouse Repair	0.00		3,067.22		
Hurricane Ian Irrigation Repair	0.00		2,703.82		
Total Hurricane Ian Expenses	0.00		53,491.04		
Irrigation Services	0.00	0.00	0.00	0.00	0.00
ROADWAY SERVICES					
Repairs & Maintenance	0.00	1,000.00	3,250.00	8,000.00	12,000.00
Total ROADWAY SERVICES	0.00	1,000.00	3,250.00	8,000.00	12,000.00
STREET LIGHTING					
Holiday Decor	0.00	0.00	0.00	0.00	0.00
R&M - General	1,426.00	0.00	2,863.00	0.00	0.00
Utilities - Electric	0.00	0.00	0.00	0.00	0.00
Total STREET LIGHTING	1,426.00	0.00	2,863.00	0.00	0.00
Total Expense	4,777.53	19,983.38	141,835.12	151,902.33	216,677.50
Net Income	-2,839.55	-2,328.40	49,211.29	-10,662.25	-4,817.50

Key Marco Community Development District
Reconciliation Detail
Fifth Third Public Fund, Period Ending 05/31/2023

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						483,879.85
Cleared Transactions						
Checks and Payments - 10 items						
Check	09/30/2020	1227	Luanne Kerins	X	-184.70	-184.70
Bill Pmt -Check	04/20/2023	1229	Luanne Kerins	X	-200.00	-384.70
Bill Pmt -Check	04/20/2023	1231	Mary Beth Schewitz	X	-200.00	-584.70
Bill Pmt -Check	05/02/2023	1233	Hole Montes	X	-6,066.25	-6,650.95
Bill Pmt -Check	05/02/2023	1232	Coleman, Yovanovic...	X	-1,930.00	-8,580.95
Bill Pmt -Check	05/02/2023	1234	Naples Daily News	X	-406.00	-8,986.95
Bill Pmt -Check	05/02/2023	1236	Preferred Governme...	X	-153.33	-9,140.28
Bill Pmt -Check	05/02/2023	1235	Robert Flinn Record...	X	-149.90	-9,290.18
Bill Pmt -Check	05/09/2023	1237	Casagrande Electric	X	-1,437.00	-10,727.18
Bill Pmt -Check	05/10/2023	1238	Casagrande Electric	X	-1,426.00	-12,153.18
Total Checks and Payments					-12,153.18	-12,153.18
Deposits and Credits - 3 items						
Deposit	05/11/2023			X	1,568.00	1,568.00
Deposit	05/31/2023			X	40.51	1,608.51
Deposit	05/31/2023			X	293.57	1,902.08
Total Deposits and Credits					1,902.08	1,902.08
Total Cleared Transactions					-10,251.10	-10,251.10
Cleared Balance					-10,251.10	473,628.75
Uncleared Transactions						
Checks and Payments - 6 items						
Check	09/28/2020	2689S	Collier County Utilities		-116.88	-116.88
General Journal	09/30/2020	2020-09			-1,171.35	-1,288.23
Bill Pmt -Check	11/08/2021	1118	Naples Daily News		-199.50	-1,487.73
Bill Pmt -Check	11/18/2021	1121	Coleman, Yovanovic...		-260.00	-1,747.73
Bill Pmt -Check	04/20/2023	1228	John Esposito		-200.00	-1,947.73
Bill Pmt -Check	04/20/2023	1230	Lynn Narath		-200.00	-2,147.73
Total Checks and Payments					-2,147.73	-2,147.73
Deposits and Credits - 2 items						
General Journal	09/30/2020	2020-01			0.00	0.00
General Journal	09/30/2021	2020-18			1,171.35	1,171.35
Total Deposits and Credits					1,171.35	1,171.35
Total Uncleared Transactions					-976.38	-976.38
Register Balance as of 05/31/2023					-11,227.48	472,652.37
New Transactions						
Checks and Payments - 5 items						
Bill Pmt -Check	06/07/2023	1241	Hole Montes		-2,056.25	-2,056.25
Bill Pmt -Check	06/07/2023	1239	Coleman, Yovanovic...		-735.00	-2,791.25
Bill Pmt -Check	06/07/2023	1240	Exploritech, Inc.		-300.00	-3,091.25
Bill Pmt -Check	06/07/2023	1242	Preferred Governme...		-153.33	-3,244.58
Bill Pmt -Check	06/07/2023	1243	Robert Flinn Record...		-74.95	-3,319.53
Total Checks and Payments					-3,319.53	-3,319.53
Total New Transactions					-3,319.53	-3,319.53
Ending Balance					-14,547.01	469,332.84

Key Marco Community Development District Reconciliation Detail Fifth Third Money Market, Period Ending 05/31/2023

