

- Matt Pallardy, Chairperson
- John Franz, Vice Chairperson
- Cheryl Bernal, Assistant Secretary
- Wesley Jones, Assistant Secretary
- Brian Spivey, Assistant Secretary

- Debby Wallace, District Manager
- Michelle T. Reiss, District Counsel
- Joe Calamari, District Engineer

Regular Meeting Agenda

Friday, August 15, 2025 – 10:30 a.m.

Teams Meeting Information

Meeting ID: 264 308 563 251

Passcode: pHsSz

[Join the meeting now](#)

All cellular phones and pagers must be turned off during the meeting. Please let us know at least 24 hours in advance if you are planning to call into the meeting.

- 1. Call to Order/Roll Call**
- 2. Public Comment on Agenda Items (*Comments limited to three (3) minutes per speaker*)**
- 3. Public Hearings**
 - A. Fiscal Year 2026 Budget**
 - i. Motion to Open Public Hearing
 - ii. Public Comments
 - iii. Motion to Close Public Hearing
 - iv. Consideration of Resolution 2025-05; Adopting Fiscal Year 2026 Budget
 - B. Levy of O&M Assessments**
 - i. Motion to Open Public Hearing
 - ii. Public Comments
 - iii. Motion to Close Public Hearing
 - iv. Consideration of Resolution 2025-06; Levying O&M Assessment for Fiscal Year 2026
- 4. Business Items**
 - A. Consideration of Resolution 2025-07 Assistant Secretary
 - B. Consideration of Resolution 2025-08 Fiscal Year 2026 Meeting Schedule
 - C. Consideration of Campus Suites Proposal for Website Services
 - D. Consideration of Goals & Objectives
- 5. Staff Reports**
 - A. District Counsel
 - B. District Engineer
 - C. District Manager
- 6. Consent Agenda**
 - A. Consideration of Board of Supervisors' Minutes of the June 13, 2025 Regular Meeting
 - B. Consideration of Operation and Maintenance Expenditures from June 2025
 - C. Acceptance of the Financials and Approval of the Check Register June 2025
 - D. Acceptance of the Fiscal Year 2024 Audit

District Office:

Inframark, Community Management Services
2005 Pan Am Circle, Suite 300
Tampa, Florida 33607

Meeting Location:

Cascades Clubhouse
5459 Cotillion Blvd,
Brooksville, Florida 34601

Southern Hills Plantation II
August 15, 2025 Agenda
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7. **Board of Supervisors' Requests and Comments**
8. **Public Comments**
9. **Adjournment**

The next CDD Meeting is scheduled for Friday, September 12, 2025, at 10:30 a.m.

District Office:

Inframark, Community Management Services
210 North University Drive, Suite 702
Coral Springs, Florida 33071
954-603-0033

Meeting Location:

Cascades Clubhouse
5459 Cotillion Blvd,
Brooksville, Florida 34601

Southern Hills Plantation II

Community Development District

Annual Operating and Debt Service Budget

Fiscal Year 2026

Preliminary Budget

Prepared by:



Southern Hills Plantation II
Community Development District

Operating Budget
Fiscal Year 2026

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Summary of Revenues, Expenditures and Changes in Fund Balances
General Fund
Fiscal Year 2026

<i>ACCOUNT DESCRIPTION</i>	ADOPTED BUDGET FY 2025	ACTUAL THRU 5/31/25	PROJECTED June- 9/30/2025	TOTAL PROJECTED FY 2025	ANNUAL BUDGET FY 2026
REVENUES					
Interest - Investments	\$ -		\$ -	\$ -	\$ -
Operations & Maintenance Assmts - On Roll	135,275	72,144	63,131	135,275	135,275
Special Assmtns- CDD Collected	-	3,290	-	3,290	-
TOTAL REVENUES	\$ 135,275	\$ 75,434	\$ 63,131	\$ 138,565	\$ 135,275
EXPENDITURES					
Financial and Administrative					
Supervisor Fees	\$ 1,600	0	\$ 1,600	\$ 1,600	\$ 1,600
District Management	18,000	12,000	6,000	18,000	18,540
Website Admin Services	900	0	900	900	900
District Engineer	1,000	3428	-	3,428	1,000
District Counsel	7,500	2733	4,767	7,500	7,500
Trustees Fees	3,500		3,500	3,500	3,500
Auditing Services	6,300	5500	800	6,300	6,300
Postage, Phone, Faxes, Copies	50	1	49	50	50
Legal Advertising	1,000	191	809	1,000	1,000
Bank Fees	200	0	200	200	200
Dues, Licenses & Fees	175	175	-	175	175
Website ADA Compliance	1,500	612	888	1,500	1,500
Disclosure Report	2,500	0	2,500	2,500	2,500
Tax Collector/Property Appraiser fees	-	0	-	-	-
Arbitrage Rebate Calculation	650	0	650	650	650
Interlocal Cost Share Agreement	-	0	-	-	44,801
Total Financial and Administrative	\$ 44,875	\$ 24,640	\$ 22,663	\$ 47,303	\$ 90,216
Insurance					
General Liability	\$ 2,700	3025	\$ -	\$ 3,025	3,267
Public Officials Insurance	3,200	3000	200	3,200	3,511
Property & Casualty Insurance	-	0	-	-	-
Deductible	-	0	-	-	-
Total Insurance	\$ 5,900	\$ 6,025	\$ 200	\$ 6,225	\$ 6,778
Amenity					
Security Monitoring Services	-	-	-	-	-
MISC Contingency	40,000	27,123	12,877	40,000	13,781
Total Amenity	\$ 40,000	\$ 27,123	\$ 12,877	\$ 40,000	\$ 13,781
Landscape and Pond Maintenance					
Landscape Maintenance - Contract	\$ 20,000	\$ -	\$ 20,000	\$ 20,000	\$ -
Waterway Management Program	24,500	700	23,800	24,500	24,500
Total Landscape and Pond Maintenance	\$ 44,500	\$ 700	\$ 43,800	\$ 44,500	\$ 24,500
TOTAL EXPENDITURES	\$ 135,275	\$ 58,488	\$ 79,540	\$ 138,028	\$ 135,275
Excess (deficiency) of revenues	\$ -	\$ 16,946	\$ (16,409)	\$ 537	\$ -
Net change in fund balance	\$ -	\$ 16,946	\$ (16,409)	\$ 537	\$ -
FUND BALANCE, BEGINNING	\$ (78,256)	\$ (78,256)	\$ (61,310)	\$ (78,256)	\$ (77,719)
FUND BALANCE, ENDING	\$ (78,256)	\$ (61,310)	\$ (77,719)	\$ (77,719)	\$ (77,719)

Budget Narrative
Fiscal Year 2026**REVENUES****Interest-Investments**

The District earns interest on its operating accounts.

Operations & Maintenance Assessments – On Roll

The District will levy a Non-Ad Valorem assessment on all the assessable property within the District to pay for the operating expenditures during the Fiscal Year. The collection will be provided by the Tax Collector pursuant to Section 197.3632, Florida Statutes, which is the Uniform Collection Methodology.

Other Miscellaneous Revenues

Additional revenue sources not otherwise specified by other categories.

Special Assessments-Discounts

Per Section 197.162, Florida Statutes, discounts are allowed for early payment of assessments only when collected by the Tax Collector. The budgeted amount for the fiscal year is calculated at 4% of the anticipated Non-Ad Valorem assessments.

EXPENDITURES**Financial and Administrative****Supervisor Fees**

Chapter 190 of the Florida Statutes allows for members of the Board of Supervisors to be compensated \$200 per meeting at which they are in attendance. The amount for the Fiscal Year is based upon four supervisors attending 14 meetings.

District Management

The District retains the services of a consulting manager, who is responsible for the daily administration of the District's business, including any and all financial work related to the Bond Funds and Operating Funds of the District, and preparation of the minutes of the Board of Supervisors. In addition, the District Manager prepares the Annual Budget(s), implements all policies of the Board of Supervisors and attends all meetings of the Board of Supervisors.

Administration

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Inframark Infrastructure Management Services.

Budget Narrative
Fiscal Year 2026

EXPENDITURES

Financial and Administrative (continued)

Recording Secretary

Inframark provides recording services with near verbatim minutes.

Financial/Revenue Collections

Service includes all functions necessary for the timely billing and collection and reporting of District assessments in order to ensure adequate funds to meet the District's debt service and operations and maintenance obligations. These services include, but are not limited to, assessment roll preparation and certification, direct billings and funding request processing as well as responding to property owner questions regarding District assessments. This line item also includes the fees incurred for a collection agent to collect the funds for the principal and interest payment for its short-term bond issues and any other bond related collection needs. These funds are collected as prescribed in the Trust Indenture. The Collection Agent also provides for the release of liens on property after the full collection of bond debt levied on particular properties.

Data Storage

Cost of server maintenance and technical support for CDD related IT needs.

Accounting Services

Services including the preparation and delivery of the District's financial statements in accordance with Governmental Accounting Standards, accounts payable and accounts receivable functions, asset tracking, investment tracking, capital program administration and requisition processing, filing of annual reports required by the State of Florida and monitoring of trust account activity.

Dissemination Agent/Reporting

The District is required by the Securities and Exchange Commission to comply with rule 15c2-12(b)-(5), which relates to additional reporting requirements for unrelated bond issues. The budgeted amount for the fiscal year is based on standard fees charged for this service.

Website Administration Services

The cost of web hosting and regular maintenance of the District's website by Inframark Management Services.

District Engineer

The District's engineer provides general engineering services to the District, i.e., attendance and preparation for board meetings when requested, review of invoices, and other specifically requested assignments.

District Counsel

The District's attorney provides general legal services to the District, i.e., attendance and preparation for Board meetings, review of contracts, agreements, resolutions, and other research as directed or requested by the BOS District Manager.

Trustee Fees

The District pays US Bank an annual fee for trustee services on the Series 2014 and Series 2015 Bonds. The budgeted amount for the fiscal year is based on previous year plus any out-of-pocket expenses.

EXPENDITURES

Financial and Administrative (continued)

Auditing Services

The District is required to conduct an annual audit of its financial records by an Independent Certified Public Accounting Firm. The budgeted amount for the fiscal year is an estimate based on prior year costs.

Budget Narrative
Fiscal Year 2026

Postage, Phone, Faxes, Copies

This item refers to the cost of materials and service to produce agendas and conduct day-to-day business of the District.

Mailings

Copies used in the preparation of agenda packages, required mailings, and other special projects.

Professional Services – Arbitrage Rebate

The District is required to annually calculate the arbitrage rebate liability on its Series 2013A and 2020 bonds.

Legal Advertising

The District is required to advertise various notices for monthly Board meetings and other public hearings in the newspaper of general circulation.

Bank Fees

This represents the cost of bank charges and other related expenses that are incurred during the year.

Dues, Licenses and Fees

This represents the cost of the District's operating license as well as the cost of memberships in necessary organizations.

Onsite Office Supplies

This represents the cost of supplies used to prepare agenda packages, create required mailings, and perform other special projects. The budget for this line item also includes the cost for supplies in the District office.

Website ADA Compliance

Cost of maintaining district website's compliance with the Americans with Disabilities Act of 1990.

Disclosure Report

On a quarterly and annual basis, disclosure of relevant district information is provided to the Muni Council, as required within the bond indentures.

EXPENDITURES

Insurance

Insurance-General Liability

The District's General Liability & Public Officials Liability Insurance policy is with Egis Insurance Advisors, LLC. The budgeted amount allows for a projected increase in the premium.

Public Officials Insurance

The District will incur expenditures for public officials' liability insurance for the Board and Staff and may incur a 10% premium increase.

Property & Casualty Insurance

The District will incur fees to insure items owned by the district for its property needs.

Deductible

District's share of expenses for insured property when a claim is filed.

Budget Narrative
Fiscal Year 2026

EXPENDITURES

Utility Services

Electric Utility Services

Electricity for accounts with the local Utilities Commissions for the swim club, parks, and irrigation. Fees are based on historical costs for metered use.

Streetlights

Local Utility Company charges electricity usage (maintenance fee). The budget is based on historical costs.

