



Community Development District

Board of Supervisors

Public Budget Hearings & Regular Meeting to Follow

June 26, 2024 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. Public Hearing on Adopting Final Fiscal Year 2024-2025 Budget
 - a. Open Public Hearing on Final Fiscal Year 2024-2025 Budget
 - b. Staff Presentations
 - c. Public Comments
 - d. Consideration of Resolution 2024-03, Adopting a Fiscal Year 2025 Final Budget
 - e. Close Public Hearing on Fiscal Year 2025 Final Budget
5. 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 2024-04, Levying and Imposing Non-Ad Valorem Maintenance Special Assessments
 - e. Close Public Hearing on Levying O&M Assessments
6. Approval of Minutes
 - a. April 24, 2024 Special Meeting & Preliminary Budget Review Minutes
7. Old Business
 - a. Solar Streetlighting Update
 - b. FEMA Appeal Status

8. New Business
 - a. Consideration of Resolution 2024-05, Setting Fiscal Year 2024-2025 Meeting Calendar
 - b. Announce Date for Landowners' Meeting & Election
 - c. Sample Notice, Proxy, Ballot and Instructions for Landowners Meeting & Election
 - d. Proposal for Annual Catch Basin & Outfall Inspection/Cleaning Contract
9. Attorney Report
10. Engineer Report
11. Supervisors' Requests
12. District Manager Report
 - a. Acceptance of Fiscal Year 2022-2023 Annual Financial Report
 - b. Acceptance of Financials Ending May 31, 2024
 - c. Form 1 & Ethics Reminder
13. Public Comments
14. Adjournment

FINAL - BUDGET
FISCAL YEAR 2024-2025

KEY MARCO
COMMUNITY DEVELOPMENT DISTRICT

June 26, 2024
DRAFT #2 June 13, 2024

KEY MARCO

Community Development District

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KEY MARCO

Community Development District

General Fund

DESCRIPTION	Adopted Budget FY 2023-2024	Actual Thru 3/31/2024	Projected Next 6 Months	Total Projected 9/30/2024	Proposed Budget FY 2024-2025
REVENUES					
Maintenance Assessments - Levy	\$214,400	\$191,150	\$23,250	\$214,400	\$227,800
Maintenance Assessments - Discounts (4%)	(\$8,040)	(\$6,656)	(\$1,384)	(\$8,040)	(\$9,100)
Road Use Fee	\$5,000	\$2,354	\$1,377	\$3,731	\$5,000
Interest Income	\$500	\$9,777	\$7,000	\$16,777	\$10,000
FEMA Proceeds	\$0	\$0	\$0	\$0	\$0
Miscellaneous Income	\$0	\$1,000	\$0	\$1,000	\$0
TOTAL REVENUES	\$211,860	\$197,625	\$30,243	\$227,868	\$233,700
EXPENDITURES					
Administrative					
Accounting Services	\$0	\$0	\$0	\$0	\$0
Assessments Rolls	\$1,000	\$500	\$0	\$500	\$500
Attorney Fees	\$7,000	\$4,313	\$2,688	\$7,000	\$7,000
Audit Fees	\$6,000	\$0	\$4,800	\$4,800	\$5,000
Bank Fees	\$0	\$0	\$0	\$0	\$0
Computer Support	\$600	\$300	\$300	\$600	\$600
Dues, Licenses, Subscriptions	\$175	\$175	\$0	\$175	\$175
Engineering Fees	\$15,000	\$4,272	\$4,000	\$8,272	\$12,000
Fica Taxes	\$0	\$0	\$0	\$0	\$0
Insurance - General Liability	\$44,207	\$43,323	\$884	\$44,207	\$55,000
Legal Advertising	\$2,500	\$3,169	\$1,000	\$4,169	\$3,500
Management Fees	\$10	\$10	\$0	\$10	\$10
Office Supplies	\$300	\$0	\$200	\$200	\$200
Postage	\$0	\$16	\$0	\$16	\$20
Property Appraiser Admin Costs	\$800	\$830	\$0	\$830	\$830

KEY MARCO

Community Development District

General Fund

DESCRIPTION	Adopted Budget FY 2023-2024	Actual Thru 3/31/2024	Projected Next 6 Months	Total Projected 9/30/2024	Proposed Budget FY 2024-2025
Rentals & Leases	\$900	\$555	\$0	\$555	\$0
Road Use Fee Study	\$5,000	\$5,000	\$0	\$5,000	\$0
Supervisors Fees	\$5,000	\$3,200	\$2,000	\$5,200	\$5,000
Tax Collector (2% Commission)	\$4,300	\$3,643	\$657	\$4,300	\$4,300
Transcribing Costs	\$500	\$0	\$0	\$0	\$0
TOTAL ADMINISTRATIVE	\$93,292	\$69,306	\$16,529	\$85,835	\$94,135
<i>Capital Expenditures & Projects</i>					
Hurricane Contingency	\$0	\$0	\$0	\$0	\$40,000
Bridge Sidewalk/Curb Painting	\$0	\$0	\$0	\$0	\$18,000
Bridge Inspection Reserves	\$5,000	\$0	\$0	\$0	\$5,000
Bridge Painting	\$0	\$32,200	\$0	\$32,200	\$0
Bridge Reserves	\$18,000	\$0	\$0	\$0	\$18,000
Gate Operator Replacement	\$28,000	\$27,180	\$0	\$27,180	\$0
Gatehouse Gates	\$5,000	\$9,203	\$0	\$9,203	\$0
Gatehouse Paver Replacement	\$0	\$0	\$0	\$0	\$0
Roads	\$45,000	\$0	\$45,000	\$45,000	\$40,000
Solar Streetlighting	\$12,000	\$0	\$0	\$0	\$0
TOTAL CAPITAL EXPENDITURES & PROJECTS	\$113,000	\$68,583	\$45,000	\$113,583	\$121,000

KEY MARCO

Community Development District

General Fund

DESCRIPTION	Adopted Budget FY 2023-2024	Actual Thru 3/31/2024	Projected Next 6 Months	Total Projected 9/30/2024	Proposed Budget FY 2024-2025
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	\$5,000	\$2,500	\$2,500	\$5,000	\$10,000
TOTAL FIELD	\$5,000	\$2,500	\$2,500	\$5,000	\$10,000
Hurricane Ian Expenses					
Misc - FEMA Expenses	\$0	\$0	\$0	\$0	\$0
Total Hurricane Ian Expenses	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$211,292	\$140,388	\$64,029	\$204,417	\$225,135

KEY MARCO

Community Development District

General Fund

DESCRIPTION	Adopted Budget FY 2023-2024	Actual Thru 3/31/2024	Projected Next 6 Months	Total Projected 9/30/2024	Proposed Budget FY 2024-2025
EXCESS REVENUES (EXPENDITURES)	\$568	\$57,236	(\$33,786)	\$23,451	\$8,565

NET CHANGE IN FUND BALANCE	\$568	\$57,236	(\$33,786)	\$23,451	\$8,565
FUND BALANCE - BEGINNING	\$870,941	\$870,941	\$0	\$870,941	\$917,842
FUND BALANCE - ENDING	\$871,509	\$928,177	(\$33,786)	\$917,842	\$926,407

Net Assessment	\$218,688
Discounts 4%	\$9,112
Gross Assessment	\$227,800

<u>Unit Type</u>	<u># of Units</u>	<u>Gross Per Unit</u>	<u>Gross Total</u>
Single Family Home	134	\$1,700	\$227,800
	134		\$227,800

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 2024-2025	<u>\$924,650</u>
Net Change in Fund Balance - Fiscal Year 2024-2025	\$8,565
Reserves - Fiscal Year 2024-2025 Additions	\$0
TOTAL FUNDS AVAILABLE (ESTIMATED) - 9/30/2025	\$933,215
 <u>ALLOCATION OF AVAILABLE FUNDS</u>	
Assigned Fund Balance	
Operating Reserve - First Quarter Operating Capital	\$56,284
Subtotal	<u>\$56,284</u>
TOTAL ALLOCATION OF AVAILABLE FUNDS	\$56,284
 TOTAL UNAASIGNED (UNDESIGNATED) CASH	 <u>\$876,931</u>

RESOLUTION 2024-03

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, 2024 AND ENDING SEPTEMBER 30, 2025, 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, 2024, 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 June 26, 2024, 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, 2024 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 2023-24 and/or revised projections for Fiscal Year 2024-25.

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, 2025", as adopted by the Board of Supervisors on June 26, 2024.

Section 3. Appropriations. There is hereby appropriated out of the revenues of the District, for the Fiscal Year beginning October 1, 2024, and ending September 30, 2025 the sum of Two Hundred Twenty Seven Thousand Eight Hundred (\$227,800) 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	\$ <u>\$227,800</u>
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Total All Funds	\$ <u>\$227,800</u>
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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 2024-25 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	<u>\$227,800</u>
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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 26th day of June, 2024.

Attest:

**KEY MARCO COMMUNITY
DEVELOPMENT DISTRICT**

Joshua Carter, Secretary

Mary Beth Schewitz, Chair

RESOLUTION 2024-04

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 2024-25; 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 2024-25 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 2024-25; 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 2024-25 (defined as October 1, 2024 through September 30, 2025), will amount to \$227,800; 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 26th day of June, 2024.