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						460,099.58
Cleared Transactions						
Deposits and Credits - 1 item						
Deposit	05/31/2023			X	3.90	3.90
Total Deposits and Credits					3.90	3.90
Total Cleared Transactions					3.90	3.90
Cleared Balance					3.90	460,103.48
Uncleared Transactions						
Deposits and Credits - 1 item						
General Journal	09/30/2020	2020-01			0.00	0.00
Total Deposits and Credits					0.00	0.00
Total Uncleared Transactions					0.00	0.00
Register Balance as of 05/31/2023					3.90	460,103.48
Ending Balance					3.90	460,103.48

ROADWAY USAGE FEE STUDY REPORT FOR KEY MARCO COMMUNITY DEVELOPMENT DISTRICT

June 30, 2023

Prepared for

Key Marco Community Development District

Prepared by

**Fishkind Litigation Services, Inc.
3504 Lake Lynda Drive
Suite 107
Orlando, Florida 32817
407-382-3256**



ROADWAY USAGE FEE STUDY FOR KEY MARCO COMMUNITY DEVELOPMENT DISTRICT

1.0 Introduction

1.1 Purpose

The purpose of this report (“Report”) is to provide Key Marco Community Development District (the “District”) with a roadway usage fee study that evaluates the implementation of a fee schedule (for users of the same class) upon entering the community. The roadway infrastructure was originally funded by the District via the issuance of tax-exempt bonds (which are no longer outstanding). However, the District is required to allow the general public access to the community, in part, because the District financed and maintains the critical horizontal improvements within the community, namely: a bridge, roads, drainage, water and sewer and other infrastructure improvements.

This report is designed to conform with Chapter 190.035 of the Florida Statutes, which authorizes the District “to prescribe, fix, establish, and collect rates, fees, rentals, or other charges, hereinafter sometimes referred to as “revenues,” and to revise the same from time to time, for the facilities and services furnished by the district...”

1.2 Background

The District represents a local, special-purpose form of government consistent with Chapter 190 of the Florida Statutes, as amended. Moreover, the above-cited statute permits the District to charge users (i.e. visitors) for the facilities and services furnished by the District. Such a fee and/or rate may be based upon any factor affecting the use of the facilities on the basis that the rate/fee shall be equitable and uniform.

The District was established in 1992 and at this time the infrastructure needs repair. Over the years, the District has welcomed thousands of visitors. In conjunction with the residents of the 37 residential homes (to-date) in the community, it is certainly reasonable to conclude that visitors also have a direct and indirect impact on the infrastructure. Thus, as already enumerated by the Florida Statutes, we believe it is defensible for the District to explore the imposition of a visitor fee schedule to reasonably allocate the costs of the maintenance and upkeep of the infrastructure.

2.0 Methodology

2.1 Overview

We embarked on several steps to establish the appropriate metrics to weigh the cost of supporting the infrastructure and to establish a visitor to resident utilization gauge. Our approach encompassed a detailed examination of: (1) the District’s Fiscal Year 2023 Operating Budget to identify all relevant expenditures; (2) visitor traffic logged from 2020 through 2023 YTD procured from the District’s gatehouse Checkpoint System; (3) Holmontes Engineers Memorandum as of January 2023 Post Hurricane Ian Roadway and Drainage Assessment; and (4) Bridge Conditions and Recommendations Report prepared by KCI Technologies, Inc. as of November 2020.

2.2 Findings

The District’s Adopted Fiscal Year 2023 Budget (Table 1) details total expenditures of \$144,000; most of the costs for the maintenance of roads is paid by the Homeowners Association. For the sake of this analysis, the consultant endeavored to establish the appropriate capital expenditures of the District that reasonably relate to visitors and their respective impact of wear and tear upon the roadway system. For example, the District allocates capital expenditures for roads. As visitors enter the community, they benefit from the road infrastructure, but also contribute to the stress/utilization of such. As exhibited in Table 1A herein, the consultant calculated the “Capital Outlay – Bridge Reserve” which equated to \$88,837. This accounts for the currently unbudgeted reserve assessment for the Whiskey Creek Drive Bridge replacement expenditures outlined in the KCI Technologies, Inc. report. In sum, we calculate relevant operating and capital expenditures of \$232,837, which will hereinafter serve as the baseline to establish the allocation of costs.