Utilities – Other

Utility expenses not otherwise specified in above categories.

EXPENDITURES

Amenity

Janitorial – Contract

Cost of janitorial labor for CDD Facilities.

Janitorial Supplies/Other

Cost of janitorial supplies for CDD Facilities.

EXPENDITURES

Wetlands Maintenance and Monitoring

Cost of upkeep and protection of wetlands on CDD property.

Waterway Management Program

Cost of maintaining waterways and rivers on district property.

EXPENDITURES

Contingency/Reserves

Contingency

Funds set aside for projects, as determined by the district’s board.

Capital Improvements

Funding of major projects and building improvements to CDD property.

R&M Other Reserves

The board may set aside monetary reserves for necessary for maintenance projects as needed.

Southern Hills Plantation II
Community Development District

Debt Service Budgets
Fiscal Year 2026

Southern Hills Plantation II

Community Development District

2004 Debt Service Fund

Summary of Revenues, Expenditures and Changes in Fund BalancesSeries 2004 Bonds **DEFAULTED**

Fiscal Year 2026

ACCOUNT DESCRIPTION	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	BUDGET FY 2024	THRU 5/31/2025	June- 9/30/2025	PROJECTED FY 2024	BUDGET FY 2025
REVENUES					
Interest - Investments	\$ -	\$ 2,656	\$ 7,968	\$ 10,624	\$ -
Special Assmnts- Tax Collector	255,190	27,407	31,079	58,486	58,486
TOTAL REVENUES	\$ 255,190	\$ 30,063	\$ 39,047	\$ 69,110	\$ 58,486
EXPENDITURES					
<i>Administrative</i>					
ProfServ - Trustee Fees	\$ -	\$ -	\$ -	\$ -	\$ 11,878
District Counsel	-	-	-	-	-
Total Administrative	\$0	\$0	\$0	\$0	\$23,756
<i>Debt Service</i>					
Principal Prepayments	\$ -	\$ -	\$ -	\$ -	\$ -
Principal Debt Retirement	130,000	-	130,000	130,000	145,000
Interest Expense	125,190	-	125,190	125,190	108,956
Total Debt Service	\$255,190	\$0	\$255,190	\$255,190	\$253,956
TOTAL EXPENDITURES	\$ 255,190	\$ -	\$ 255,190	\$ 255,190	\$ 277,712
Excess (deficiency) of revenues Over (under) expenditures	-	30,063	(216,143)	(186,080)	(219,226)
Net change in fund balance	\$ -	\$ 30,063	\$ (216,143)	\$ (186,080)	\$ (219,226)
FUND BALANCE, BEGINNING	\$ 184,837	\$ 184,837	\$ 214,900	\$ 184,837	\$ (1,243)
FUND BALANCE, ENDING	\$ 184,837	\$ 214,900	\$ (1,243)	\$ (1,243)	\$ (220,468)

**Southern Hills Plantation
Special Assessment Revenue Bonds, Series 2004**

Period Ending	Bond Balance	Principal	Coupon	Interest	Debt Service
5/1/2026	\$ 1,790,000	\$ 155,000	5.850%	\$ 52,358	
11/1/2026	\$ 1,635,000			\$ 52,358	\$ 255,181
5/1/2027	\$ 1,635,000	\$ 165,000	5.850%	\$ 47,824	
11/1/2027	\$ 1,470,000			\$ 47,824	\$ 255,821
5/1/2028	\$ 1,470,000	\$ 175,000	5.850%	\$ 42,998	
11/1/2028	\$ 1,295,000			\$ 42,998	\$ 255,876
5/1/2029	\$ 1,295,000	\$ 185,000	4.750%	\$ 30,756	
11/1/2029	\$ 1,110,000			\$ 30,756	\$ 246,513
5/1/2030	\$ 1,110,000	\$ 195,000	4.750%	\$ 26,363	
11/1/2030	\$ 915,000			\$ 26,363	\$ 247,725
5/1/2031	\$ 915,000	\$ 210,000	4.750%	\$ 21,731	
11/1/2031	\$ 705,000			\$ 21,731	\$ 253,463
5/1/2032	\$ 705,000	\$ 220,000	4.750%	\$ 16,744	
11/1/2032	\$ 485,000			\$ 16,744	\$ 253,488
5/1/2033	\$ 485,000	\$ 235,000	4.750%	\$ 11,519	
11/1/2033	\$ 250,000			\$ 11,519	\$ 258,038
5/1/2034	\$ 250,000	\$ 250,000	4.750%	\$ 5,938	
		\$ 3,610,000			

Budget Narrative
Fiscal Year 2025

REVENUES

Interest-Investments

The District earns interest on its operating accounts.

Operations & Maintenance Assessments – On Roll

The District will levy a Non-Ad Valorem assessment on all the assessable property within the District to pay for the operating expenditures during the Fiscal Year. The collection will be provided by the Tax Collector pursuant to Section 197.3632, Florida Statutes, which is the Uniform Collection Methodology.

Developer Contributions

The district will direct bill and collect non-ad valorem assessments on assessable property in order to pay for the debt service expenditures during the fiscal year.

Other Miscellaneous Revenues

Additional revenue sources not otherwise specified by other categories.

Special Assessments-Discounts

Per Section 197.162, Florida Statutes, discounts are allowed for early payment of assessments only when collected by the Tax Collector. The budgeted amount for the fiscal year is calculated at 4% of the anticipated Non-Ad Valorem assessments.

EXPENDITURES

Debt Service

Principal Debt Retirement

The district pays regular principal payments to annually to pay down/retire the debt.

Interest Expense

The District Pays interest Expenses on the debt twice a year.

Southern Hills Plantation II

Community Development District

Capital Projects Fund

Summary of Revenues, Expenditures and Changes in Fund Balances Capital Projects Fund Fiscal Year 2026

ACCOUNT DESCRIPTION	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	BUDGET FY 2024	THRU 5/31/2025	June- 9/30/2025	PROJECTED FY 2024	BUDGET FY 2025
REVENUES					
Interest - Investments	\$ -	\$ 51	\$ -	\$ 51	\$ -
TOTAL REVENUES	\$ -	\$ 51	\$ -	\$ 51	\$ -
EXPENDITURES					
<i>Administrative</i>					
ProfServ - Trustee Fees	\$ -	\$ -	\$ -	\$ -	\$ -
District Counsel	-	-	-	-	-
Total Administrative	\$0	\$0	\$0	\$0	\$0
<i>Debt Service</i>					
Principal Prepayments	\$ -	\$ -	\$ -	\$ -	\$ -
Principal Debt Retirement	-	-	-	-	-
Interest Expense	-	-	-	-	-
Total Debt Service	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -
Excess (deficiency) of revenues Over (under) expenditures	-	51	-	51	-
Net change in fund balance	\$ -	\$ 51	\$ -	\$ 51	\$ -
FUND BALANCE, BEGINNING	\$ 2,413	\$ 2,413	\$ 2,464	\$ 2,413	\$ 2,464
FUND BALANCE, ENDING	\$ 2,413	\$ 2,464	\$ 2,464	\$ 2,464	\$ 2,464

Southern Hills Plantation II
Community Development District

Supporting Budget Schedules
Fiscal Year 2026

Southern Hills Plantation II

Community Development District

All Funds

**Assessment Summary
Fiscal Year 2026 vs. Fiscal Year 2025**

ASSESSMENT ALLOCATION

Assessment Area One- Series 2004 Defaulted											
Product	OM Units	DS Units	O&M Assessment			Debt Service Series 2004 Defaulted			Total Assessments per Unit		
			FY 2026	FY 2025	Dollar Change	FY 2026	FY 2025	Dollar Change	FY 2026	FY 2025	Dollar Change
Unit	382	205	\$ 376.73	\$ 376.73	\$ (0.00)	\$ 303.51	\$ 303.51	\$ -	\$ 680.24	\$ 680.24	\$ (0.00)

RESOLUTION 2025-05

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE SOUTHERN HILLS PLANTATION II COMMUNITY DEVELOPMENT DISTRICT ADOPTING A BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2025, AND ENDING SEPTEMBER 30, 2026; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District Manager submitted, prior to June 15th, to the Board of Supervisors (“**Board**”) of the Southern Hills Plantation II Community Development District (“**District**”) a proposed budget for the next ensuing budget year (“**Proposed Budget**”), along with an explanatory and complete financial plan for each fund, pursuant to the provisions of Sections 189.016(3) and 190.008(2)(a), Florida Statutes;

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

WHEREAS, the Board held a duly noticed public hearing pursuant to Section 190.008(2)(a), Florida Statutes;

WHEREAS, the District Manager posted the Proposed Budget on the District’s website at least 2 days before the public hearing pursuant to Section 189.016(4), Florida Statutes;

WHEREAS, the Board is required to adopt a resolution approving 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 pursuant to Section 190.008(2)(a), Florida Statutes; and

WHEREAS, the Proposed Budget projects the cash receipts and disbursements anticipated during a given time period, including reserves for contingencies for emergency or other unanticipated expenditures during the fiscal year.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD:

Section 1. Budget

- a.** That the Board has reviewed the Proposed Budget, a copy of which is on file with the office of the District Manager and at the District’s records office, and hereby approves certain amendments thereto, as shown below.
- b.** That the Proposed Budget as amended by the Board attached hereto as **Exhibit A**, is hereby adopted 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 subsequently revised as deemed necessary by the District Manager to reflect actual revenues and expenditures for fiscal year 2024-2025 and/or revised projections for fiscal year 2025-2026.

- c. That the adopted budget, as amended, shall be maintained in the office of the District Manager and at the District’s records office and identified as “The Budget for the Southern Hills Plantation II Community Development District for the Fiscal Year Beginning October 1, 2025, and Ending September 30, 2026.”
- d. The final adopted budget shall be posted by the District Manager on the District’s website within 30 days after adoption pursuant to Section 189.016(4), Florida Statutes.

Section 2. Appropriations. There is hereby appropriated out of the revenues of the District (the sources of the revenues will be provided for in a separate resolution), for the fiscal year beginning October 1, 2025, and ending September 30, 2026, the sum of \$ _____, which sum is deemed by the Board to be necessary to defray all expenditures of the District during said budget year, to be divided and appropriated in the following fashion:

Total General Fund	\$
Total Reserve Fund [if Applicable]	\$
Total Debt Service Funds	\$
Total All Funds*	\$

*Not inclusive of any collection costs or early payment discounts.

Section 3. Budget Amendments. Pursuant to Section 189.016(6), Florida Statutes, the District at any time within the fiscal year or within 60 days following the end of the fiscal year may amend its budget for that fiscal year as follows:

- a. The Board may authorize an increase or decrease in line item appropriations within a fund by motion recorded in the minutes if the total appropriations of the fund do not increase.
- b. The District Manager or Treasurer may authorize an increase or decrease in line item appropriations within a fund if the total appropriations of the fund do not increase and if the aggregate change in the original appropriation item does not exceed \$10,000 or 10% of the original appropriation.

- c. Any other budget amendments shall be adopted by resolution and be consistent with Florida law. This includes increasing any appropriation item and/or fund to reflect receipt of any additional unbudgeted monies and making the corresponding change to appropriations or the unappropriated balance.

The District Manager or Treasurer must establish administrative procedures to ensure that any budget amendments are in compliance with this section and Section 189.016, Florida Statutes, among other applicable laws. Among other procedures, the District Manager or Treasurer must ensure that any amendments to budget(s) under subparagraph c. above are posted on the District’s website within 5 days after adoption pursuant to Section 189.016(7), Florida Statutes.

Section 4. Effective Date. This Resolution shall take effect upon the passage and adoption of this Resolution by the Board.

Passed and Adopted on August 15, 2025.