Attest:

**KEY MARCO COMMUNITY
DEVELOPMENT DISTRICT**

Joshua Carter, Secretary

Mary Beth Schewitz, Chair

Exhibit “A”

Exhibit “B”

Key Marco Community Development District
FY 2024-2025 Assessment Roll

O&M on				
Folio	2024 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	\$ 1,700.00	TSAKALOS, THOMAS	HORR'S ISLAND AKA KEY MARCO	BLK 1 LOT 1
50940002820	\$ 1,700.00	PRIME CONTRACTORS & ASSOC INC	HORR'S ISLAND AKA KEY MARCO	BLK 1 LOT 2
50940002846	\$ 1,700.00	COVELLA, THOMAS R=& LAURA	HORR'S ISLAND AKA KEY MARCO	BLK 1 LOT 3

O&M on				
Folio	2024 tax bill	Name	Legal1	Legal2
50940002862	\$ 1,700.00	KIMBERLY L MANS LIVING TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 1 LOT 4
50940002888	\$ 1,700.00	TRUNCALI, ANTHONY	HORR'S ISLAND AKA KEY MARCO	BLK 1 LOT 5
50940002901	\$ 1,700.00	RHONDA J ELSE REV TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 1 LOT 6
50940002927	\$ 1,700.00	VRDOLYAK, JOHN J	HORR'S ISLAND AKA KEY MARCO	BLK 1 LOT 7
50940002969	\$ 3,400.00	BROWN, RANDOLPH=& MARGARET	HORR'S ISLAND AKA KEY MARCO	BLK 1 LOT 8 AND LOT 9
50940002985	\$ 1,700.00	BREND, KENNETH=& MARY BETH	HORR'S ISLAND AKA KEY MARCO	BLK 1 LOT 10
50940003007	\$ 1,700.00	JOYCE, SHAWN C	HORR'S ISLAND AKA KEY MARCO	BLK 1 LOT 11
50940003023	\$ 1,700.00	JANET A HARVEY R/L TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 1 LOT 12
50940003049	\$ 1,700.00	CONSTANTINO, CONSTANTINOS	HORR'S ISLAND AKA KEY MARCO	BLK 1 LOT 13
50940003065	\$ 1,700.00	JENNIFER K SPRAGUE REV TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 1 LOT 14
50940003081	\$ 1,700.00	KRUTISCH, HERBERT J=& MARICA	HORR'S ISLAND AKA KEY MARCO	BLK 2 LOT 1
50940003104	\$ 1,700.00	BENTLEY HANSON CORP, THE	HORR'S ISLAND AKA KEY MARCO	BLK 2 LOT 2
50940003120	\$ 1,700.00	DOBRE, ALJOSA	HORR'S ISLAND AKA KEY MARCO	BLK 2 LOT 3
50940003146	\$ 1,700.00	BRUSCO, MARK=& CAREY	HORR'S ISLAND AKA KEY MARCO	BLK 2 LOT 4
50940003162	\$ 1,700.00	GERARD J KERINS LIVING TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 2 LOT 5
50940003188	\$ 1,700.00	TSANDOULAS, GERASIMOS N	HORR'S ISLAND AKA KEY MARCO	BLK 2 LOT 6
50940003201	\$ 1,700.00	MILLER, JOHN T=& TAMMY L	HORR'S ISLAND AKA KEY MARCO	BLK 2 LOT 7
50940003227	\$ 1,700.00	KERINS, KEVIN F=& LUANNE	HORR'S ISLAND AKA KEY MARCO	BLK 2 LOT 8
50940003243	\$ 1,700.00	FORRESTER FAMILY TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 2 LOT 9
50940003269	\$ 1,700.00	BOOSALIS, PETER JOHN	HORR'S ISLAND AKA KEY MARCO	BLK 2 LOT 10
50940003285	\$ 1,700.00	STANTON-CLEMENT, TERRI L	HORR'S ISLAND AKA KEY MARCO	BLK 2 LOT 11
50940003308	\$ 1,700.00	DOUCET, Jay J	HORR'S ISLAND AKA KEY MARCO	BLK 2 LOT 12
50940003324	\$ 1,700.00	PANAMA LLC	HORR'S ISLAN AKA KEY MARCO	BLK 3 LOT 1 OR 2023 PG 1232
50940003340	\$ 1,700.00	Panama, LLC	HORR'S ISLAN AKA KEY MARCO	BLK 3, Lot 2
50940003366	\$ 3,400.00	MCDONNELL, RICHARD E	HORR'S ISLAND AKA KEY MARCO	BLK 3 LOT 3 AND LOT 4
50940003405	\$ 1,700.00	HEINTZ, JOHN V	HORR'S ISLAND AKA KEY MARCO	BLK 3 LOT 5
50940003421	\$ 1,700.00	KM & JC TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 3 LOT 6
50940003447	\$ 1,700.00	ROCHE, CHRISTOPHER=& LILLIAN	HORR'S ISLAND AKA KEY MARCO	BLK 3 LOT 7
50940003463	\$ 1,700.00	MELLEMA, RICHARD R	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 1
50940003489	\$ 1,700.00	JENNIFER A ACKERMAN REV TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 2
50940003502	\$ 1,700.00	CARTWRIGHT, JAY=& JENNY	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 3 OR 2033 PG 01
50940003528	\$ 1,700.00	REGANTI, SRIKANT=& SOWJANYA	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 4
50940003544	\$ 1,700.00	BLAZER, TODD L	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 5

O&M on				
Folio	2024 tax bill	Name	Legal1	Legal2
50940003560	\$ 1,700.00	SKORUPA, DANIEL R=& PAULA D	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 6

50940003586	\$ 1,700.00	BLUE CREEK ONE LLC	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 7
50940003609	\$ 1,700.00	ESPOSITO TR, JOHN L	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 8
50940003625	\$ 1,700.00	ROBE HOLDINGS LLC	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 9
50940003641	\$ 1,700.00	SURVIVING GRANTOR'S TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 10
50940003667	\$ 1,700.00	MARCO SUNSET LLC	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 11
50940003683	\$ 1,700.00	JAMES C DRISCOLL REV TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 12
50940003706	\$ 1,700.00	WEBER, JOHN M=& NANCY R	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 13
50940003722	\$ 1,700.00	STEVE THOMAS/PALMS LP, THE	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 14
50940003748	\$ 1,700.00	MELLEMA, RICHARD	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 15
50940003764	\$ 1,700.00	KEY MARCO PROPERTY LLC	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 16
50940003780	\$ 1,700.00	PEZT CO USA LLC	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 17
50940003803	\$ 1,700.00	LARSEN, JOHN E=& MICHELE P	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 18
50940003829	\$ 1,700.00	MATLALATL, LLC	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 19
50940003845	\$ 1,700.00	MATLALATL, LLC	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 20
50940003861	\$ 1,700.00	MATLALATL, LLC	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 21
50940003887	\$ 1,700.00	ROLLINS, BERNARD A	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 22
50940003900	\$ 1,700.00	LEE FAMILY TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 23
50940003926	\$ 1,700.00	KENNETH J STUART REV TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 24
50940003942	\$ 1,700.00	SCHWITZ, DAVID C=& MARY E	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 25
50940003968	\$ 1,700.00	OSORIO III, ALFREDO A	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 26 OR 2017 PG 1992
50940003984	\$ 1,700.00	FOWLER, JOHN C=& JOANNE K	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 27
50940004006	\$ 1,700.00	CORRIE J LLEWELLYN REV TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 28
50940004022	\$ 1,700.00	GRANT, DOUGLAS JAMES=& BARBARA	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 29
50940004048	\$ 1,700.00	LANDMARK LAND TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 30
50940004064	\$ 1,700.00	HOOD FAMILY TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 31
50940004080	\$ 1,700.00	MILLER SR, JOHN	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 32
50940004103	\$ 1,700.00	TAVELLA, DOMINICK	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 33
50940004129	\$ 1,700.00	KEY MARCO DEVELOPMENT LLC	HORR'S ISLAND AKA KEY MARCO	BLK 4 LOT 34
50940004145	\$ 1,700.00	GEHRING, CHRISTOPHER	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 1
50940004161	\$ 1,700.00	JENNINGS, JAMES R=& VALERIE D	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 2
50940004187	\$ 1,700.00	VASS, DAN	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 3