TABLE 1 'RELEVANT O&M BUDGETED EXPENDITURES		
Key Marco Community Development District		
Annual Budget		
Fiscal Year Ending September 30,2023		
<i>Maintenance & Landscaping:</i>		
Catch Basins & Culverts	\$12,000	
Contractual Services	<i>Paid by HOA</i>	
R&M - Trees & Trimming	<i>Paid by HOA</i>	
Plant Replacement Program	<i>Paid by HOA</i>	
Exotic Maintenance	<i>Paid by HOA</i>	
Flower Program	<i>Paid by HOA</i>	
Mulch Program	<i>Paid by HOA</i>	\$12,000
<i>Irrigation Services:</i>		
Utilities - Water	<i>Paid by HOA</i>	
Utilities - Electric	<i>Paid by HOA</i>	
Repairs & Maintenance	<i>Paid by HOA</i>	\$0
<i>Capital Expenditures & Projects:</i>		
Bridge Repair	\$50,000	
Solar Street Lighting	\$12,000	
Cap Outlay - Roads	\$70,000	\$132,000
<i>Access Control:</i>		
Contractual Services	<i>Paid by HOA</i>	
Utilities - Electric	<i>Paid by HOA</i>	
R&M Gate	<i>Paid by HOA</i>	
R&M Gatehouse	<i>Paid by HOA</i>	
Op Supplies - General	<i>Paid by HOA</i>	\$0
TOTAL		\$144,000

TABLE 1A BRIGE RESERVE REQUIREMENTS		
KCI Technologies Inc Report Nov.,2020 Whiskey Creek Drive Bidge		
Bridge Replace Cost In 2020 \$		\$ 5,000,000
Bridge Replace Cost In 2023 \$		\$ 5,900,000
Remaining Life of Bridge 43 Years	Annual Reserve Amount	\$ 137,209
Reverse for 2020 to 2023		\$ 548,837
June 2023 Cash Balance		\$ 460,000
Adjustment		\$ 88,837

With the underlying goal of evaluating, assessing and reasonably allocating the applicable operating expenses of the District amongst residents and visitors, the consultant thoroughly examined the Visitor Lane numbers logged by the guard at the checkpoint. We then delineated the Visitor Lane numbers into five distinct categories: (1) Visitors; (2) Guests of Residents; (3) Contractors; (4) Bikes; and (5) Police/Fire as denoted in Table 2.

TABLE 2 TRIP DISTRIBUTION ANALYSIS						
	Visitors	Guest of Resident	Contractors	Bike	Police/ Fire	Total
2020	4,075	1,023	2,857	185	11	8,149
2021	3,990	957	2,756	270	7	7,980
2022	2,041	521	1,441	71	8	4,082
2023	3,005	771	2,167	60	7	6,009
Total	13,110	3,272	9,221	586	32	26,220
Average	3,278	818	2,305	146	8	6,555
<i>Note: 2020 is estimated data was provided from 8/4/2020 to 12/31/2020</i>						
<i>Note: 2023 is projected data was provided from 1/1/2023 to 6/9/2023</i>						

For the sake of this analysis, we believe it is reasonable to assume that the District would not impose a fee for Guests of Residents and/or Police/Fire, as residents inherently will absorb the costs attributable to those parties via the O&M Assessments that each lot owner is required to pay on an annual basis. Then, to establish traffic volume attributed to residents of the community, we assumed average daily in-bound trips of three (3) per resident, which equates to 40,515 trips per year.

The trip distribution analysis (Table 2) is based on the following years: 2020, 2021, 2022, and projected 2023 activities. Assuming 6,555 Average Visitors from 2020 to 2023, and 40,515 annual inbound trips by the residents of the community, this yields a “Visitor to Resident” utilization of 7.49%.

Table 3 Residents Trip Analysis	
# of Lots / # of Residents	37
Avg. Daily Trips (Inbound)	3
Annual Inbound Volume	40,515
Visitor to Resident Utilization	7.49%
Implied Visitor Share of O&M	
	17,428
OR	
Establish an entrance fee of \$7 for cars/bikes	\$17,157

3.0 Conclusion and Supporting Fee Schedule

We believe the District is on solid ground if it elects to implement a fee for visitors to enter the community to support the implied share of the applicable operating and maintenance expenses. The table above illustrates the Implied Visitor Share / Entrance Fee of a standard motor vehicle is approximately \$7.00.

However, we believe it is important to recognize that the conveyance of the infrastructure maintained by the District imparts value in multiple ways. Two key components of said value include: (1) part of the benefit is accommodating trips (ingress and egress) for residents and visitors alike; and (2) part of the benefit inures to the real estate, which exclusively benefits the residents of the District. Thus, in an effort to establish a fee schedule that is fair, reasonable and defensible, we suggest a standard motor vehicle fee of \$10, plus or minus \$5 for other categories. Accordingly, our recommendation is that the District establish the following fee schedule.

FEE SCHEDULE	
Bikes	\$5
Cars	\$10
Tour Buses/Trucks/Other	\$20

Thank you for the opportunity to provide our findings and we look forward to assisting the District in the future as needed. We recommend that the District re-examine the cost to drivers every 3-to-5 years upon adoption of any Board of Supervisors approved fee schedule.