Attested By:

**Southern Hills Plantation II
Community Development District**

Print Name: _____
Secretary/Assistant Secretary

Print Name: _____
Chair/Vice Chair of the Board of Supervisors

Exhibit A: FY 2025-2026 Adopted Budget

RESOLUTION 2025-06

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE SOUTHERN HILLS PLANTATION II COMMUNITY DEVELOPMENT DISTRICT IMPOSING ANNUALLY RECURRING OPERATIONS AND MAINTENANCE NON-AD VALOREM SPECIAL ASSESSMENTS; PROVIDING FOR COLLECTION AND ENFORCEMENT OF ALL DISTRICT SPECIAL ASSESSMENTS; CERTIFYING AN ASSESSMENT ROLL; PROVIDING FOR AMENDMENT OF THE ASSESSMENT ROLL; PROVIDING FOR CHALLENGES AND PROCEDURAL IRREGULARITIES; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.

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

WHEREAS, the District is located in Hernando County, Florida (“**County**”);

WHEREAS, the Board of Supervisors of the District (“**Board**”) hereby determines to undertake various activities described in the District’s adopted budget for fiscal year 2025-2026 attached hereto as **Exhibit A (“FY 2025-2026 Budget”)** and incorporated as a material part of this Resolution by this reference;

WHEREAS, the District must obtain sufficient funds to provide for the activities described in the FY 2025-2026 Budget;

WHEREAS, the provision of the activities described in the FY 2025-2026 Budget is a benefit to lands within the District;

WHEREAS, the District may impose non-ad valorem special assessments on benefited lands within the District pursuant to Chapter 190, Florida Statutes;

WHEREAS, such special assessments may be placed on the County tax roll and collected by the local Tax Collector (“**Uniform Method**”) pursuant to Chapters 190 and 197, Florida Statutes;

WHEREAS, the District has, by resolution and public notice, previously evidenced its intention to utilize the Uniform Method;

WHEREAS, the District has approved an agreement with the County Property Appraiser (“**Property Appraiser**”) and County Tax Collector (“**Tax Collector**”) to provide for the collection of special assessments under the Uniform Method;

WHEREAS, it is in the best interests of the District to proceed with the imposition, levy, and collection of the annually recurring operations and maintenance non-ad valorem special assessments on all assessable lands in the amount contained for each parcel’s portion of the FY 2025-2026 Budget (“**O&M Assessments**”);

WHEREAS, the Board desires to collect the annual installment for the previously levied debt service non-ad valorem special assessments (“**Debt Assessments**”) in the amounts shown in the FY 2025-2026 Budget;

WHEREAS, the District adopted an assessment roll as maintained in the office of the District Manager, available for review, and incorporated as a material part of this Resolution by this reference (“**Assessment Roll**”);

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

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD:

Section 1. Benefit from Activities and O&M Assessments. The provision of the activities described in the FY 2025-2026 Budget confer a special and peculiar benefit to the lands within the District, which benefits exceed or equal the O&M Assessments allocated to such lands. The allocation of the expenses of the activities to the specially benefited lands is shown in the FY 2025-2026 Budget and in the Assessment Roll.

Section 2. O&M Assessments Imposition. Pursuant to Chapter 190, Florida Statutes and procedures authorized by Florida law for the levy and collection of special assessments, the O&M Assessments are hereby imposed and levied on benefited lands within the District in accordance with the FY 2025-2026 Budget and Assessment Roll. The lien of the O&M Assessments imposed and levied by this Resolution shall be effective upon passage of this Resolution.

Section 3. Collection and Enforcement of District Assessments.

- a. **Uniform Method for all Debt Assessments and all O&M Assessments.** The collection of all Debt Assessments and all O&M Assessments for all lands within the District, shall be at the same time and in the same manner as County taxes in accordance with the Uniform Method, as set forth in the Assessment Roll. All assessments collected by the Tax Collector shall be due, payable, and enforced pursuant to Chapter 197, Florida Statutes.
- b. **Future Collection Methods.** The decision to collect special assessments by any particular method – e.g., on the tax roll or by direct bill – does not mean that such method will be used to collect special assessments in future years, and the District reserves the right in its sole discretion to select collection methods in any given year, regardless of past practices.

Section 4. Certification of Assessment Roll. The Assessment Roll is hereby certified and authorized to be transmitted to the Tax Collector.

Section 5. Assessment Roll Amendment. The District Manager shall keep apprised of all updates made to the County property roll by the Property Appraiser after the date of this Resolution and shall amend the Assessment Roll in accordance with any such updates, for such time as authorized by Florida law. After any amendment of the Assessment Roll, the District Manager shall file the updates to the tax roll in the District records.

Section 6. Assessment Challenges. The adoption of this Resolution shall be the final determination of all issues related to the O&M Assessments as it relates to property owners whose benefited property is subject to the O&M Assessments (including, but not limited to, the determination of special benefit and fair apportionment to the assessed property, the method of apportionment, the maximum rate of the O&M Assessments, and the levy, collection, and lien of the O&M Assessments), unless proper steps shall be initiated in a court of competent jurisdiction to secure relief within 30 days from adoption date of this Resolution.

Section 7. Procedural Irregularities. Any informality or irregularity in the proceedings in connection with the levy of the O&M Assessments shall not affect the validity of the same after the adoption of this Resolution, and any O&M Assessments as finally approved shall be competent and sufficient evidence that such O&M Assessment was duly levied, that the O&M Assessment was duly made and adopted, and that all other proceedings adequate to such O&M Assessment were duly had, taken, and performed as required.

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.

Passed and Adopted on August 15, 2025.

Attested By:

**Southern Hills Plantation II Community
Development District**

Print Name: _____
Secretary/Assistant Secretary

Print Name: _____
Chair/Vice Chair of the Board of Supervisors

Exhibit A: FY 2025-2026 Budget

RESOLUTION 2025-07-

A RESOLUTION REMOVING BRENDEN CRAWFORD AS ASSISTANT SECRETARY AND DESIGNATING DEBORAH WALLACE AS ASSISTANT SECRETARY OF THE SOUTHERN HILLS PLANTATION II COMMUNITY DEVELOPMENT DISTRICT

WHEREAS, the Board of Supervisors of the Southern Hills Plantation II Community Development District desire to remove Brenden Crawford as Assistant Secretary and appoint Deborah Wallce as Assistant Secretary;

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

1. Deborah Wallace is appointed Assistant Secretary; and

Adopted on this 15th day of August, 2025

Chairman/Vice Chair

Secretary/Assistant Secretary

RESOLUTION 2025-08

**A RESOLUTION OF THE SOUTHERN HILLS
PLANTATION II COMMUNITY DEVELOPMENT
DISTRICT ADOPTING THE ANNUAL MEETING
SCHEDULE FOR FISCAL YEAR 2025/2026**

WHEREAS, the Southern Hills Plantation II Community Development District (the "District") is a local unit of special-purpose government organized and existing in accordance with Chapter 190, Florida Statutes, and situated entirely within Hernando County, Florida; and

WHEREAS, the District is required by Florida law to prepare an annual schedule of its regular public meetings which designates the date, time and location of the District's meetings; and

WHEREAS, the Board has proposed the Fiscal Year 2025/2026 annual meeting schedule as attached in **Exhibit A**;

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

1. The Fiscal Year 2025/2026 annual public meeting schedule attached hereto and incorporated by reference herein as Exhibit A is hereby approved and will be published and filed in accordance with the requirements of Florida law.

This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED THIS 15TH DAY OF AUGUST 2025.

**SOUTHERN HILLS PLANTATION II
COMMUNITY DEVELOPMENT
DISTRICT**

Attest:

Asst. Secretary

Chair / Vice Chair

EXHIBIT "A"

The Board of Supervisors of the Southern Hills Plantation II Community Development District will hold the meetings for Fiscal Year 2026 at the Offices of Cascades Clubhouse, 5459 Cotillion Boulevard Brooksville, Florida 34601 on the second Friday of every month at 10:30 a.m. as follows:

October 10, 2025
November 14, 2025
December 12, 2025
January 9, 2026
February 13, 2026
March 13, 2026
April 10, 2026
May 8, 2026
June 12, 2026
July 10, 2026
August 14, 2026
September 11, 2026



800 Woodlands Parkway, Suite 107
Ridgeland, MS 39157

Client Order

Quote Number: Q-09686

Quote Expiration Date: 7/31/2025

Customer Contact: Brenden Crawford
Title: Assistant District Manager
Email: brenden.crawford@inframark.com
Phone: 813 809-0912

Prepared Date: 6/13/2025
Prepared By: Emily Thompson
Contract Term: 12
Start Date: 6/16/2025
Contract End Date: 6/15/2026

Ship To: Southern Hills Plantation II CDD
Address: 2005 Pan Am Circle Suite 300
City: Tampa
State/Province: Florida
Zip Code: 33607
Country: United States

Bill To: Southern Hills Plantation II CDD
Bill To Address: 2005 Pan Am Circle Suite 300
Bill To City: Tampa
Bill To State/Province: Florida
Bill To Zip Code: 33607
Bill To Country: United States

Products & Services	Quantity	Unit Price	Description	Total
SchoolNow ADA 6/16/2025 - 6/15/2026	1		Monthly reporting, error correction and training resources	\$938.00
SchoolNow CMS 6/16/2025 - 6/15/2026	1		Full-featured websites and intranet with unlimited storage and users	\$60.00
SchoolNow Implementation 6/16/2025 - 6/15/2026	1		One time fee for Website design, remediation and launch, SIS integration and data set-up	\$1,512.00
SchoolNow Service Fee 6/16/2025 - 6/15/2026	1		Annual service fee for website hosting	\$615.00
Subtotal				\$3,125.00
Total				\$3,125.00

Term (Months)



800 Woodlands Parkway, Suite 107
Ridgeland, MS 39157

Client Order

Quote Number: Q-09686

Quote Expiration Date: 7/31/2025

Subscription Term	Autorenewal Term
12	12

<u>Annual Payments</u>	<u>Year 1</u> <u>6/16/2025</u>
Annual Payments	\$3,125.00



800 Woodlands Parkway, Suite 107
Ridgeland, MS 39157

Client Order

Quote Number: Q-09686

Quote Expiration Date: 7/31/2025

The initial term of this Agreement (the "Initial Term") shall be the number of months listed in the above table and, if Auto-Renewal Term is indicated in the above table, the Agreement shall automatically renew for successive terms for the number of years indicated in the table (each a "Successive Term" and together with the Initial Term, the "Term") unless either Party provides written notice at least 60 days prior to the end of such Initial or Successive Term or this Agreement is terminated sooner pursuant to Termination section of the Master Services Agreement that governs this Order Form.

Additional Payment Terms

For SchoolStatus Attend, there is an additional \$2,500 SIS change fee if Customer changes SIS during the Subscription/ Order Term. The fee will be due upon SchoolStatus commencing with the implementation of the new SIS.

For SchoolNow, SchoolNow Customers pay both a one-time configuration fee and for the annual subscription cost for the license of the Software and access to SchoolStatus's application server ("Service Fee"). SchoolStatus will invoice Customer for the initial implementation fee upon execution of the Order Form, and will invoice for Service Fees pursuant to the effective date of the Order Form that articulates the Service Fees. By signing this Order Form, Customer acknowledges that delays by Customer to provide content and/or information to SchoolStatus shall not be cause for institution of the Service Fees as designed herein. SchoolStatus reserves the right to change pricing based on additional features or excessive utilization of the software resources. Upon SchoolStatus providing project-related parties and/or Customer access to the Software and SchoolStatus's application server (the "Product"), shall constitute Customer accepting the Product as delivered.

This Order Form and the pricing contained herein are valid for 60 days from the quote created date above. All payments are to be remitted to SchoolStatus, LLC at P.O. Box 771470 St. Louis, MO 63177-9816.

By signing below, you agree to our [Master Services Agreement](#), the [Data Processing Addendum](#), the Terms and Conditions below your signature, and (d) the terms of this Order Form ("Agreement"), which together constitute the entirety of our Agreement with your organization, unless (i) Customer has a currently-effective, existing MSA and/or DPA executed by SchoolStatus, in which case such existing MSA will govern rather than (a) and/or such existing DPA will govern rather than (b); or (ii) otherwise set forth herein.

Terms and Conditions

I. **General.** All fees shall be paid according to the Payment Schedule and Payment Terms. In case of a conflict between this Order Form and the MSA, this Order Form shall prevail. This Order Form is not an invoice. Invoices will be sent to the billing contact set forth above based on the applicable payment schedule.