O&M on

Folio	2024 tax bill	Name	Legal1	Legal2
50940004200	\$ 1,700.00	BLUE MARCO INVESTMENTS LLC	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 4
50940004226	\$ 1,700.00	NUSFLR1 LLC	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 5
50940004242	\$ 1,700.00	SLOCUM, JOHN GORDON	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 6
50940004268	\$ 1,700.00	DAVIS, JASON R	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 7
50940004284	\$ 1,700.00	NEIL D BRINKER REV TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 8
50940004307	\$ 1,700.00	MATLALATL LLC	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 9
50940004323	\$ 1,700.00	OCONNOR, PATRICK	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 10
50940004349	\$ 1,700.00	KEY MARCO HOLDINGS LLC	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 11
50940004365	\$ 1,700.00	KEY MARCO HOLDINGS LLC	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 12
50940004381	\$ 1,700.00	KEY MARCO HOLDINGS LLC	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 13
50940004404	\$ 1,700.00	KEY MARCO HOLDINGS LLC	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 14
50940004420	\$ 1,700.00	MAILLOUX, TROY M	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 15
50940004446	\$ 1,700.00	KEY MARCO HOLDINGS LLC	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 16
50940004462	\$ 1,700.00	ROSEN, JAY CHRISTOPHER	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 17
50940004488	\$ 1,700.00	JANET A HARVEY REV TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 18
50940004501	\$ 1,700.00	LUTTRELL, STORMY D	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 19
50940004527	\$ 1,700.00	NHUSFL02 LLC	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 20
50940004543	\$ 1,700.00	DARA HOLDINGS LLC	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 21
50940004569	\$ 1,700.00	JAVIER VILLAMIZAR REV TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 5 LOT 22
50940004585	\$ 1,700.00	PANOPLY KEY MARCO LLC	HORR'S ISLAND AKA KEY MARCO	BLK 6 LOT 1
50940004608	\$ 1,700.00	JAMES, JASON	HORR'S ISLAND AKA KEY MARCO	BLK 6 LOT 2
50940004624	\$ 1,700.00	VALIENTE, JUAN CARLOS	HORR'S ISLAND AKA KEY MARCO	BLK 6 LOT 3
50940004640	\$ 1,700.00	RESSLAND, ROBERT J=& CHERYL A	HORR'S ISLAND AKA KEY MARCO	BLK 6 LOT 4
50940004666	\$ 1,700.00	CAPIRO HOMES LLC	HORR'S ISLAND AKA KEY MARCO	BLK 6 LOT 5
50940004682	\$ 1,700.00	MUSUMANO, DONNA	HORR'S ISLAND AKA KEY MARCO	BLK 6 LOT 6
50940004705	\$ 1,700.00	MORRIS, WILLIAM G=& PEGLIEE	HORR'S ISLAND AKA KEY MARCO	BLK 6 LOT 7
50940004721	\$ 1,700.00	TSAKALOS, THOMAS	HORR'S ISLAND AKA KEY MARCO	BLK 6 LOT 8
50940004747	\$ 1,700.00	TSAKALOS, THOMAS	HORR'S ISLAND AKA KEY MARCO	BLK 6 LOT 9
50940004763	\$ 1,700.00	TSAKALOS, THOMAS	HORR'S ISLAND AKA KEY MARCO	BLK 6 LOT 10
50940004789	\$ 1,700.00	GLENN ED & ADELINA ML HANKE TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 6 LOT 11
50940004802	\$ 1,700.00	SPOTTSWOOD PARTNERS LTD	HORR'S ISLAND AKA KEY MARCO	BLK 7 LOT 1
50940004828	\$ 1,700.00	KAJY, KOLIN	HORR'S ISLAND AKA KEY MARCO	BLK 7 LOT 2

O&M on

Folio	2024 tax bill	Name	Legal1	Legal2
50940004844	\$ 1,700.00	C L NELSON FAMILY TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 7 LOT 3
50940004860	\$ 1,700.00	RAYMOND W MILLER ESTATE TAX	HORR'S ISLAND AKA KEY MARCO	BLK 7 LOT 4
50940004886	\$ 1,700.00	KEY MARCO DEVELOPMENTS LLC	HORR'S ISLAND AKA KEY MARCO	BLK 7 LOT 5
50940004909	\$ 1,700.00	KEY MARCO DEVELOPMENTS LLC	HORR'S ISLAND AKA KEY MARCO	BLK 7 LOT 6
50940004925	\$ 1,700.00	NATHAN E BAXTER REV TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 7 LOT 7

50940004941	\$ 1,700.00	ROCHE, CHRISTOPHER A	HORR'S ISLAND AKA KEY MARCO	BLK 7 LOT 8
50940004967	\$ 1,700.00	R & R FAMILY TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 7 LOT 9
50940004983	\$ 1,700.00	R & R FAMILY TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 7 LOT 10
50940005005	\$ 1,700.00	KEELER, CLAYTON G=& SUZANNE H	HORR'S ISLAND AKA KEY MARCO	BLK 7 LOT 11
50940005021	\$ 1,700.00	MIDLAND TRUST CO AS CUST FBO	HORR'S ISLAND AKA KEY MARCO	BLK 7 LOT 12
50940005047	\$ 1,700.00	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	\$ 1,700.00	PROPERTY POOL LLC	HORR'S ISLAND AKA KEY MARCO	BLK 9 LOT 1
50940005102	\$ 1,700.00	MOYA, LUIS=& JENNIFER	HORR'S ISLAND AKA KEY MARCO	BLK 9 LOT 2
50940005128	\$ 1,700.00	BLUE HILL LLC	HORR'S ISLAND AKA KEY MARCO	BLK 9 LOT 3
50940005144	\$ 1,700.00	WINECA LIVING TRUST SURVIVORS	HORR'S ISLAND AKA KEY MARCO	BLK 9 LOT 4
50940005160	\$ 1,700.00	SURVIVING GRANTOR'S TRUST	HORR'S ISLAND AKA KEY MARCO	BLK 9 LOT 5
50940005186	\$ 1,700.00	WALKER, JOHN M=& KATIE K	HORR'S ISLAND AKA KEY MARCO	BLK 9 LOT 6
50940005209	\$ 1,700.00	PRANGE, JAMES A=& MELISSA D	HORR'S ISLAND AKA KEY MARCO	BLK 9 LOT 7
50940005225	\$ 1,700.00	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	\$ 1,700.00	NHUSFL03 LLC	HORR'S ISLAND AKA KEY MARCO	BLK 11 LOT 1 OR 2061 PG 2237
50940005283	\$ 1,700.00	SPOLTOR, THEODORE	HORR'S ISLAND AKA KEY MARCO	BLK 11 LOT 2
50940005306	\$ 1,700.00	THREE BROTHERS PROPERTY LLC	HORR'S ISLAND AKA KEY MARCO	BLK 11 LOT 3
50940005322	\$ 1,700.00	ROTCHFORD, MARGARET M	HORR'S ISLAND AKA KEY MARCO	BLK 11 LOT 4
50940005348	\$ 1,700.00	ZIELINSKI, LUKASZ M= DOROTA M	HORR'S ISLAND AKA KEY MARCO	BLK 11 LOT 5
50940005364	\$ 1,700.00	KATZ, MICHAEL	HORR'S ISLAND AKA KEY MARCO	BLK 11 LOT 6
50940005380	\$ 1,700.00	ALDRIDGE, GABRIEL	HORR'S ISLAND AKA KEY MARCO	BLK 11 LOT 7
50940005403	\$ 1,700.00	MCKENDRICK, DEAN M	HORR'S ISLAND AKA KEY MARCO	BLK 11 LOT 8
50940005429	\$ 1,700.00	MCKENDRICK, DEAN M=& DAYNA H	HORR'S ISLAND AKA KEY MARCO	BLK 11 LOT 9 OR 2045 PG 1268
50940005445	\$ 1,700.00	SMITH, DOUGLAS E=& JENNIFER L	HORR'S ISLAND AKA KEY MARCO	BLK 11 LOT 10
50940005461	\$ 1,700.00	QUAGLIETTA, MICHAEL A	HORR'S ISLAND AKA KEY MARCO	BLK 11 LOT 11
O&M on				
Folio	2024 tax bill	Name	Legal1	Legal2
50940005487	\$ 1,700.00	GRISKENAS, ARUNAS=& ANA	HORR'S ISLAND AKA KEY MARCO	BLK 11 LOT 12
50940005500	\$ 1,700.00	PRANGE, JAMES A=& MELISSA D	HORR'S ISLAND AKA KEY MARCO	BLK 11 LOT 13
FY 2024 Budget	\$ 227,800.00			

**Key Marco Community Development District
Regular Meeting
April 24, 2024
8:30 AM**

Appearances

Mary Beth Schewitz, Chairman
Luanne Kerins, Co-Chair
Terri Stanton
Jennifer Sprague*
Jay Rosen*

Also Present

Joshua Carter, District Manager
Greg Urbancic, District Counsel (Via Speakerphone)

CALL TO ORDER/ROLL CALL

The meeting was called to order by the Chairman at 8:30 AM, and it was noted that three supervisors were in attendance constituting a quorum.

APPROVAL OF AGENDA

Mr. Carter noted that he and Mr. Kerins of Key Marco Community Association had a solar streetlighting update to be shared during the District Manager's Report.

On a voice vote by Mrs. Schewitz and a second by Mrs. Stanton, the amended agenda was unanimously approved.

Public Comments

No Public Comments were made at this time

Approval of Minutes

a. February 21, 2024 Regular Meeting Minutes

Mrs. Schewitz noted typos for capitalization on line 50, 63, 73 and 78 as well as a typo on line 124 to be corrected. Mr. Carter noted that he would amend the February 21, 2024 minutes to correct the noted errors.

On a voice vote by Mrs. Schewitz and a second by Mrs. Kerins, the February 21, 2024 Regular Meeting Minutes were approved as amended unanimously.

43 **Organizational Matters**

44 a. Appointment of Supervisor to Fill an Unexpired Term of Office (Seat 1, Expiring 11/2026)

45 Mr. Carter noted that Seat 1 was vacated by Lynn Narath following her notice of
46 resignation from the Board of Supervisors. Mr. Carter noted that Mrs. Jennifer Sprague
47 of 1248 Blue Hill Creek Drive had written a letter of interest in joining the Board of
48 Supervisors. Mrs. Sprague appeared before the Board and stated she is a US Citizen and
49 a registered voter in the state of Florida, satisfying the requirements to serve on the
50 Board of Supervisors. Mrs. Sprague further expressed her interest in serving the
51 community and appreciated the consideration of an appointment to the Board of
52 Supervisors.

53
54 On a voice vote by Mrs. Schewitz and a second by Mrs. Stanton, Jennifer Sprague of 1248 Blue
55 Hill Creek Drive was appointed to fill the Seat 1 vacancy of the Board of Supervisors 3-0.