II. **Service-Specific Terms.** Based on Customer's Subscribed Services as indicated under Products & Services in the first table on page one of this Order Form ("Subscribed Services"), additional terms and conditions apply as provided in the following subsection.

- A. For Attend and SchoolNow, the additional terms at <https://www.schoolstatus.com/attend-terms-and-conditions> also govern the Agreement.



800 Woodlands Parkway, Suite 107
Ridgeland, MS 39157

Client Order

Quote Number:

Quote Expiration Date:

Please check this box if a PO is required to complete this transaction.

Yes, I have read and agree to the Agreement.

Account Name: _____

Authorized Representative: _____ Signature: _____

Title: _____ Date: _____

Please contact your account representative with any questions. Thank you, and we look forward to our partnership!

Certificate Of Completion

Envelope Id: AD86EA66-311E-41EA-AF0D-2D2CA9D1219B	Status: Sent
Subject: Your Quote/Order Form from SchoolNow for Southern Hills Plantation II CDD-Please Review and Sign	
Source Envelope:	
Document Pages: 4	Signatures: 0
Certificate Pages: 4	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	Emily Thompson
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	6222 U S Highway 98 FL 2
	Hattiesburg, MS 39404
	emily.thompson@schoolstatus.com
	IP Address: 155.226.129.251

Record Tracking

Status: Original	Holder: Emily Thompson	Location: DocuSign
6/13/2025 9:04:46 AM	emily.thompson@schoolstatus.com	

Signer Events

Signature	Timestamp
Brenden Crawford brenden.crawford@inframark.com	Sent: 6/13/2025 9:05:33 AM
Security Level: Email, Account Authentication (None)	

Electronic Record and Signature Disclosure:
 Accepted: 2/11/2025 2:04:15 PM
 ID: 33769133-69ab-42d8-9701-8cbac4525b84

In Person Signer Events

Editor Delivery Events

Agent Delivery Events

Intermediary Delivery Events

Certified Delivery Events

Carbon Copy Events

Witness Events

Notary Events

Envelope Summary Events

Envelope Sent	Hashed/Encrypted	6/13/2025 9:05:33 AM
---------------	------------------	----------------------

Payment Events

Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, SchoolStatus, LLC. (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact SchoolStatus, LLC.:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: heather.kunz@schoolstatus.com

To advise SchoolStatus, LLC. of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at heather.kunz@schoolstatus.com and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from SchoolStatus, LLC.

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to heather.kunz@schoolstatus.com and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with SchoolStatus, LLC.

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an email to heather.kunz@schoolstatus.com and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

Acknowledging your access and consent to receive and sign documents electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to ‘I agree to use electronic records and signatures’ before clicking ‘CONTINUE’ within the DocuSign system.

By selecting the check-box next to ‘I agree to use electronic records and signatures’, you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify SchoolStatus, LLC. as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by SchoolStatus, LLC. during the course of your relationship with SchoolStatus, LLC..



Memorandum

To: Board of Supervisors

From: District Management

Date: August 15, 2025

RE: HB7013 – Special Districts Performance Measures and Standards

To enhance accountability and transparency, new regulations were established for all special districts, by the Florida Legislature, during its 2025 legislative session. Starting on October 1, 2025, or by the end of the first full fiscal year after its creation (whichever comes later), each special district must establish goals and objectives for each program and activity, as well as develop performance measures and standards to assess the achievement of these goals and objectives. Additionally, by December 1 each year (initial report due on December 1, 2026), each special district is required to publish an annual report on its website, detailing the goals and objectives achieved, the performance measures and standards used, and any goals or objectives that were not achieved.

District Management has identified the following key categories to focus on for Fiscal Year 2026 and develop statutorily compliant goals for each:

- Community Communication and Engagement
- Infrastructure and Facilities Maintenance
- Financial Transparency and Accountability

Additionally, special districts must provide an annual reporting form to share with the public that reflects whether the goals and objectives were met for the year. District Management has streamlined these requirements into a single document that meets both the statutory requirements for goal/objective setting and annual reporting.

The proposed goals/objectives and the annual reporting form are attached as exhibit A to this memo. District Management recommends that the Board of Supervisors adopt these goals and objectives to maintain compliance with HB7013 and further enhance its commitment to the accountability and transparency of the District.

Exhibit A:
Goals, Objectives, and Annual Reporting Form

**Southern Hills Plantation II Community Development District (“District”)
Performance Measures/Standards & Annual Reporting Form**

October 1, 2025

1. Community Communication and Engagement

Goal 1.1: Public Meetings Compliance

Objective: Hold at least three regular Board of Supervisor (“Board”) meetings per year to conduct District-related business and discuss community needs.

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

Standard: A minimum three Board meetings were held during the fiscal year.

Achieved: Yes No

Goal 1.2: Notice of Meetings Compliance

Objective: Provide public notice of each meeting in accordance with Florida Statutes, using at least two communication methods.

Measurement: Timeliness and method of meeting notices as evidenced by posting to the District’s website, publishing in local newspaper of general circulation, and or via electronic communication.

Standard: 100% of meetings were advertised in accordance with Florida Statutes on at least two mediums (e.g., newspaper, District website, electronic communications).

Achieved: Yes No

Goal 1.3: Access to Records Compliance

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

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

Standard: 100% of monthly website checks were completed by District Management or third party vendor.

Achieved: Yes No

2. Infrastructure and Facilities Maintenance

Goal 2.1: Field Management and/or District Management Site Inspections Objective: Field manager and/or district manager will conduct inspections per District Management services agreement to ensure safety and proper functioning of the District’s infrastructure.

Measurement: Field manager and/or district manager visits were successfully completed per management agreement as evidenced by field manager and/or district manager’s reports, notes or other record keeping method.

Standard: 100% of site visits were successfully completed as described within District Management services agreement

Achieved: Yes No

Goal 2.2: District Infrastructure and Facilities Inspections

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

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

Standard: Minimum of one inspection was completed in the fiscal year by the District’s engineer.

Achieved: Yes No

3. Financial Transparency and Accountability

Goal 3.1: Annual Budget Preparation

Objective: Prepare and approve the annual proposed budget by June 15 and final budget was adopted by September 30 each year. *(or other deadline, as appropriate)*

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

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

Achieved: Yes No

Goal 3.2: Financial Reports

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

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

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

Achieved: Yes No

Goal 3.3: Annual Financial Audit

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

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

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

Achieved: Yes No

SIGNATURES:

Chair/Vice Chair: _____

Date: _____

Printed Name: _____

Touchstone Community Development District

District Manager: _____

Date: _____

Printed Name: _____

Touchstone Community Development District

**MINUTES OF THE REGULAR MEETING
SOUTHERN HILLS PLANTATION II
COMMUNITY DEVELOPMENT DISTRICT**

1
2 The regular meeting of the Board of Supervisors of the Southern Hills Plantation II
3 Community Development District was held on Friday, June 13, 2025, and called to order at 10:30
4 a.m. at the Cascades Clubhouse, located at 5459 Cotillion Boulevard, Brooksville, FL 34601.

5
6 Present and constituting a quorum were:

- | | | |
|----|---------------|---------------------|
| 7 | | |
| 8 | John Franz | Vice Chairperson |
| 9 | Wesley Jones | Assistant Secretary |
| 10 | Cheryl Bernal | Assistant Secretary |

11
12 Also present were:

- | | | |
|----|------------------|------------------|
| 13 | | |
| 14 | Brenden Crawford | District Manager |

15
16 *The following is a summary of the discussions and actions taken.*

17
18 **FIRST ORDER OF BUSINESS** **Call to Order/Roll Call**
19 Mr. Crawford called the meeting to order, and a quorum was established.

20
21
22 **SECOND ORDER OF BUSINESS** **Public Comment on Agenda Items**
23 *(Comments limited to (3) minutes*
24 *per speaker)*

25 None.

26
27 **THIRD ORDER OF BUSINESS** **Business Items**
28 **A. Consideration of Resolution 2025-04; Approving Fiscal Year 2026 Proposed Budget &**
29 **Setting Public Hearing Date**

30
31

On MOTION by Mr. Franz seconded by Mr. Jones, with all in 32 favor, Resolution 2025-04, Approving the Fiscal Year 2026 33 proposed budget and setting the public hearing was adopted. 3-0

34
35 **B. Report on Number of Registered Voters (258)**
36 • Mr. Crawford reported there are 258 registered voters in the District.

37
38 **FOURTH ORDER OF BUSINESS** **Staff Reports**

- 39 **A. District Counsel**
- 40 **B. District Engineer**
- 41 **C. District Manager**
- 42 • There being no reports, the next order of business followed.

43

- 44 **FIFTH ORDER OF BUSINESS** **Consent Agenda**
- 45 **A. Consideration of Board of Supervisors’ Minutes of the November 8, 2024 LO Meeting**
- 46 **and November 8, 2024 Regular Meeting**
- 47 **B. Consideration of Operation and Maintenance Expenditures from April 2025**
- 48 **C. Acceptance of the Financials and Approval of the Check Register - April 2025**
- 49 **D. Acceptance of the Audit for Fiscal Year Ended September 30, 2023**

51 On MOTION by Mr. Franz seconded by Mr. Jones, with all in favor,
 52 the Consent Agenda was approved. 3-0

- 53
- 54
- 55 **SIXTH ORDER OF BUSINESS** **Board of Supervisors' Requests and**
- 56 **Comments**
- 57 None.

- 58
- 59 **SEVENTH ORDER OF BUSINESS** **Public Comments**
- 60 None.

- 61
- 62 **EIGHTH ORDER OF BUSINESS** **Adjournment**
- 63 There being no further business,

64

65 On MOTION by Mr. Franz seconded by Mr. Jones with all in favor,
 66 the meeting was adjourned. 3-0

67

68 _____

69

70 District Manager Chairperson/Vice Chair

Southern Hill Plantation II Community Development District

Financial Statements
(Unaudited)

Period Ending
June 30, 2025

Prepared by:



2005 Pan Am Circle ~ Suite 300 ~ Tampa, Florida 33607
Phone (813) 873-7300 ~ Fax (813) 873-7070

SOUTHERN HILLS PLANTATION II COMMUNITY DEVELOPMENT DISTRICT

Balance Sheet

As of June 30, 2025

(In Whole Numbers)

ACCOUNT DESCRIPTION	GENERAL FUND	SERIES 2004 DEBT SERVICE FUND	CAPITAL PROJECTS FUND	GENERAL FIXED ASSETS FUND	GENERAL LONG-TERM DEBT FUND	TOTAL
ASSETS						
Cash - Operating Account	\$ 130,722	\$ -	\$ -	\$ -	\$ -	\$ 130,722
Cash in Transit	-	18,783	-	-	-	18,783
Assessments Receivable - Tax Collector	40,969	98,082	-	-	-	139,051
Assessments Receivable - District Collected	458,633	513,469	-	-	-	972,102
Allowance Uncollected Assessments	(499,602)	(611,551)	-	-	-	(1,111,153)
Due From Other Funds	-	91,820	17	-	-	91,837
Investments:						
SBA Account	158	-	-	-	-	158
Construction Fund	-	-	2,619	-	-	2,619
Deferred Cost	-	18	-	-	-	18
Prepayment Account	-	5,902	-	-	-	5,902
Revenue Fund	-	131,637	-	-	-	131,637
Deposits	1,830	-	-	-	-	1,830
Fixed Assets						
Improvements Other Than Buildings (IOTB)	-	-	-	2,459,760	-	2,459,760
Infrastructure	-	-	-	926,943	-	926,943
Amount Avail In Debt Services	-	-	-	-	92,210	92,210
Amount To Be Provided	-	-	-	-	1,902,790	1,902,790
TOTAL ASSETS	\$ 132,710	\$ 248,160	\$ 2,636	\$ 3,386,703	\$ 1,995,000	\$ 5,765,209
LIABILITIES						
Accounts Payable	\$ 1,575	\$ 18,161	\$ -	\$ -	\$ -	\$ 19,736
Due To Other Districts	80,000	-	-	-	-	80,000
Bonds Payable	-	-	-	-	1,995,000	1,995,000
Due To Other Funds	91,837	-	-	-	-	91,837
TOTAL LIABILITIES	173,412	18,161	-	-	1,995,000	2,186,573