56
57 b. Appointment of Supervisor to Fill an Unexpired Term of Office (Seat 3, Expiring 11/2024)

58 Mr. Carter noted that Seat 3 was vacated by John Esposito following his notice of
59 resignation from the Board of Supervisors. Mr. Carter noted that Mr. Jay Rosen of 1084
60 Blue Hill Creek Drive had written a letter of interest in joining the Board of Supervisors.
61 Mr. Rosen appeared before the before and stated that he is a US Citizen and a
62 registered voter in the State of Florida, satisfying the requirements to serve on the
63 Board of Supervisors. Mr. Rosen further noted that he had served as a township auditor
64 in the past and has an engineering background he believes can assist the District in
65 infrastructure projects.

66
67 On a voice vote by Mrs. Schewitz and a second by Mrs. Stanton, Jay Rosen of 1084 Blue Hill
68 Creek Drive was appointed to fill the Seat 3 vacancy of the Board of Supervisors 3-0.

69
70 c. Oath of Office for Newly Appointed Supervisors

71 Mr. Carter noted that newly appointed Supervisors would be required to take their oath
72 of office and be sworn in prior to officially joining the Board of Directors. Mrs. Sprague
73 and Mr. Rosen were provided with an Oath of Office form to complete and recite to be
74 sworn in. Each supervisor completed their Oath of Office and was sworn in. Mr. Carter
75 noted that a resolution would be presented to re-designate the Board of Supervisors
76 and the newly sworn in appointees could take their seats on the Board once completed.

77 d. Resolution 2024-01 – Designation of Officers

78 Mr. Carter presented Resolution 2024-01 to the Board of Supervisors to re-designate
79 the Board including the new appointees. Mrs. Schewitz noted that she would volunteer
80 to remain as Chair, Mrs. Kerins to remain the Vice Chair, Mr. Carter to remain Secretary
81 and the three remaining seats to remain as Assistant Secretary.

82
83 On a voice vote by Mrs. Kerins and a second by Mrs. Stanton, Resolution 2024-01 was passed 3-
84 0 to re-designate the board as discussed.

Mr. Rosen and Mrs. Sprague joined the Board of Supervisors at their table. Mr. Carter noted that the meeting would continue as outlined in the agenda with the two appointed supervisors able to contribute. Mr. Carter noted that there would be action items required to be completed by the new appointees that would be addressed during the District Manager's Report item d.

Old Business

No Old Business was discussed at this time

New Business

a. LJA (Formerly ABB) Contract for District Engineering Services

Mr. Carter noted that following the motion by the Board to enter negotiations with Agnoli, Barber & Brundage for District Engineering Services in the February meeting, a proposed contract was submitted by LJA, which acquired Agnoli, Barber & Brundage. Mr. Carter noted that the organizational structure of Agnoli, Barber & Brundage would remain the same as it relates to CDD engineering services and the proposed district engineer, Ted Tryka would remain as the engineer for Key Marco CDD under the acquisition. Mr. Carter presented the Board of Supervisors with the contract for District Engineering Services submitted and noted that Mr. Urbancic had reviewed the contract and added recitals, satisfying legal review for the proposed agreement. Mrs. Schewitz noted that the contract appeared to be acceptable and put the acceptance of the agreement to a motion of the Board of Supervisors.

On a voice vote by Mrs. Schewitz and a second by Mrs. Sprague, a motion to accept the proposed District Engineering Services contract submitted by LJA Engineering was approved unanimously.

Mr. Carter noted that he would return the signed agreement to LJA Engineering following the meeting and have the District Engineer collect the engineering records. Mr. Carter noted further that he would set up a meeting with Mr. Tryka regarding road repair for the district roadways to plan for the current and upcoming fiscal year repairs.

b. FEMA Eligibility Determination Memo

Mr. Carter noted that following the February meeting of the Board of Supervisors, a letter was sent by FEMA to the District stating that upon review of the claim for Hurricane Ian debris removal for \$47,000, FEMA had deemed the District ineligible for the funding due to public access issues and removal monitoring. Mr. Carter presented the determination memo and read that FEMA states the District roadways are not public roadways due to the gates, road use fee and lack of lack of public amenities. The letter specifically made note of Key Marco Community Association's community center, tennis facility and marina being for the use of members only. Mr. Carter noted read from the letter that further, the FEMA monitoring requirements for debris removal require specific documentation that the eligibility determination noted was not submitted.

c. Consideration of Professional Services Agreement for Filing of FEMA Appeal

Mr. Carter presented a services proposal submitted by Berquist Recovery Consulting for FEMA appeal consultation. Mr. Carter noted that the eligibility determination provides the option for the District to appeal the decision to deny funding and had spoken to Mr. Jonathan Berquist of Berquist Recovery Consulting regarding the District's claim denial. Mr. Carter noted that the proposal submitted by BRC would include consulting in developing the appeal letter, justification for claim and filing the appeal to FEMA for a total cost of \$4,500. Mrs. Schewitz noted that appealing the determination seemed of value given the mischaracterization of the Key Marco roadways as private and suggested that pending attorney review, the agreement signed, and appeal filed by the deadline. Mr. Carter noted that he would forward the proposal to Mr. Urbancic for any revisions and sign once all revisions included.

On a voice vote by Mrs. Schewitz and a second by Mr. Rosen, a motion to approve the proposed FEMA Appeal Professional Services agreement submitted by Berquist Recovery Consulting pending attorney revisions was approved unanimously.

ATTORNEY'S REPORT

Mr. Urbancic noted that a recent rule change regarding special districts had been approved requiring that special districts develop a set of goals, objectives and performance metrics for the district. Mr. Urbancic noted that there was not much detail on this requirement at this time but would follow up in a future meeting on the implementation of the new requirement.

ENGINEER'S REPORT

No Engineer's Report was Provided at the April 24, 2024 meeting.

SUPERVISORS' REQUESTS

No Supervisors' Requests were made at this time.

DISTRICT MANAGER'S REPORT

Acceptance of Unaudited Financials Ending March 31, 2024

Mr. Carter presented unaudited financials ending March 31, 2024 to the Board of Supervisors. Mr. Carter noted that the Seacoast Bank Money Market account had been opened since the February meeting and was reflected in the balance sheet, with each account now below the FDIC limit of \$250,000.

Mr. Carter noted that on the first statement of the new Seacoast Bank account, the interest income on the account had been miscalculated to the rate agreed upon between the bank and

District and the bank would reflect the agreed upon interest income over the following monthly period.

Mr. Carter highlighted in the Profit-and-Loss statement the interest income from October 2023-March 2024 nearing \$10,000 as result of the bank account restructuring as well as the road use fee income remaining above budget for March 2024. Mr. Carter noted that the Maintenance assessments had continued to deposit and \$191,149.77 of the \$214,400 had been paid from March to October.

On a voice vote by Mrs. Schewitz and a second by Mrs. Kerins, a motion to approve the unaudited financials ending March 31, 2024 was approved unanimously.

Review of 2024-2025 Preliminary Budget

Mr. Carter presented the draft fiscal year 2024-2025 budget to the Board of Supervisors. Mr. Carter began by noting changes in the expense section from fiscal year 2023-2024 to fiscal year 2024-2025 noting that the first major change proposed to administrative expenses would be the decrease in assessment roll preparation from \$1,000 to \$500, noting that Ms. Alice Carlson of AJC Associates had closed the business and would no longer be offering assessment roll services. Mr. Carter noted that in speaking with Ms. Carlson, she noted that most Districts had opted to draft and send assessment rolls to the county in house and Mr. Carter noted that he would complete this service for fiscal year 2024-2025. Mr. Carter noted that Ms. Carlson's service also included providing CDD estoppels to requesting parties and stated that he would undertake this operation in house as well, leaving \$500 on the budget for fiscal year 2024-2025 if needed to be contracted later. Mr. Carter noted that the next change was reflected in Engineering Fees, reducing the budget amount from \$15,000 to \$12,000. Mr. Carter noted that engineering expenses totaled \$4,272 from October 2023 to March 2024 and expected this to be an accurate cost assessment for engineering activity for the upcoming fiscal year as more projects are completed, lessening the workload for the newly approved District Engineer. Mr. Carter noted that Insurances were the largest increase on the draft budget, jumping from \$44,207 in FY 2024 to \$55,000 in FY 2025. Mr. Carter noted that in speaking with the insurance associates at Preferred Government Insurance Trust, this figure was provided as a cautious not-to-exceed amount as the District is in an appraisal year for the insured assets. Mr. Carter noted that while the insurance market has calmed since Hurricane Ian, the appraisal can bring unexpected increases to assessed values of insured property and the \$55,000 premium cost budgeted includes consideration for the upcoming appraisals increasing values as well as room to include flood coverage to the Key Marco guardhouse. Mr. Carter noted that Legal Advertising is proposed at \$3,500 for FY 2025 from \$2,500 in FY 2024 due to cost increases with legal advertising and special meetings. Mr. Carter noted that Rentals and Leases had been reduced from \$900 in FY 2024 to \$0 in FY 2025 as part of the contract cancellation with Robert Flinn Records Center and moving records into the storage unit operated by Key Marco Community Association. The item 'Road Use Fee Study' would be reduced from \$5,000 to \$0 as the study had been completed in FY 2024. Mr. Carter noted that the last item for Administrative Expenses was Transcribing Costs, reduced from \$500 to \$0 for FY 2025. Mr. Carter noted that the total budget for Administrative Expenses for FY 2025 is proposed at \$94,135, up from the \$93,292 in FY 2024.