SOUTHERN HILLS PLANTATION II COMMUNITY DEVELOPMENT DISTRICT

Balance Sheet
 As of June 30, 2025
 (In Whole Numbers)

ACCOUNT DESCRIPTION	GENERAL FUND	SERIES 2004 DEBT SERVICE FUND	CAPITAL PROJECTS FUND	GENERAL FIXED ASSETS FUND	GENERAL LONG-TERM DEBT FUND	TOTAL
<u>FUND BALANCES</u>						
Restricted for:						
Debt Service	-	229,999	-	-	-	229,999
Capital Projects	-	-	2,636	-	-	2,636
Unassigned:	(40,702)	-	-	3,386,703	-	3,346,001
TOTAL FUND BALANCES	(40,702)	229,999	2,636	3,386,703	-	3,578,636
TOTAL LIABILITIES & FUND BALANCES	\$ 132,710	\$ 248,160	\$ 2,636	\$ 3,386,703	\$ 1,995,000	\$ 5,765,209

SOUTHERN HILLS PLANTATION II COMMUNITY DEVELOPMENT DISTRICT

Statement of Revenues, Expenditures and Changes in Fund Balances

For the Period Ending June 30, 2025

General Fund (001)

(In Whole Numbers)

ACCOUNT DESCRIPTION	ANNUAL ADOPTED BUDGET	YEAR TO DATE ACTUAL	VARIANCE (\$) FAV(UNFAV)	YTD ACTUAL AS A % OF ADOPTED BUD
REVENUES				
Special Assmnts- Tax Collector	\$ 135,275	\$ 98,121	\$ (37,154)	72.53%
Special Assmnts- CDD Collected	-	3,290	3,290	0.00%
TOTAL REVENUES	135,275	101,411	(33,864)	74.97%
EXPENDITURES				
Administration				
Supervisor Fees	1,600	-	1,600	0.00%
ProfServ-Arbitrage Rebate	650	-	650	0.00%
ProfServ-Trustee Fees	3,500	-	3,500	0.00%
Disclosure Report	2,500	-	2,500	0.00%
District Counsel	10,000	2,851	7,149	28.51%
District Engineer	1,000	3,428	(2,428)	342.80%
District Manager	18,000	15,000	3,000	83.33%
Auditing Services	6,300	5,500	800	87.30%
Website Compliance	1,500	-	1,500	0.00%
Postage, Phone, Faxes, Copies	50	2	48	4.00%
Public Officials Insurance	3,300	3,000	300	90.91%
Legal Advertising	1,000	191	809	19.10%
Bank Fees	200	-	200	0.00%
Website Administration	900	762	138	84.67%
Dues, Licenses, Subscriptions	175	175	-	100.00%
Total Administration	50,675	30,909	19,766	60.99%
Other Physical Environment				
Waterway Management	24,500	2,800	21,700	11.43%
Insurance - General Liability	3,100	3,025	75	97.58%
Landscape Maintenance	20,000	-	20,000	0.00%
Misc-Contingency (Interlocal)	37,000	27,123	9,877	73.31%
Total Other Physical Environment	84,600	32,948	51,652	38.95%
TOTAL EXPENDITURES	135,275	63,857	71,418	47.21%
Excess (deficiency) of revenues Over (under) expenditures	-	37,554	37,554	0.00%
FUND BALANCE, BEGINNING (OCT 1, 2024)		(78,256)		
FUND BALANCE, ENDING		\$ (40,702)		

SOUTHERN HILLS PLANTATION II COMMUNITY DEVELOPMENT DISTRICT

Statement of Revenues, Expenditures and Changes in Fund Balances

For the Period Ending June 30, 2025

Series 2004 Debt Service Fund (200)

(In Whole Numbers)

ACCOUNT DESCRIPTION	ANNUAL ADOPTED BUDGET	YEAR TO DATE ACTUAL	VARIANCE (\$) FAV(UNFAV)	YTD ACTUAL AS A % OF ADOPTED BUD
REVENUES				
Interest - Investments	\$ -	\$ 3,484	\$ 3,484	0.00%
Special Assmnts- Tax Collector	58,486	40,256	(18,230)	68.83%
Special Assmnts- CDD Collected	-	1,422	1,422	0.00%
TOTAL REVENUES	58,486	45,162	(13,324)	77.22%
EXPENDITURES				
Debt Service				
Principal Debt Retirement	145,000	-	145,000	0.00%
Interest Expense	108,956	-	108,956	0.00%
Total Debt Service	253,956	-	253,956	0.00%
TOTAL EXPENDITURES	253,956	-	253,956	0.00%
Excess (deficiency) of revenues Over (under) expenditures	(195,470)	45,162	240,632	-23.10%
OTHER FINANCING SOURCES (USES)				
Contribution to (Use of) Fund Balance	(195,470)	-	195,470	0.00%
TOTAL FINANCING SOURCES (USES)	(195,470)	-	195,470	0.00%
Net change in fund balance	<u>\$ (195,470)</u>	<u>\$ 45,162</u>	<u>\$ 631,572</u>	<u>-23.10%</u>
FUND BALANCE, BEGINNING (OCT 1, 2024)		184,837		
FUND BALANCE, ENDING		<u>\$ 229,999</u>		

SOUTHERN HILLS PLANTATION II COMMUNITY DEVELOPMENT DISTRICT

Statement of Revenues, Expenditures and Changes in Fund Balances

For the Period Ending June 30, 2025

Capital Projects Fund (300)

(In Whole Numbers)

ACCOUNT DESCRIPTION	ANNUAL ADOPTED BUDGET	YEAR TO DATE ACTUAL	VARIANCE (\$) FAV(UNFAV)	YTD ACTUAL AS A % OF ADOPTED BUD
REVENUES				
Interest - Investments	\$ -	\$ 83	\$ 83	0.00%
TOTAL REVENUES	-	83	83	0.00%
EXPENDITURES				
TOTAL EXPENDITURES	-	-	-	0.00%
Excess (deficiency) of revenues Over (under) expenditures	-	83	83	0.00%
FUND BALANCE, BEGINNING (OCT 1, 2024)		2,553		
FUND BALANCE, ENDING		<u>\$ 2,636</u>		

Bank Account Statement

Southernhills Plantation II CD

Bank Account No. 8371
Statement No. 25_06

Statement Date 06/30/2025

G/L Account No. 101001 Balance	130,721.58	Statement Balance	155,844.04
		Outstanding Deposits	0.00
Positive Adjustments	0.00	Subtotal	155,844.04
Subtotal	130,721.58	Outstanding Checks	-25,122.46
Negative Adjustments	0.00	Ending Balance	130,721.58
Ending G/L Balance	130,721.58		

Posting Date	Document Type	Document No.	Vendor	Description	Amount	Cleared Amount	Difference
Deposits							
							0.00
12/05/2024	Payment	BD00007		Deposit No. BD00007	17,375.72	17,375.72	0.00
12/05/2024	Payment	BD00008		Deposit No. BD00008	12,582.73	12,582.73	0.00
06/03/2025	Payment	BD00017	Special Assmnts-Tax Collector	Deposit No. BD00017	35,147.68	35,147.68	0.00
06/23/2025	Payment	BD00018	Special Assmnts-Tax Collector	Deposit No. BD00018	2,059.91	2,059.91	0.00
Total Deposits					67,166.04	67,166.04	0.00
Checks							
							0.00
12/05/2024	Payment	BD00007		Deposit No. BD00007	-17,375.72	-17,375.72	0.00
12/05/2024	Payment	BD00008		Deposit No. BD00008	-12,582.73	-12,582.73	0.00
06/06/2025	Payment	100017	SOUTHERN HILLS PLANTATION II STEADFAST	Inv: 05282025 24-109	-10,609.17	-10,609.17	0.00
06/06/2025	Payment	100018	CONTRACTORS ALLIANCE LLC	Inv: SA-12445	-700.00	-700.00	0.00
06/06/2025	Payment	100019	INFRAMARK LLC	Inv: 150807	-1,575.00	-1,575.00	0.00
06/18/2025	Payment	100020	APPLETON REISS, PLLC	Inv: 32936	-118.50	-118.50	0.00
06/18/2025	Payment	100021	STEADFAST CONTRACTORS ALLIANCE LLC	Inv: SA-11125, Inv: SA-10059	-1,400.00	-1,400.00	0.00
Total Checks					-44,361.12	-44,361.12	0.00
Adjustments							
Total Adjustments							
Outstanding Checks							
07/03/2024	Payment	1541	CASCADES AT SOUTHERN HILLS	Check for Vendor V00013			-24,500.00
06/24/2025	Payment	1567	SOUTHERN HILLS PLANTATION II	Check for Vendor V00012			-621.77
06/25/2025	Payment	100022	INFRAMARK LLC	Inv: 151871			-0.69

Bank Account Statement

Southernhills Plantation II CD

Bank Account No. 8371

Statement No. 25_06

Statement Date 06/30/2025

Total Outstanding Checks -25,122.46

Outstanding Deposits

Total Outstanding Deposits

SOUTHERN HILLS PLANTATION II CDD
Summary of Operations and Maintenance Invoices

Vendor	Invoice Date	Invoice/Account Number	Amount	Invoice Total	Comments/Description
Monthly Contract					
INFRAMARK LLC	6/1/2025	150807	\$1,500.00		DISTRICT MANGEMENT
INFRAMARK LLC	6/1/2025	150807	\$75.00	\$1,575.00	WESITE MAINT
INFRAMARK LLC	6/17/2025	151871	\$0.69	\$0.69	Postage
STEADFAST CONTRACTORS ALLIANCE LLC	6/1/2025	SA-12445	\$700.00	\$700.00	June Aquatic Maintenance
STEADFAST CONTRACTORS ALLIANCE LLC	3/1/2025	SA-10059	\$700.00	\$700.00	Monthly Maintenance
STEADFAST CONTRACTORS ALLIANCE LLC	6/1/2025	SA-11125	\$700.00	\$700.00	Monthly Maintenance April
Monthly Contract Subtotal			\$3,675.69	\$3,675.69	
Regular Services					
APPLETON REISS, PLLC	5/31/2025	32936	\$118.50	\$118.50	LEGAL COUNSEL
Regular Services Subtotal			\$118.50	\$118.50	
Additional Services					
SOUTHERN HILLS PLANTATION II	5/28/2025	05282025 24-109	\$10,609.17	\$10,609.17	SERIES 2004 FY25 TAX DIST ID 24-109
SOUTHERN HILLS PLANTATION II	6/17/2025	06172025 24-110	\$621.77	\$621.77	SERIES 2004 FY25 TAX DIST ID 24-110
Additional Services Subtotal			\$11,230.94	\$11,230.94	
TOTAL			\$15,025.13	\$15,025.13	



INVOICE

2002 West Grand Parkway North
 Suite 100
 Katy, TX 77449

INVOICE#

150807

DATE

6/1/2025

CUSTOMER ID

C2289

NET TERMS

Net 30

PO#

DUE DATE

7/1/2025

BILL TO

Southern Hills Plantation II CDD
 2005 Pan Am Cir Ste 300
 Tampa FL 33607-6008
 United States

Services provided for the Month of: June 2025

DESCRIPTION	QTY	UOM	RATE	MARKUP	AMOUNT
District Management	1	Ea	1,500.00		1,500.00
Website Maintenance / Admin	1	Ea	75.00		75.00
Subtotal					1,575.00

Subtotal	\$1,575.00
Tax	\$0.00
Total Due	\$1,575.00

Remit To : Inframark LLC, PO BOX 733778, Dallas, Texas, 75373-3778

To pay by Credit Card, please contact us at 281-578-4299, 9:00am - 5:30pm EST, Monday – Friday. A surcharge fee may apply.