Moving on to the Capital Expenditures and Projects expense category, Mr. Carter first noted that the account 'Hurricane Contingency' had been added to establish a fund for disaster recovery in light of the back and forth with FEMA regarding FEMA as a failsafe for future storms if eligibility of the District for reimbursement continues to face scrutiny. Mr. Carter noted that for FY 2025, this account is budgeted at \$40,000. Mr. Carter noted that Bridge Sidewalk/Curb Painting is added following the successful completion of the bridge railing and streetlight painting to a total proposed cost of \$18,000, just above what was quoted by vendors for the work in FY 2024. Mr. Carter noted that the Bridge Inspection Reserves item kept the same at \$5,000, with a three-year inspection to be completed in 2025 following the 2022 inspection. Mr. Carter noted that Bridge Reserves be kept at \$18,000 as in FY 2024. The next item, Gate Operator Replacement would be removed from the budget following the completion of the project, reducing from \$28,000 to \$0. Gatehouse gates be removed from the budget as well following the painting project completion, reducing from \$5,000 to \$0. Mr. Carter noted that Roads be budgeted at \$40,000 for FY 2025 from \$45,000 in FY 2024. The last item, Solar Streetlighting be reduced from \$12,000 to \$0 following the exploration and lack of feasibility for the bridge solar streetlight project. Mr. Carter noted that the total Capital Expenditures & Projects expense category would be increased from \$113,000 to \$121,000 from FY 2024 to FY 2025.

Mr. Carter noted that the final expense item, Repairs & Maintenance – Catch Basins & Culverts was previously budgeted at \$5,000 for FY 2024 and proposed an increase to \$10,000 for FY 2025. Mr. Carter noted that he had been in contact with EarthView regarding an annual cleaning of all catch basins on the property rather than cleaning basins as issues arise, costing around \$2,500 per basin. Mr. Carter noted that a proposal for this service would be presented in a future meeting.

Mr. Carter noted that the total expenditure proposed for FY 2025 was proposed in the draft budget as \$225,135, an increase from FY 2024's budget amount of \$211,292.

For the income section, Mr. Carter noted that given the increase in expected expenditure, the maintenance assessment income should be increased to \$227,800 to an assessment of \$1,700 per lot from \$1,600 in the prior year. Mr. Carter noted that this change would allow for a buffer above the expenses expected and keep the District from overspending on their budget amount. Mr. Carter noted that the other change in the income section would be an increase to the interest income item, proposed at \$10,000 for FY 2025, an increase from \$500 budgeted in FY 2024. Mr. Carter noted this increase because of the bank account restructuring. The total revenue proposed for FY 2025 is \$233,700, leaving an excess revenue amount of \$8,8565 for contingency. Mrs. Schewitz noted that it would be great if possible, to keep the assessment at \$1,600 while maintaining the establishment of the Hurricane Contingency and increases for Capital Projects. Mr. Carter noted that to reduce the proposed assessment back to \$214,400, the expenses budgeted would need to fall below this amount and require that over \$10,000 be removed from the expenses of the proposed budget. Mr. Carter noted that while it is not optimal to raise the assessment \$100, it would be difficult to account for the increases to insurance costs and maintain capital improvement projects. Mr. Carter noted that the bridge

sidewalk and column painting could be delayed to a later year, but the area was showing significant wear especially highlighted by the newly painted rails and streetlights and would require a budget increase at that time. Mr. Carter noted as well that pending a positive outcome of the appeal with FEMA on funding for disaster recovery and establishment of a hurricane contingency fund, the assessment could be reduced back in a future fiscal year assuming expenses for items such as insurance plateau. Mrs. Schewitz noted that this seemed reasonable and a \$100 increase to the annual assessments would be required given the increase to expenses for FY 2025. Mr. Urbancic noted that to propose an increase to the assessment, a notice would need to be published 20 days prior to the budget hearing and a letter sent by First-Class mail to all owners notifying them of the proposed assessment increase and budget hearing. Mr. Urbancic noted that he would follow up with Mr. Carter after the meeting via email to outline the statutory requirements for the notice and letters. No further questions were asked regarding the draft FY 2024-2025 budget.

Resolution 2024-02 – Setting Budget Hearing Date

Prior to presenting Resolution 2024-02 to the Board of Supervisors, Mr. Carter noted as the current April Meeting had been rescheduled to April 24, a week later than the originally scheduled date of April 17, the requirement by statute to send the budget to Collier County and the City of Marco Island 60 days in advance of the budget meeting would not be met by the previously set budget hearing date of June 19 and suggested that the budget hearing date be set for one week following on June 26 to allow for the 60 days required. The Board of Supervisors noted that seemed appropriate and Mr. Carter presented Resolution 2024-02 to the Board of Supervisors. The resolution included the preliminary FY 2024-2025 budget to be presented at a public hearing scheduled for June 26, 2024 at 8:30 AM at the Key Marco Community Center and a copy of the preliminary budget to be sent to Collier County and the City of Marco Island 60 days prior to meeting.

On a voice vote by Mrs. Schewitz and a second by Mrs. Sprague, a motion to approve Resolution 2024-02, to set the Budget Hearing date for June 26, 2024 at 8:30 AM was approved unanimously.

Form 1 & Supervisor Ethics Compliance Reminder

Mr. Carter reminded the supervisors of the upcoming deadline for Form 1 submissions as well as ethics training completion approaching July 1 and urged supervisors to complete their trainings prior to the June 26 meeting to ensure compliance by the deadline. Mr. Carter noted that for the former supervisors that resigned during the meeting, a Form 1F would need to be completed in addition to the standard Form 1. For the new supervisors, a Form 1 would require completion within 30 days of the current meeting. Mr. Carter noted that any supervisors seeking assistance in electronically submitting their required forms or ethics training modules contact him following the meeting and noted that he would notify the outgoing supervisors of their form 1F requirements.

305
306 Solar Streetlight Update

307 Mr. Carter noted that Mr. Kerins had found a solution for aging solar streetlights throughout
308 the community and invited Mr. Kerins to present his findings to the Board of Supervisors. Mr.
309 Kerins appeared before the Board and noted that over time, the existing solar streetlights
310 installed along the Key Marco roadways had largely held up well but were showing signs of
311 wear and age due to the rust on the included brackets and other metal components, causing
312 some lights to degrade and fall off of their pole mount. Mr. Kerins brought an example of a new
313 solar light that included an enclosed panel on the light fixture rather than a separate panel
314 above the light to give a more low-profile and less weight bearing solution. Mr. Kerins noted
315 that while the light fixture was longer than the existing solar streetlights, the pole included was
316 shorter. Mr. Kerins noted that as an additional failsafe against rust, he and Mr. Carter would
317 work to identify a corrosion resistant metal to utilize for mounting poles. Mr. Kerins noted that
318 if Key Marco Community Development District found these lights to be visually acceptable to be
319 mounted on the District's streetlight poles, Key Marco Community Association could replace
320 the aged solar streetlights with the new solar lights in phases. Mr. Kerins noted that he had
321 placed one of the new lights on one of the Whiskey Creek Drive light poles where a previous
322 solar light pole had corroded and come unattached as a test case and found the light control to
323 be more in-depth than the previous lights, allowing variable brightness and run times than the
324 prior solution. Mrs. Schewitz noted that the enclosed light fixture would be a huge
325 improvement over the current solar lights and would be excited to hear the viability of the test
326 case lights in a future meeting.

327
328 **PUBLIC COMMENT**

329 No Public Comments were received at this time.

330
331 **NEXT MEETING**

332 The next meeting will be held on June 26 at 8:30 AM.

333
334 **ADJOURNMENT**

335 The meeting was then adjourned at 9:50 AM on a Motion by Mrs. Sprague and a second by
336 Mrs. Schewitz. The motion was passed unanimously.

June 12, 2024

Mr. Robert Samaan
Region IV Administrator
Federal Emergency Management Agency 3005
Chamblee–Tucker Road
Atlanta, Georgia 30341
(via email to FEMA-R4-PA-Appeals@fema.dhs.gov)

Re: First Appeal Request on Behalf of Applicant Key Marco Community Development District
Project Title: Category A – Debris Removal
DR-4673-FL, Project # 703839; PA ID: 021-UDB4K-00
Grants Portal Appeal-883

Dear Mr. Samaan:

The Recipient, Florida Division of Emergency Management (FDEM), has received a letter with supporting documentation from Key Marco Community Development District (Applicant) appealing the denial of funding for Project # 703839 in the amount of \$47,720.00.

FEMA's denial was outlined in a letter signed by FEMA on March 13, 2024, and transmitted by FEMA via Grants Portal on March 14, 2024. FDEM received notification of the Applicant's first appeal via e-mail and Grants Portal on May 10, 2024.

Relief Requested and Recommendation

The Applicant has provided additional documentation and arguments to support approval of the total amount that FEMA denied (\$47,720.00). FDEM recommends approving the appeal.

If you have any requests for technical information regarding this appeal, please contact for FDEM Melody Cantrell, Recovery/Legal Liaison, by telephone at 850-815-4161 or FDEM-PA-Appeals@em.myflorida.com; and for the Applicant please contact Joshua Carter at Josh@managerkeymarco.org.

Sincerely,

Melissa Shirah
Bureau Chief of Recovery
Florida Division of Emergency Management

RESOLUTION 2024-05

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 2024/2025 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 2024/2025 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 26th day of June, 2024.

**KEY MARCO COMMUNITY
DEVELOPMENT DISTRICT**

ATTEST:

Joshua Carter, Secretary

Mary Beth Schewitz, Chair

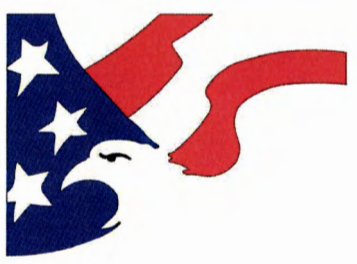
Exhibit "A"
FISCAL YEAR 2024-2025
PROPOSED
KEY MARCO COMMUNITY DEVELOPMENT DISTRICT MEETING SCHEDULE

Meetings are conducted on the third Wednesday of the month.

Time: 8:30 a.m.

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

October 16, 2024	Regular Meeting
November 20, 2024	Landowners' Meeting & Election
December 18, 2024	Regular Meeting
February 19, 2025	Regular Meeting
April 16, 2025	Regular Meeting & Preliminary Budget Review
June 18, 2025	Budget Hearing & Regular Meeting to follow



Melissa R Blazier
Supervisor of Elections
Collier County, Florida

April 15, 2024

Mr. Joshua Carter
Key Marco CDD
505 Whiskey Creek Dr.
Marco Island FL 34145

Dear Mr. Carter,

In compliance with 190.06 of the Florida Statutes, this letter is to inform you that the official records of the Collier County Supervisor of Election indicate 57 active registered voters residing in the Key Marco CDD as of April 15, 2024.

Should you have any question regarding election services for this district please feel free to contact our office.

Sincerely,

David B Carpenter
Qualifying Officer
Collier County Supervisor of Elections
3750 Enterprise Avenue
Naples FL 34104
(239) 252-8501
Dave.Carpenter@colliervotes.gov

**INSTRUCTIONS RELATING TO LANDOWNERS' MEETING
OF
KEY MARCO COMMUNITY DEVELOPMENT DISTRICT
FOR THE ELECTION OF SUPERVISORS**

DATE OF LANDOWNERS' MEETING: November 20, 2024
TIME: 8:30 A.M.
LOCATION: Key Marco Community Center
505 Whiskey Creek Drive
Marco Island, FL 34145

Pursuant to Chapter 190, Florida Statutes, after a Community Development District ("District") has been established and the landowners have held their initial election, there shall be a subsequent landowners' meeting for the purpose of electing members of the Board of Supervisors every two years until the District qualifies to have its board members elected by the qualified electors of the District. The following instructions on how all landowners may participate in the election is intended to comply with Section 190.006(2)(b), Florida Statutes.

A landowner may vote in person at the Landowners' Meeting, or the landowner may nominate a proxy holder to vote at the meeting in place of the landowner. Whether in person or by proxy, each landowner shall be entitled to cast one vote per acre of land owned by the landowner and located within the District for each person that the landowner desires to elect to a position on the Board of Supervisors that is open for election for the upcoming term (three (3) seats on the Board will be up for election). A fraction of an acre shall be treated as one (1) acre, entitling the landowner to one vote with respect thereto. Please note that a particular parcel of real property is entitled to only one vote for each eligible acre of land or fraction thereof; therefore, two or more people who own real property in common, that is one acre or less, are together entitled to only one vote for that real property.

At the Landowners' Meeting, the first step is to elect a chair for the meeting, who may be any person present at the meeting. The landowners shall also elect a secretary for the meeting who may be any person present at the meeting. The secretary shall be responsible for the minutes of the meeting. The chair shall conduct the nominations and the voting. If the chair is a landowner or proxy holder of a landowner, he or she may nominate candidates, make and second motions. Candidates must be nominated and then shall be elected by a vote of the landowners. Nominees may be elected only to a position on the Board of Supervisors that is open for election for the upcoming term. The two candidates receiving the highest number of votes shall be elected for a term of four (4) years. The remaining candidate receiving votes shall be elected for a term of two (2) years. The term of office for each successful candidate shall commence upon election.

A proxy is available upon request. To be valid, each proxy must be signed by one of the legal owners of the property for which the vote is cast and must contain the typed or printed name of the individual who signed the proxy; the street address, legal description of the property or tax parcel identification number; and the number of authorized votes. If the proxy authorizes more than one vote, each property must be listed and the number of acres of each property must be included. The signature on a proxy does not need to be notarized.

The sample agenda for the Landowners' Meeting is as follows:

Sample Agenda

1. Call to Order
2. Determination of Number of Voting Units Represented
3. Election of a Chairman for the purpose of Conducting the Landowners' Meeting
4. Nominations for the Position of Supervisor
5. Casting of Ballots
6. Ballot Tabulation
7. Landowners' Questions or Comments
8. Adjournment

LANDOWNER PROXY

**KEY MARCO COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA
LANDOWNERS' MEETING NOVEMBER 20, 2024**

KNOW ALL MEN BY THESE PRESENT, that the undersigned, the fee simple owner of the lands described herein, hereby constitutes and appoints _____ ("Proxy Holder") for and on behalf of the undersigned to vote as proxy at the meeting of the landowners of the Key Marco Community Development District to be held at the Key Marco Community Center, 505 Whiskey Creek Drive, Marco Island, Florida 34145, on November 20, 2024 at 8:30 a.m., said meeting published in a newspaper in Collier County; and at any adjournments thereof, according to the number of acres of unplatted land and/or platted lots owned by the undersigned landowner that the undersigned would be entitled to vote if then personally present, upon any question, proposition, or resolution or any other matter or thing which may come before said meeting including, but not limited to, the election of members of the Board of Supervisors. The Proxy Holder may vote in accordance with his or her discretion on all matters not known or determined at the time of solicitation of this proxy, which may legally come before the meeting.

Any proxy hereto given by the undersigned for said meeting is hereby revoked. This proxy is to continue in force from the date hereof until the conclusion of the landowners' meeting and any adjournment or adjournments thereof, but may be revoked at any time by written notice thereof of such revocation presented at the landowners' meeting and filed with the Secretary of Key Marco Community Development District prior to the Proxy Holder exercising the voting rights conferred herein.

Signature of Fee Simple Landowner

Print Name of Fee Simple Landowner

Date

Property/Parcel Description:

Acreage/# of Lots

Authorized Votes*:

_____	_____	_____
_____	_____	_____
_____	_____	_____

[Insert above the street address of each parcel, the legal description of each parcel or tax identification number of each parcel. If more space is needed, identification of parcels owned may be incorporated by reference to an attachment hereto.]

Total Number of Authorized Votes: _____

* Pursuant to section 190.006(2)(b), Florida Statutes, a fraction of an acre is treated as one (1) acre entitling the landowner to one vote with respect thereto.

If the fee simple landowner is not an individual, and is instead a corporation, limited liability company, limited partnership or other legal entity, evidence that the individual signing on behalf of the entity has the authority to do so should be attached here. (e.g., operating agreement, bylaws, resolution, etc.)

OFFICIAL BALLOT

**KEY MARCO
COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA
LANDOWNERS' ELECTION
NOVEMBER 20, 2024**

The undersigned certifies that he/she is the owner/authorized representative of the following land, or the legal proxy holder for the owner(s) of the following land, located within Key Marco Community Development District.

Parcel Description	Acreage	Authorized Votes
Lot ____, Block ____, Horr's Island, a.k.a., Key Marco, according to the plat thereof, as recorded in Plat Book 21, Pages 5 through 19, of the Public Records of Collier County, Florida		
Lot ____, Block ____, Horr's Island, a.k.a., Key Marco, according to the plat thereof, as recorded in Plat Book 21, Pages 5 through 19, of the Public Records of Collier County, Florida		
Lot ____, Block ____, Horr's Island, a.k.a., Key Marco, according to the plat thereof, as recorded in Plat Book 21, Pages 5 through 19, of the Public Records of Collier County, Florida		

[NOTE: If more space is needed, identification of parcels owned may be incorporated by reference to an attachment hereto.

The undersigned casts his/her vote(s) as follows:

NAME OF CANDIDATE

NUMBER OF VOTES

Note: The two candidates receiving the highest number of votes shall be elected for four-year terms, and the remaining candidate shall be elected for a two-year term.

Dated: _____

Signed: _____

Print Name: _____

Address: _____

(Please be advised that all applicable proxies must be submitted with this Official Ballot)



Serv. Site: Key Marco Community
Address: 505 Whiskey Creek Drive
Marco Island, FL US

Req. By: Joshua Carter **On:**
Phone: 239.394.4346

Customer: Key Marco Community Development Di
Address: 505 Whiskey Creek Drive
Marco Island, FL 34145 US

Contact: Joshua Carter
Phone: 239.394.4346

Description:

Vacuum truck desilting will be used to clean storm drain pipes per plan supplied by customer, estimating +/- 4,300 LF of storm drain pipe. Jetter hose will use high pressure water to clean pipe and direct dirt to catch basins where the silt will be vacuumed out and removed from system. Water used for cleaning will be decanted on site into storm drain system. Silt removed from system will be disposed of at location designated by customer, if on-site area is unavailable than silt will be disposed of at off-site location.

Vacuum truck billed time and material, portal to portal, with a 4 hour minimum per trip. If on-site dumping is unavailable, off-site dumping hours will be included in portal to portal billing. Additional time billed at stated T&M rate.