To pay via ACH or Wire, please refer to our banking information below:

Account Name: INFRAMARK, LLC

ACH - Bank Routing Number: 111000614 / Account Number: 912593196

Wire - Bank Routing Number: 021000021 / SWIFT Code: CHASUS33 / Account Number: 912593196

Please include the Customer ID and the Invoice Number on your form of payment.



INVOICE

2002 West Grand Parkway North
Suite 100
Katy, TX 77449

INVOICE#	151871
CUSTOMER ID	C2289
PO#	

DATE	6/17/2025
NET TERMS	Net 30
DUE DATE	7/17/2025

BILL TO
Southern Hills Plantation II CDD
2005 Pan Am Cir Ste 300
Tampa FL 33607-6008
United States

Services provided for the Month of: May 2025

DESCRIPTION	QTY	UOM	RATE	MARKUP	AMOUNT
Postage	1	Ea	0.69		0.69
Subtotal					0.69

Subtotal	\$0.69
Tax	\$0.00
Total Due	\$0.69

Remit To : Inframark LLC, PO BOX 733778, Dallas, Texas, 75373-3778

To pay by Credit Card, please contact us at 281-578-4299, 9:00am - 5:30pm EST, Monday – Friday. A surcharge fee may apply.

To pay via ACH or Wire, please refer to our banking information below:
Account Name: INFRAMARK, LLC

ACH - Bank Routing Number: 111000614 / Account Number: 912593196

Wire - Bank Routing Number: 021000021 / SWIFT Code: CHASUS33 / Account Number: 912593196

Please include the Customer ID and the Invoice Number on your form of payment.



Steadfast Alliance

30435 Commerce Drive, Suite 102
 San Antonio, FL 33576
 844-347-0702 | ar@steadfastalliance.com

Invoice

Date	Invoice #
6/1/2025	SA-12445

Please make all Checks payable to:
Steadfast Alliance

Bill To
Southern Hills Plantation II c/o Inframark Infrastructure Management 2654 Cypress Ridge Blvd., Suite 101 Wesley Chapel, FL 33544

Ship To
SE1444 Cascades at Southern Hills RAM

P.O. No.	W.O. No.	Account #	Cost Code	Terms	Project
				Net 30	SE1444 Cascades at Southern Hills RAM

Quantity	Description	Rate	Serviced Date	Amount
	Routine Aquatic Maintenance (Pond Spraying) for the month dated on this invoice.	700.00		700.00

Accounts over 60 days past due will be subject to credit hold and services may be suspended. All past due amounts are subject to interest at 1.5% per month plus costs of collection including attorney fees if incurred.

Total	\$700.00
Payments/Credits	\$0.00
Balance Due	\$700.00



Steadfast Alliance

30435 Commerce Drive, Suite 102
 San Antonio, FL 33576
 844-347-0702 | ar@steadfastalliance.com

Invoice

Date	Invoice #
3/1/2025	SA-10059

**Please make all Checks payable to:
 Steadfast Alliance**

Bill To
Southern Hills Plantation II c/o Inframark Infrastructure Management 2654 Cypress Ridge Blvd., Suite 101 Wesley Chapel, FL 33544

Ship To
SE1444 Cascades at Southern Hills RAM

P.O. No.	W.O. No.	Account #	Cost Code	Terms	Project
				Net 30	SE1444 Cascades at Southern Hills RAM

Quantity	Description	Rate	Serviced Date	Amount
	Routine Aquatic Maintenance (Pond Spraying) for the month dated on this invoice.	700.00		700.00

Accounts over 60 days past due will be subject to credit hold and services may be suspended. All past due amounts are subject to interest at 1.5% per month plus costs of collection including attorney fees if incurred.

Total	\$700.00
Payments/Credits	\$0.00
Balance Due	\$700.00



Steadfast Alliance

30435 Commerce Drive, Suite 102
 San Antonio, FL 33576
 844-347-0702 | ar@steadfastalliance.com

Invoice

Date	Invoice #
4/1/2025	SA-11125

**Please make all Checks payable to:
 Steadfast Alliance**

Bill To
Southern Hills Plantation II c/o Inframark Infrastructure Management 2654 Cypress Ridge Blvd., Suite 101 Wesley Chapel, FL 33544

Ship To
SE1444 Cascades at Southern Hills RAM

P.O. No.	W.O. No.	Account #	Cost Code	Terms	Project
				Net 30	SE1444 Cascades at Southern Hills RAM

Quantity	Description	Rate	Serviced Date	Amount
	Routine Aquatic Maintenance (Pond Spraying) for the month dated on this invoice.	700.00		700.00

Accounts over 60 days past due will be subject to credit hold and services may be suspended. All past due amounts are subject to interest at 1.5% per month plus costs of collection including attorney fees if incurred.

Total	\$700.00
Payments/Credits	\$0.00
Balance Due	\$700.00

Appleton Reiss, PLLC

215 N. Howard Ave.

Suite 200

Tampa, FL 33606

813-542-8888

Tax ID No. 83-0953659

Southern Hills Plantation II Community Development District
 Attn: Brian Lamb, CAM
 c/o Meritus Corp.
 2005 Pan Am Circle, Suite 300
 Tampa, FL 33607

May 31, 2025
Invoice # 32936

CLIENT: 000394 - Southern Hills Plantation II Community Development District
 Re: 00000 General

Date	Services	Hours	Amount
05/08/25	MTR Review proposed budget. Review emails regarding budget meeting.	0.30	118.50

Recapitulation

Name	Hours	Amount
MTR Michelle T. Reiss	0.30	118.50
For Current Services Rendered	0.30	\$118.50
Total Current Work		\$118.50

Please return this page with remittance

to
Appleton Reiss, PLLC
215 N. Howard Ave.
Suite 200
Tampa, FL 33606

Invoice # 32936
Bill Date: May 31, 2025
Client Code: 000394
Client Name: Southern Hills Plantation II Community Development District
Matter Code: 00000
Matter Name: General

Total Current Work

\$118.50

Amount enclosed: _____

SOUTHERN HILLS PLANTATION II CDD

DISTRICT CHECK REQUEST

Today's Date 5/28/2025
Check Amount \$10,609.17
Payable To Southern Hills Plantation II CDD
Check Description Series 2004 - FY 24 Tax Dist. ID Dist 24-109
Code: 200.103200.100
Special Instructions Do not mail. Please give to eric

(Please attach all supporting documentation: invoices, receipts, etc.)

eric

Authorization

DM					
Fund		<u>001</u>			
G/L		<u>20702</u>			
Object Code					
Chk	#	_____	Date	_____	

HERNANDO COUNTY TAX COLLECTOR

Amy L. Blackburn
20 N. Main St., Room 112
Brooksville, FL 34601-2892

Fax

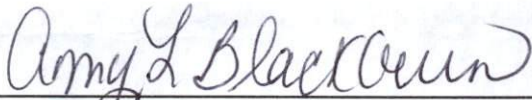
(352) 754-4180
(352) 754-4189

May 28, 2025

V#27190 SOUTHERN HILLS PHASE II CDD
ATTN: ALEX WOLFE
2005 PAN AM CIRCLE, SUITE 300
TAMPA, FL 33607

24-109
Current Tax

Gross Collections	606-2080190	\$34,859.93
Less: Discount	606-2080190	\$0.00
Add: Penalty	606-2080190	\$1,005.05
Less: Commissions to Tax Collector 2%	003-3418065	(\$717.30)
Less: Postage for 2024 tax Notices per FS 197.322	8400-5304105	PAID
 Net Collections paid to Southern Hills Phase II CDD		 \$35,147.68



Amy L. Blackburn
Hernando County Tax Collector

SOUTHERN HILLS PLANTATION II CDD

TAX REVENUE RECEIPTS AND TRANSFER SCHEDULE FISCAL YEAR 2025 / TAX YEAR 2024

	Dollar Amounts	Fiscal Year 2025 Percentages		
Net O&M	143,910.86	69.815%	0.698200	
Net DS	62,219.55	30.185%	0.301800	67%
Net Total	206,130.41	100.0000%	1.000000	

		69.82%	69.82%	30.18%	30.18%		Distribution Number & Date Transferred	Payments / CDD check #
Date Received	Amount Received	Raw Numbers Operations Revenue, Occupied Units	Rounded Operations Revenue, Occupied Units	Raw Numbers 2004 Debt Service Revenue	Rounded 2004 Debt Service Revenue	Proof		
11/22/2024	\$17,375.72	12,130.94	12,130.94	5,244.78	5,244.78	-	Dist 24-101	1557
11/27/2024	\$12,582.73	8,784.69	8,784.69	3,798.04	3,798.04	-	Dist 24-102	1557
12/17/2024	\$56,195.23	39,232.95	39,232.95	16,962.28	16,962.28	-	Dist 24-103	
12/27/2024	\$1,634.37	1,141.04	1,141.04	493.33	493.33	-	Dist 24-104	1559
1/24/2025	\$4,711.89	3,289.63	3,289.63	1,422.26	1,422.26	-	Dist 24-105	1560
2/27/2025	\$2,613.20	1,824.42	1,824.42	788.78	788.78	-	Dist 24-106	1561
3/28/2025	\$3,005.38	2,098.22	2,098.22	907.16	907.16	-	Dist 24-107	1564
4/29/2025	\$5,366.77	3,746.83	3,746.83	1,619.94	1,619.94	-	Dist 24-108	1566
5/28/2025	\$35,147.68	24,538.51	24,538.51	10,609.17	10,609.17	-	Dist 24-109	
		-	-	-	-	-		
		-	-	-	-	-		
		-	-	-	-	-		
		-	-	-	-	-		
		-	-	-	-	-		
		-	-	-	-	-		
		-	-	-	-	-		
		-	-	-	-	-		
		-	-	-	-	-		
		-	-	-	-	-		
TOTAL	\$138,632.97	\$96,787.22	\$96,787.23	\$41,845.75	\$41,845.74			
Net Total on Roll	206,130.41		143,910.86		62,219.55			
Collection Surplus / (Deficit)	(67,497.44)		(47,123.63)		(20,373.81)			

SOUTHERN HILLS PLANTATION II CDD

DISTRICT CHECK REQUEST

Today's Date 6/17/2025
Check Amount \$621.77
Payable To Southern Hills Plantation II CDD
Check Description Series 2004 - FY 24 Tax Dist. ID Dist 24-110
Code: 200.103200.100
Special Instructions Do not mail. Please give to eric

(Please attach all supporting documentation: invoices, receipts, etc.)

eric

Authorization

DM	_____
Fund	<u>001</u>
G/L	<u>20702</u>
Object Code	_____
Chk #	_____
Date	_____

HERNANDO COUNTY TAX COLLECTOR

Amy L. Blackburn
20 N. Main St., Room 112
Brooksville, FL 34601-2892

Fax

(352) 754-4180
(352) 754-4189

June 17, 2025



V#27190 SOUTHERN HILLS PHASE II CDD
ATTN: ALEX WOLFE
2005 PAN AM CIRCLE, SUITE 300
TAMPA, FL 33607

24-110
Current Tax

Gross Collections	606-2080190	\$2,040.72
Less: Discount	606-2080190	
Add: Penalty	606-2080190	\$61.23
Less: Commissions to Tax Collector 2%	003-3418065	(\$42.04)
Less: Postage for 2024 tax Notices per FS 197.322	8400-5304105	PAID
 Net Collections paid to Southern Hills Phase II CDD		 \$2,059.91

Amy L. Blackburn

Amy L. Blackburn
Hernando County Tax Collector

SOUTHERN HILLS PLANTATION II CDD

TAX REVENUE RECEIPTS AND TRANSFER SCHEDULE FISCAL YEAR 2025 / TAX YEAR 2024

Net O&M
Net DS
Net Total

Dollar Amounts	Fiscal Year 2025 Percentages	
143,910.86	69.815%	0.698200
62,219.55	30.185%	0.301800
206,130.41	100.0000%	1.000000