SERVICE	RATE	UNIT	UM	TOTAL
Vacuum Desilting Per Hour	250.00	40.00	HR	10,000.00

ESTIMATE: 10,000.00

Disclaimer

Locating underground utilities is not an exact science. Therefore, Earth View, LLC ("EV") expresses no guarantees that using one of any of the available technologies for identifying utilities/structures will identify all utilities/structures and/or meet the objective of each individual project. By authorizing, it is understood that limitations within the available technology, the complexity of site conditions and circumstances beyond the control of EV may limit the performance/results of the EV services. The services provided by EV shall be performed in accordance with generally accepted professional practices as related to nature of services performed. EV cannot guarantee that all utilities within any given survey area will be identified as a result of inherent limitations with the technology and existing site conditions. The Project Owner and any of its subcontractors shall hold harmless and indemnify EV against any and all losses as a result of inability to locate or mislocate due to limitations within the available technology, the complexity of site conditions and circumstances beyond its control. Hand digging is required in all situations when excavating within 24" of Earth View, LLC markings.

Customer Name (Print)

Customer Signature

Date

AJ Gonzalez

6/11/24

EV Name (Print)

EV Signature

Date

**KEY MARCO
COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2023**

**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, 2023, 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 the major fund of the District as of September 30, 2023, 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 May 14, 2024, 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.

May 14, 2024

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, 2023. 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 \$4,053,594.
- The change in the District's total net position in comparison with the prior fiscal year was (\$247,473), 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, 2023, the District's governmental fund reported an ending fund balance of \$866,505, a decrease of (\$10,159) 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,		
	2023	2022
Current and other assets	\$ 870,941	\$ 880,378
Capital assets, net of depreciation	3,187,089	3,424,403
Total assets	4,058,030	4,304,781
Current liabilities	4,436	3,714
Total liabilities	4,436	3,714
Net position		
Investment in capital assets	3,187,089	3,424,403
Unrestricted	866,505	876,664
Total net position	\$ 4,053,594	\$ 4,301,067

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,			
	2023	2022	
Revenues:			
Program revenues			
Charges for services	\$ 209,800	\$ 250,344	
General revenues	19,201	7,080	
Total revenues	229,001	257,424	
Expenses:			
General government	85,301	123,516	
Maintenance and operations	391,173	254,163	
Total expenses	476,474	377,679	
Change in net position	(247,473)	(120,255)	
Net position - beginning	4,301,067	4,421,322	
Net position - ending	\$ 4,053,594	\$ 4,301,067	

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2023 was \$476,474. 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 increased from prior fiscal year mainly due to hurricane damages.

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 for the fiscal year ended September 30, 2023 exceeded appropriations by \$29,675. The over expenditures were funded by available fund balance.

CAPITAL ASSETS

At September 30, 2023, the District had \$9,630,805 invested in capital assets for its governmental activities. In the government-wide financial statements depreciation of \$6,443,716 has been taken, which resulted in a net book value of \$3,187,089. 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, 2023**

	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 870,941
Capital assets:	
Depreciable	1,217,886
Nondepreciable	<u>1,969,203</u>
Total assets	<u>4,058,030</u>
 LIABILITIES	
Accounts payable	<u>4,436</u>
Total liabilities	<u>4,436</u>
 NET POSITION	
Investment in capital assets	3,187,089
Unrestricted	<u>866,505</u>
Total net position	<u><u>\$ 4,053,594</u></u>

See notes to the financial statements

**KEY MARCO COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

Functions/Programs	Expenses	Program Charges for Services	Net (Expense) Revenue and Changes in Net Position
			Governmental Activities
Primary government:			
Governmental activities:			
General government	\$ 85,301	\$ 85,301	\$ -
Maintenance and operations	391,173	124,499	(266,674)
Total governmental activities	476,474	209,800	(266,674)
	General revenues:		
	Interest and other revenues		19,201
	Total general revenues		19,201
	Change in net position		(247,473)
	Net position - beginning		4,301,067
	Net position - ending		\$ 4,053,594

See notes to the financial statements

**KEY MARCO COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023**

	<u>Major Fund</u>	<u>Total</u>
	<u>General</u>	<u>Governmental</u>
		<u>Funds</u>
ASSETS		
Cash	\$ 870,941	\$ 870,941
Total assets	<u>\$ 870,941</u>	<u>\$ 870,941</u>
 LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable and accrued expenses	\$ 4,436	\$ 4,436
Total liabilities	<u>4,436</u>	<u>4,436</u>
 Fund balances:		
Unassigned	<u>866,505</u>	<u>866,505</u>
Total fund balances	<u>866,505</u>	<u>866,505</u>
 Total liabilities and fund balances	<u>\$ 870,941</u>	<u>\$ 870,941</u>

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, 2023**

Total fund balances - governmental funds \$ 866,505

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	(6,443,716)	3,187,089
Net position of governmental activities		\$ 4,053,594

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, 2023**

	Major Fund General	Total Governmental Funds
REVENUES		
Assessments	\$ 209,800	\$ 209,800
Interest and other revenues	19,201	19,201
Total revenues	<u>229,001</u>	<u>229,001</u>
EXPENDITURES		
Current:		
General government	85,301	85,301
Maintenance and operations	153,859	153,859
Total expenditures	<u>239,160</u>	<u>239,160</u>
Excess (deficiency) of revenues over (under) expenditures	(10,159)	(10,159)
Fund balances - beginning	<u>876,664</u>	<u>876,664</u>
Fund balances - ending	<u>\$ 866,505</u>	<u>\$ 866,505</u>

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, 2023**

Net change in fund balances - total governmental funds	\$ (10,159)
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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>
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Change in net position of governmental activities	<u>\$ (247,473)</u>
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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.

Prepaid Items

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. Bond premiums and discounts are deferred and amortized ratably over the life of the Bonds. Bonds payable are reported net of applicable premiums or discounts. Bond issuance costs are expensed when incurred.

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, 2023 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	134,982	4,779	-	139,761
Improvements	777,842	21,108	-	798,950
Infrastructure	5,229,997	205,274	-	5,435,271
Machinery & equipment	63,581	6,153	-	69,734
Total accumulated depreciation	6,206,402	237,314	-	6,443,716
Total capital assets, being depreciated, net	1,455,200	(237,314)	-	1,217,886
Governmental activities capital assets, net	\$ 3,424,403	\$ (237,314)	\$ -	\$ 3,187,089

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 had agreed to pay KMCA an annual management fee of \$55,000. However, on June 10, 2020, the agreement was amended whereby the District is to pay KMCA \$10 per year effective October 1, 2020. The agreement is for a one-year term and is automatically renewed for successive one-year periods. For the fiscal year ended September 30, 2023, the District paid a total of \$10 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, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final	Amounts	
REVENUES				
Assessments	\$ 206,360	\$ 206,360	\$ 209,800	\$ 3,440
Interest and other revenues	5,500	5,500	19,201	13,701
Total revenues	211,860	211,860	229,001	17,141
EXPENDITURES				
Current:				
General government	64,563	65,485	85,301	(19,816)
Maintenance and operations	144,000	144,000	153,859	(9,859)
Total expenditures	208,563	209,485	239,160	(29,675)
Excess (deficiency) of revenues over (under) expenditures	\$ 3,297	\$ 2,375	(10,159)	\$ (12,534)
Fund balance - beginning			876,664	
Fund balance - ending			\$ 866,505	

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 for the fiscal year ended September 30, 2023 exceeded appropriations by \$29,675. The over expenditures were funded by available fund balance.

**KEY MARCO COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA
OTHER INFORMATION – DATA ELEMENTS
REQUIRED BY FL STATUTE 218.39(3)(C)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023
UNAUDITED**

<u>Element</u>	<u>Comments</u>
Number of District employees compensated in the last pay period of the District's fiscal year being reported.	5
Number of independent contractors compensated to whom nonemployee compensation was paid in the last month of the District's fiscal year being reported.	1
Employee compensation	\$4,600
Independent contractor compensation	\$10
Construction projects to begin on or after October 1; (\$65K)	Not applicable
Budget variance report	See the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
Ad Valorem taxes;	Not applicable
Non ad valorem special assessments;	\$1,600
Special assessment rate	Operations and maintenance - \$1,600 x 134 Units Debt service - Not Applicable
Special assessments collected	\$209,800
Outstanding Bonds:	Not applicable

**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, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated May 14, 2024.

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*.

We noted certain matters that we reported to management of the District in a separate letter dated May 14, 2024.

The District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying Management Letter. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.

May 14, 2024

**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, 2023. 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, 2023.

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.

May 14, 2024

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, 2023, and have issued our report thereon dated May 14, 2024.

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 May 14, 2024, 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.

May 14, 2024

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

2023-01 Budget:

Observation: Actual expenditures exceeded appropriations in the general fund for the fiscal year ended September 30, 2023.

Recommendation: The District should amend the budget during the fiscal year or within statutory guidelines to ensure that all expenditures are properly budgeted.

Management Response: Key Marco CDD experienced unbudgeted expenditure during Fiscal Year 2022-2023 for debris removal and repairs resulting from Hurricane Ian that exceeded budget. For future fiscal years, the Board of Supervisors will review the total expenditure in the final meeting of the fiscal year and draft a budget resolution to be approved by the deadline if required.

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, 2022.

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, 2023, except as noted above.

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, 2023.