68%

		69.82%	69.82%	30.18%	30.18%			
		Raw Numbers Operations Revenue, Occupied Units	Rounded Operations Revenue, Occupied Units	Raw Numbers 2004 Debt Service Revenue	Rounded 2004 Debt Service Revenue	Proof	Distribution Number & Date Transferred	Payments / CDD check #
Date Received	Amount Received							
11/22/2024	\$17,375.72	12,130.94	12,130.94	5,244.78	5,244.78	-	Dist 24-101	1557
11/27/2024	\$12,582.73	8,784.69	8,784.69	3,798.04	3,798.04	-	Dist 24-102	1557
12/17/2024	\$56,195.23	39,232.95	39,232.95	16,962.28	16,962.28	-	Dist 24-103	
12/27/2024	\$1,634.37	1,141.04	1,141.04	493.33	493.33	-	Dist 24-104	1559
1/24/2025	\$4,711.89	3,289.63	3,289.63	1,422.26	1,422.26	-	Dist 24-105	1560
2/27/2025	\$2,613.20	1,824.42	1,824.42	788.78	788.78	-	Dist 24-106	1561
3/28/2025	\$3,005.38	2,098.22	2,098.22	907.16	907.16	-	Dist 24-107	1564
4/29/2025	\$5,366.77	3,746.83	3,746.83	1,619.94	1,619.94	-	Dist 24-108	1566
5/28/2025	\$35,147.68	24,538.51	24,538.51	10,609.17	10,609.17	-	Dist 24-109	100017
6/17/2025	\$2,059.91	1,438.14	1,438.14	621.77	621.77	-	Dist 24-110	
		-	-	-	-	-		
		-	-	-	-	-		
		-	-	-	-	-		
		-	-	-	-	-		
		-	-	-	-	-		
		-	-	-	-	-		
		-	-	-	-	-		
		-	-	-	-	-		
		-	-	-	-	-		
TOTAL	\$140,692.88	\$98,225.36	\$98,225.37	\$42,467.52	\$42,467.51			
Net Total on Roll	206,130.41		143,910.86		62,219.55			
Collection Surplus / (Deficit)	(65,437.53)		(45,685.49)		(19,752.04)			

SOUTHERN HILLS PLANTATION II COMMUNITY DEVELOPMENT DISTRICT

Payment Register by Fund

For the Period from 06/01/2025 to 06/30/2025

(Sorted by Check / ACH No.)

Fund No.	Check / ACH No.	Date	Payee	Invoice No.	Payment Description	Invoice / GL Description	G/L Account #	Amount Paid
GENERAL FUND - 001								
001	100018	06/06/25	STEADFAST CONTRACTORS ALLIANCE LLC	SA-12445	June Aquatic Maintenance	Waterway Management	531085-53908	\$700.00
001	100019	06/06/25	INFRAMARK LLC	150807	Managment fee June	DISTRICT MANGEMENT	531150-51301	\$1,500.00
001	100019	06/06/25	INFRAMARK LLC	150807	Managment fee June	WESITE MAINT	549936-51301	\$75.00
001	100020	06/18/25	APPLETON REISS, PLLC	32936	Review Proposed Budget	LEGAL COUNSEL	531146-51401	\$118.50
001	100021	06/18/25	STEADFAST CONTRACTORS ALLIANCE LLC	SA-10059	Aquatic Maintenance March	Monthly Maintenance	531085-53908	\$700.00
001	100021	06/18/25	STEADFAST CONTRACTORS ALLIANCE LLC	SA-11125	Monthly Maintenance April	Waterway Management	531085-53908	\$700.00
001	100022	06/25/25	INFRAMARK LLC	151871	Postage June	Postage	541024-51301	\$0.69
Fund Total								\$3,794.19

SERIES 2004 DEBT SERVICE FUND - 200

200	100017	06/06/25	SOUTHERN HILLS PLANTATION II	05282025 24-109	FY25 TAX DIST ID 24-109	SERIES 2004 FY25 TAX DIST ID 24-109	103200	\$10,609.17
200	1567	06/24/25	SOUTHERN HILLS PLANTATION II	06172025 24-110	FY25 TAX DISIT ID 24-110	SERIES 2004 FY25 TAX DIST ID 24-110	103200	\$621.77
Fund Total								\$11,230.94

Total Checks Paid	\$15,025.13
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Financial Report

September 30, 2024

Southern Hills Plantation II Community Development District

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

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

Unmodified Opinions on General, Debt Service and Capital Projects Funds

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the General Fund, Debt Service Fund and Capital Projects Fund of the District, as of September 30, 2024, and the respective changes in financial position thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Adverse Opinion on Governmental Activities and Special Revenue Fund

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion paragraph, the governmental activities and Special Revenue Fund financial statements do not present fairly, the financial position of the Special Revenue Fund and the Governmental Activities of Southern Hills Plantation II Community Development District as of September 30, 2024, or the changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Adverse and Unmodified 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 (GAS), 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 adverse and unmodified audit opinions.

Matters Giving Rise to Adverse Opinion on Governmental Activities and Special Revenue Fund

Management has not included financial data for the Special Purpose Entity ("SPE"), which is a blended component unit, Special Revenue Fund in the Southern Hills Plantation II Community Development District's financial statements. Accounting principles generally accepted in the United States of America require financial data of this component unit to be reported with the financial data of the District if the nature and significance of its relationship with the District is such that, if excluded, the financial statements of the District would be considered misleading. We believe that the exclusion of the financial data of the above mentioned component unit results in financial statements that are misleading.

Responsibilities of Management for the Financial Statements

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

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 and GAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and GAS, 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 starting on page 3, 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

As discussed in Notes 5, 8 and 10 to the financial statements, the District's financial conditions are deteriorating. The District did not collect sufficient assessments to make the scheduled debt service payments in the current and prior years on its Bonds outstanding. As a result, the Special Purpose Entities discussed in Note 10 were created to own, manage and sell the property subject to the delinquent assessments.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated June 26, 2025, on our consideration of the District's internal control over financial reporting and 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 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.

McDermitt Davis

Orlando, Florida
June 26, 2025

Southern Hills Plantation II Community Development District
Management's Discussion and Analysis

Our discussion and analysis of *Southern Hills Plantation II Community Development District's*, (the "District") financial accomplishments provide an overview of the District's financial activities for the year ended September 30, 2024. Please read it in conjunction with the District's Independent Auditor's Report, financial statements and accompanying notes.

This information is being presented to provide additional information regarding the activities of the District and to meet the disclosure requirements of Government Accounting Standards Board Statement (GASB) No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* issued June 1999.

Financial Highlights

- The liabilities of the District exceeded its assets at September 30, 2024 by \$(2,199,858), a decrease in net position of \$113,855 in comparison with the prior year.
- At September 30, 2024, the District's governmental funds reported combined fund balance deficit of \$(3,061,147), a decrease in fund balance of \$216,476 in comparison with the prior year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the *Southern Hills Plantation II Community Development District's* financial statements. The District's financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

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 of the District's assets, liabilities, and deferred inflows/outflows of resources, with the difference 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 general government, and maintenance and operations related 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.

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.

Southern Hills Plantation II Community Development District
Management's Discussion and Analysis

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 government'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 three individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund and capital projects fund, all of which are considered to be major funds.

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 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

Statement of Net Position - The District's net position was \$(2,199,858) at September 30, 2024. The following analysis focuses on the net position of the District's governmental activities.

	<u>2024</u>	<u>2023</u>
Assets, excluding capital assets	\$ 192,998	\$ 541,770
Capital assets, net of depreciation	<u>2,793,455</u>	<u>2,830,533</u>
Total assets	<u>2,986,453</u>	<u>3,372,303</u>
Liabilities, excluding long-term liabilities	3,334,366	3,466,662
Long-term liabilities	<u>1,851,945</u>	<u>1,991,644</u>
Total liabilities	<u>5,186,311</u>	<u>5,458,306</u>
Net Position:		
Net investment in capital assets	(468,490)	(431,111)
Restricted for capital projects	2,553	2,430
Unrestricted	<u>(1,733,921)</u>	<u>(1,657,322)</u>
Total net position	<u>\$ (2,199,858)</u>	<u>\$ (2,086,003)</u>

Southern Hills Plantation II Community Development District
Management's Discussion and Analysis

The following is a summary of the District's governmental activities for the fiscal years ended September 30, 2024 and 2023.

	<u>2024</u>	<u>2023</u>
Revenues:		
Program revenues	\$ 205,288	\$ 175,880
General revenues	16	14
Special Item	-	216,509
Total revenues and special item	<u>205,304</u>	<u>392,403</u>
Expenses:		
General government	60,785	60,056
Maintenance and operations	67,070	39,762
Interest on long-term debt	191,304	191,304
Total expenses	<u>319,159</u>	<u>291,122</u>
Change in net position	(113,855)	101,281
Net position, beginning	<u>(2,086,003)</u>	<u>(2,187,284)</u>
Net position, ending	<u>\$ (2,199,858)</u>	<u>\$ (2,086,003)</u>

As noted above and in the statement of activities, the cost of all governmental activities during the year ended September 30, 2024 was \$319,159. The majority of these costs are comprised of interest on long term debt.

Financial Analysis of the Government's Funds

The District uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The focus of the District's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. At September 30, 2024, the District's governmental funds reported a combined ending fund balance of \$(3,061,147). Of this total, \$1,830 is nonspendable, \$2,553 is restricted, and the remainder is an unassigned negative fund balance of \$(3,065,530).

The fund balance of the general fund increased by \$71,682 primarily due to increases in revenue. The debt service fund balance decreased by \$288,281 because of developer nonpayment of assessments. The capital projects fund balance did not change significantly.

General Fund Budgetary 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. There were no amendments to the general fund budget. The legal level of budgetary control is at the fund level. More detailed information about the District's budget is presented in the notes to the financial statements.

Capital Asset and Debt Administration

Capital Assets

At September 30, 2024, the District had \$2,793,455 invested in land and infrastructure, net of accumulated depreciation. More detailed information about the District's capital assets is presented in the notes to the financial statements.

Capital Debt

At September 30, 2024, the District had \$3,265,000 in bonds outstanding including \$1,410,000 of matured bonds payable. More detailed information about the District's capital debt is presented in the notes to the financial statements.

Requests for Information

If you have questions about this report or need additional financial information, contact the *Southern Hills Plantation II Community Development District's* Finance Department at 2005 Pan Am Circle Suite 300, Tampa, FL 33607.

FINANCIAL STATEMENTS

Southern Hills Plantation II Community Development District

Statement of Net Position

September 30, 2024

	Governmental Activities
Assets:	
Cash	\$ 95,885
Investments	158
Assessments receivable	-
Due from Other	-
Deposits	1,830
Restricted assets:	
Temporarily restricted investments	95,125
Capital assets:	
Capital assets not being depreciated	2,459,760
Capital assets being depreciated, net	333,695
Total assets	2,986,453
Liabilities:	
Accounts payable and accrued expenses	3,503
Matured bonds payable	1,410,000
Matured interest payable	1,820,642
Accrued interest payable	80,221
Due to other governments	20,000
Noncurrent liabilities:	
Due within one year	145,000
Due in more than one year	1,706,945
Total liabilities	5,186,311
Net Position	
Net investment in capital assets	(468,490)
Restricted for capital projects	2,553
Unrestricted	(1,733,921)
Total net position	(2,199,858)

Southern Hills Plantation II Community Development District

Statement of Activities

Year Ended September 30, 2024

Functions/Programs	Program Revenue			Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions		
Governmental activities:					
General government	\$ 60,785	\$ 66,182	\$ -	\$ -	\$ 5,397
Maintenance and operations	67,070	73,026	-	-	5,956
Interest on long-term debt	191,304	60,227	5,730	123	(125,224)
Total governmental activities	\$ 319,159	\$ 199,435	\$ 5,730	\$ 123	(113,871)
General Revenues:					
Miscellaneous revenue					16
Total general revenues					16
Change in net position					(113,855)
Net position, beginning					(2,086,003)
Net position, ending					\$ (2,199,858)

Southern Hills Plantation II Community Development District
Balance Sheet - Governmental Funds
September 30, 2024

	General	Debt Service	Capital Projects	Total Governmental Funds
Assets:				
Cash	\$ 95,885	\$ -	\$ -	\$ 95,885
Investments	158	92,572	2,553	95,283
Assessments receivable	-	-	-	-
Due from other funds	-	105,522	-	105,522
Deposits	1,830	-	-	1,830
Total assets	<u>\$ 97,873</u>	<u>\$ 198,094</u>	<u>\$ 2,553</u>	<u>\$ 298,520</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable and accrued expenses	\$ 3,503	\$ -	\$ -	\$ 3,503
Due to other funds	105,522	-	-	105,522
Due to other governments	20,000	-	-	20,000
Matured bonds payable	-	1,410,000	-	1,410,000
Matured interest payable	-	1,820,642	-	1,820,642
Total liabilities	<u>129,025</u>	<u>3,230,642</u>	<u>-</u>	<u>3,359,667</u>
Fund Balances:				
Nonspendable	1,830	-	-	1,830
Restricted for capital projects	-	-	2,553	2,553
Unassigned	(32,982)	(3,032,548)	-	(3,065,530)
Total fund balances	<u>(31,152)</u>	<u>(3,032,548)</u>	<u>2,553</u>	<u>(3,061,147)</u>
Total liabilities and fund balances	<u>\$ 97,873</u>	<u>\$ 198,094</u>	<u>\$ 2,553</u>	

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 in the funds.