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. 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, 2024

	May 31, 24
ASSETS	
Current Assets	
Checking/Savings	
Fifth Third Money Market	231,039.61
Fifth Third Public Fund	220,186.55
First Horizon Money Market	247,072.12
Seacoast Bank Money Market	232,822.17
Total Checking/Savings	931,120.45
Other Current Assets	
Prepaid Expenses	-3,705.95
Total Other Current Assets	-3,705.95
Total Current Assets	927,414.50
TOTAL ASSETS	927,414.50
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	-98.83
Total Accounts Payable	-98.83
Other Current Liabilities	
Deposits and Prepaid Items	-3,705.95
Total Other Current Liabilities	-3,705.95
Total Current Liabilities	-3,804.78
Total Liabilities	-3,804.78
Equity	
Opening Balance Equity	2,341.71
Retained Earnings	863,074.36
Supspense Account	4,425.48
Unassigned Fund Balance	899.11
Net Income	60,478.62
Total Equity	931,219.28
TOTAL LIABILITIES & EQUITY	927,414.50

Key Marco Community Development District Profit & Loss Budget Performance

May 2024

	May 24	Budget	Oct '23 - May 24	YTD Budget	Annual Budget
Income					
FEMA Proceeds	0.00	0.00	0.00	0.00	0.00
Interest Income	1,938.74	41.66	14,981.69	333.36	500.00
Maintenance Assessments (4%)	0.00	-670.00	-6,656.00	-5,360.00	-8,040.00
Maintenance Assessments - Levy	4,800.00	17,866.66	195,949.77	142,933.36	214,400.00
Miscellaneous Income	0.00	0.00	1,000.00	0.00	0.00
Road Use Fee Revenue	249.78	416.66	3,099.92	3,333.36	5,000.00
Total Income	6,988.52	17,654.98	208,375.38	141,240.08	211,860.00
Gross Profit	6,988.52	17,654.98	208,375.38	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	80.00	0.00	0.00
Assessment Rolls	0.00		500.00	1,000.00	1,000.00
Attorney Fees	1,039.50	583.33	5,707.00	4,666.68	7,000.00
Audit Fees	4,800.00	0.00	4,800.00	6,000.00	6,000.00
Bank Fees	0.00	0.00	0.00	0.00	0.00
Computer- Website Support	0.00	50.00	300.00	400.00	600.00
Dues, Licenses, Subscriptions	0.00		175.00	175.00	175.00
Engineering Fees	4,500.00	1,250.00	8,772.25	10,000.00	15,000.00
FICA Taxes	0.00	0.00	0.00	0.00	0.00
Insurances	153.33	0.00	43,629.31	44,207.00	44,207.00
Legal Advertising	0.00	208.33	3,498.43	1,666.68	2,500.00
Management Fees	0.00	0.00	10.00	10.00	10.00
Office Supplies	0.00	25.00	0.00	200.00	300.00
Postage	0.00	0.00	16.38	0.00	0.00
Property Appraiser	0.00	66.66	830.00	533.36	800.00
Property Tax Collector (2%)	97.92	358.33	3,740.80	2,866.68	4,300.00
Rentals & Leases	0.00	75.00	554.93	600.00	900.00
Supervisor Expenses	0.00	416.66	4,200.00	3,333.36	5,000.00
Transcription Costs	0.00	41.66	0.00	333.36	500.00
Total ADMINISTRATION	10,590.75	3,074.97	76,814.10	75,992.12	88,292.00
CAPITAL EXPENDITURES & PROJECTS					
Bridge Inspection Reserves	0.00	416.67	0.00	3,333.32	5,000.00
Bridge Painting	0.00	2,250.00	32,200.00	18,000.00	27,000.00
Bridge Reserves	0.00	1,500.00	0.00	12,000.00	18,000.00
Contingency Reserves	0.00	0.00	0.00	0.00	0.00
Gate Access Control	0.00	0.00	0.00	0.00	0.00
Gate Operator Replacement	0.00		27,180.00	28,000.00	28,000.00
Gatehouse Gates	0.00	416.66	9,202.66	3,333.36	5,000.00
Landscape Improvements	0.00	0.00	0.00	0.00	0.00
Roads	0.00	3,750.00	0.00	30,000.00	45,000.00
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 & PROJE...	0.00	9,333.33	68,582.66	102,666.68	140,000.00
Irrigation Services	0.00	0.00	0.00	0.00	0.00
ROADWAY SERVICES					
Repairs & Maintenance	0.00	416.66	2,500.00	3,333.36	5,000.00
Total ROADWAY SERVICES	0.00	416.66	2,500.00	3,333.36	5,000.00
STREET LIGHTING					
Holiday Decor	0.00	0.00	0.00	0.00	0.00
R&M - General	0.00	0.00	0.00	0.00	0.00
Utilities - Electric	0.00	0.00	0.00	0.00	0.00
Total STREET LIGHTING	0.00	0.00	0.00	0.00	0.00
Total Expense	10,590.75	12,824.96	147,896.76	181,992.16	233,292.00
Net Income	-3,602.23	4,830.02	60,478.62	-40,752.08	-21,432.00

Key Marco Community Development District Reconciliation Detail Fifth Third Public Fund, Period Ending 05/31/2024

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						229,633.79
Cleared Transactions						
Checks and Payments - 5 items						
Bill Pmt -Check	04/16/2024	1322	Key Marco Commun...	X	-2,500.00	-2,500.00
Bill Pmt -Check	05/07/2024	1324	Grau & Associates	X	-4,800.00	-7,300.00
Bill Pmt -Check	05/07/2024	1323	Coleman, Yovanovic...	X	-355.00	-7,655.00
Bill Pmt -Check	05/07/2024	1325	Preferred Governme...	X	-153.33	-7,808.33
Bill Pmt -Check	05/29/2024	1331	Mary Beth Schewitz	X	-200.00	-8,008.33
Total Checks and Payments					-8,008.33	-8,008.33
Deposits and Credits - 11 items						
General Journal	09/28/2020	2020-20	Collier County Utilities	X	0.00	0.00
Check	09/28/2020	2689S	Collier County Utilities	X	0.00	0.00
General Journal	09/30/2020	2020-09		X	0.00	0.00
General Journal	09/30/2020	2020-01		X	0.00	0.00
General Journal	09/30/2021	2020-18		X	0.00	0.00
Bill Pmt -Check	11/08/2021	1118	Naples Daily News	X	0.00	0.00
Bill Pmt -Check	11/18/2021	1121	Coleman, Yovanovic...	X	0.00	0.00
Deposit	05/07/2024			X	4,798.08	4,798.08
Deposit	05/31/2024			X	19.30	4,817.38
Deposit	05/31/2024			X	249.78	5,067.16
General Journal	06/10/2024	2020-...	Collier County Utilities	X	0.00	5,067.16
Total Deposits and Credits					5,067.16	5,067.16
Total Cleared Transactions					-2,941.17	-2,941.17
Cleared Balance					-2,941.17	226,692.62
Uncleared Transactions						
Checks and Payments - 7 items						
Bill Pmt -Check	04/20/2023	1228	John Esposito		-200.00	-200.00
Bill Pmt -Check	05/29/2024	1326	Berquist Recovery S...		-4,500.00	-4,700.00
Bill Pmt -Check	05/29/2024	1333	Coleman, Yovanovic...		-1,039.50	-5,739.50
Bill Pmt -Check	05/29/2024	1328	Jennifer Sprague		-200.00	-5,939.50
Bill Pmt -Check	05/29/2024	1332	Terri Stanton		-200.00	-6,139.50
Bill Pmt -Check	05/29/2024	1329	Jay Rosen		-200.00	-6,339.50
Bill Pmt -Check	05/29/2024	1330	Luanne Kerins		-200.00	-6,539.50
Total Checks and Payments					-6,539.50	-6,539.50
Deposits and Credits - 1 item						
Deposit	09/30/2023				33.43	33.43
Total Deposits and Credits					33.43	33.43
Total Uncleared Transactions					-6,506.07	-6,506.07
Register Balance as of 05/31/2024					-9,447.24	220,186.55
Ending Balance					-9,447.24	220,186.55

Key Marco Community Development District
Reconciliation Detail
Fifth Third Money Market, Period Ending 05/31/2024

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						230,652.42
Cleared Transactions						
Deposits and Credits - 2 items						
General Journal	09/30/2020	2020-01		X	0.00	0.00
Deposit	05/31/2024			X	387.19	387.19
Total Deposits and Credits					387.19	387.19
Total Cleared Transactions					387.19	387.19
Cleared Balance					387.19	231,039.61
Register Balance as of 05/31/2024					387.19	231,039.61
Ending Balance					387.19	231,039.61

Key Marco Community Development District
Reconciliation Detail
First Horizon Money Market, Period Ending 05/31/2024

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						246,551.74
Cleared Transactions						
Deposits and Credits - 1 item						
Deposit	05/31/2024			X	520.38	520.38
Total Deposits and Credits					520.38	520.38
Total Cleared Transactions					520.38	520.38
Cleared Balance					520.38	247,072.12
Register Balance as of 05/31/2024					520.38	247,072.12
Ending Balance					520.38	247,072.12

Key Marco Community Development District
Reconciliation Detail
Seacoast Bank Money Market, Period Ending 05/31/2024

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						231,906.30
Cleared Transactions						
Deposits and Credits - 1 item						
Deposit	05/31/2024			X	915.87	915.87
Total Deposits and Credits					915.87	915.87
Total Cleared Transactions					915.87	915.87
Cleared Balance					915.87	232,822.17
Register Balance as of 05/31/2024					915.87	232,822.17
Ending Balance					915.87	232,822.17