2,793,455

Liabilities not due and payable from current available resources are not reported in governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide statements.

Accrued interest payable

(80,221)

Bonds payable

(1,851,945)

(1,932,166)

Net Position of Governmental Activities

\$ (2,199,858)

Southern Hills Plantation II Community Development District
Statement of Revenues, Expenditures and Changes in the Fund Balances
Governmental Funds
Year Ended September 30, 2024

	General	Debt Service	Capital Projects	Total Governmental Funds
Revenues:				
Special assessments	\$ 139,208	\$ 60,227	\$ -	\$ 199,435
Investment income	-	5,730	123	5,853
Miscellaneous revenue	16	-	-	16
Total revenues	<u>139,224</u>	<u>65,957</u>	<u>123</u>	<u>205,304</u>
Expenditures:				
Current				
General government	43,026	17,759	-	60,785
Maintenance and operations	24,516	5,476	-	29,992
Debt Service:				
Interest	-	191,003	-	191,003
Principal	-	140,000	-	140,000
Total expenditures	<u>67,542</u>	<u>354,238</u>	<u>-</u>	<u>421,780</u>
Excess (Deficit) of Revenues Over Expenditures	<u>71,682</u>	<u>(288,281)</u>	<u>123</u>	<u>(216,476)</u>
Net change in fund balances	71,682	(288,281)	123	(216,476)
Fund balances (deficit), beginning of year	<u>(102,834)</u>	<u>(2,744,267)</u>	<u>2,430</u>	<u>(2,844,671)</u>
Fund balances (deficit), end of year	<u>\$ (31,152)</u>	<u>\$ (3,032,548)</u>	<u>\$ 2,553</u>	<u>\$ (3,061,147)</u>

Southern Hills Plantation II Community Development District
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of
 Governmental Funds to the Statement of Activities**
 Year Ended September 30, 2024

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

Net Change in Fund Balances - total governmental funds	\$ (216,476)
Governmental funds report capital outlays as expenditures. In the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Depreciation expense	(37,078)
Repayments of long-term liabilities are reported as expenditures in governmental funds, while repayments reduce long-term liabilities in the statement of net position.	140,000
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Amortization of bond discount	<u>(301)</u>
Change in Net Position of Governmental Activities	<u><u>\$ (113,855)</u></u>

Southern Hills Plantation II Community Development District
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Special Assessments	\$ 135,275	\$ 135,275	\$ 139,208	\$ 3,933
Investment income and Miscellaneous	-	-	16	16
Total revenues	135,275	135,275	139,224	3,949
Expenditures:				
Current				
General government	48,075	60,794	43,026	17,768
Maintenance and operations	87,200	144,292	24,516	119,776
Total expenditures	135,275	205,086	67,542	137,544
Net change in fund balance	-	(69,811)	71,682	141,493
Fund balance (deficit), beginning of year	(102,834)	(102,834)	(102,834)	-
Fund balance (deficit), end of year	\$ (102,834)	\$ (172,645)	\$ (31,152)	\$ 141,493

NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The *Southern Hills Plantation II Community Development District*, (the "District") was created by City of Brooksville, Florida Ordinance 677 enacted on August 2, 2004 pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190 Florida Statutes. The Act provides among other things, the power to manage basic services for community development, the power to borrow money and issue bonds, and the power to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure. The District was established for the purpose 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 (the "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. The Board of Supervisors of the District exercises all powers granted to the District pursuant to Chapter 190, Florida Statutes. The previous Developers, LandMar, LLC and Levitt & Sons, LLC, both filed for bankruptcy protection in prior years. A significant portion of the land owned by the previous developers was sold to C.A.S.H. Holdings, LLC ("Developer"). Four of the Board members are associated with the Developers at September 30, 2024.

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") Statement 14, 39, and 61. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the District Board of Supervisors 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. Management has determined that there are no entities considered to be component units of the District.

Government-Wide and Fund Financial Statements

The 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 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and 3) operating-type special assessments that are treated as charges for services (including assessments for maintenance and debt service). Other items not included among program revenues are reported instead as *general revenues*.

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 recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 District 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, including debt service assessments and operation and maintenance assessments, are non-ad valorem assessments imposed on all lands located within the district and benefited by the District's activities. Assessments are levied by the District prior to the start of the fiscal year which begins October 1st and ends on September 30th. Operation and maintenance special assessments are imposed upon all lands located in the District. Debt service special assessments are imposed upon certain lots and lands as described in each resolution imposing the special assessment for each series of bonds issued by the District.

Assessments and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following governmental funds, which are considered to be major funds:

General Fund - Is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Debt Service Fund - Accounts for the accumulation of resources for the annual payment of principal and interest on long-term debt.

Capital Projects Fund - Accounts for the financial resources to be used for the acquisition or construction of major infrastructure within the District.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Restricted Assets

These assets represent cash and investments set aside pursuant to bond covenants.

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and demand deposits.

Investments of the District are reported at fair value. The District has elected to proceed under the Alternative Investment Guidelines as set forth in Section 218.415, Florida Statutes.

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.

Assessments Receivable

Assessments receivable are reported net of an allowance for uncollectibles. The District receivables are reported net of an allowance for doubtful accounts of \$499,602 in the general fund and \$611,551 in the debt service fund.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, sidewalks and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 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:

Assets	Years
Stormwater systems	25

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 over the life of the bonds using the straight-line method. Bonds payable are reported net of premiums or discounts. Bond issuance costs are expensed.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond 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 expenditures.

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. The District does not have any item that qualifies for reporting in this category for the year ended September 30, 2024.

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. The District does not have any item that qualifies for reporting in this category for the year ended September 30, 2024.

Net Position Flow Assumption

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance Flow Assumptions

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes fund balance amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The Board of Supervisors is the highest level of decision-making authority for the government that can, by adoption of an ordinance or resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance or resolution remains in place until a similar action is taken to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The Board of Supervisors has authorized the District Manager to assign amounts for specific purposes. The Board of Supervisors may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above an additional action is essential to either remove or revise a commitment.

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.

New Accounting Standards Issued

In fiscal year 2024, the District has not implemented any new accounting standards with a material effect on the District's financial statements.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

The District is required to establish a budgetary system and an approved annual budget for the General Fund. Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. All annual appropriations lapse at the fiscal year end. The legal level of budgetary control is at the fund level. Any budget amendments that increase the aggregate budgeted appropriations, at the fund level, must be approved by the Board of Supervisors.

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

1. Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally adopted by the District Board.
4. All budget changes must be approved by the District Board.
5. The budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

Appropriations in Excess of Estimated Revenues and Available Fund Balance

For the year ended September 30, 2024, appropriations in the general fund exceeded estimated revenues and available fund balance due to a beginning fund balance deficit.

NOTE 3 DEPOSITS AND INVESTMENTS

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.

Investments

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The District uses a market approach in measuring fair value that uses prices and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

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

Instead of establishing a written investment policy, the District elected to limit investments to those approved by Florida Statutes and the District Trust Indenture. Authorized District investments include:

1. The Local Government Surplus Funds Trust (SBA);
2. Securities and Exchange Commission Registered Money Market Funds with the highest credit quality rating from a nationally recognized rating agency;
3. Interest-bearing time deposits or savings accounts in qualified public depositories;
4. Direct obligations of the U.S. Treasury.

Investments made by the District at September 30, 2024 are summarized below.

Investment Type	Fair Value	Credit Rating	Weighted Average Maturity
US Bank MMT	\$ 95,125	N/A	N/A
Florida Prime	158	AAAm	39 days
Total Investments	\$ 95,283		

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

Credit Risk

The District's investment policy limits credit risk by restricting authorized investments to those described. Investments in U.S. Government securities and agencies must be backed by the full faith and credit of the United States Government. Short term bond funds shall be rated by a nationally recognized ratings agency and shall maintain the highest credit quality rating. Investment ratings by investment type are included in the preceding summary of investments.

Custodial Credit Risk

In the case of deposits, this is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy requires that bank deposits be secured as provided by Chapter 280, Florida Statutes. This law requires local governments to deposit funds only in financial institutions designated as qualified public depositories by the Chief Financial Officer of the State of Florida, and creates the Public Deposits Trust Fund, a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a default or insolvency has occurred. At September 30, 2024, all of the District's bank deposits were in qualified public depositories.

For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At September 30, 2024, none of the investments listed are exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

Concentration of Credit Risk

The District places no limit on the amount the District may invest in any one issuer.

Interest Rate Risk

The District does not have a formal policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates. The District manages its exposure to declines in fair values by investing primarily in pooled investments that have a weighted average maturity of less than three months.

NOTE 4 CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2024 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Infrastructure under construction	\$ 2,459,760	\$ -	\$ -	\$ 2,459,760
Total capital assets not being depreciated	<u>2,459,760</u>	<u>-</u>	<u>-</u>	<u>2,459,760</u>
Capital Assets Being Depreciated:				
Stormwater system	926,943	-	-	926,943
Total capital assets being depreciated	<u>926,943</u>	<u>-</u>	<u>-</u>	<u>926,943</u>
Less Accumulated Depreciation for:				
Stormwater system	(556,170)	(37,078)	-	(593,248)
Total accumulated depreciation	<u>(556,170)</u>	<u>(37,078)</u>	<u>-</u>	<u>(593,248)</u>
Total capital assets being depreciated, net	<u>370,773</u>	<u>(37,078)</u>	<u>-</u>	<u>333,695</u>
Governmental activities capital assets, net	<u>\$ 2,830,533</u>	<u>\$ (37,078)</u>	<u>\$ -</u>	<u>\$ 2,793,455</u>

The infrastructure intended to serve the District has been estimated at a total cost of approximately \$19.6 million. The infrastructure will include roadways, potable water and wastewater systems, recreational facilities and land improvements including wetland mitigation areas. Upon completion of the project, certain improvements are to be conveyed to other governmental entities. Due to the bankruptcy of the previous Developers and current economic conditions, the project has been placed on hold. Further, due to the uncertainty as to the completion of the project within a reasonable period of time, the infrastructure may not be able to be used for its intended purpose as anticipated in the original project description. There is no estimate at this time for the additional funding that might be required if there is a change to the project.

In connection with the 2004 project, the District established a deferred cost investment account reported in the capital projects fund. During a prior year, the deferred cost account was used to pay debt service at the direction of the majority bondholders.

Depreciation expense for 2024 was charged to maintenance and operations expense.

NOTE 5 LONG-TERM LIABILITIES

On December 1, 2004 the District issued \$3,610,000 of Capital Improvement Revenue Bonds Series 2004, due on May 1, 2034 with a fixed interest rate of 5.85%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. Interest is to be paid semiannually on each May 1 and November 1. Principal is paid annually commencing May 1, 2005 through May 1, 2034.

The Series 2004 Bonds are subject to redemption at the option of the District prior to their maturity. The Series 2004 Bonds are subject to extraordinary mandatory redemption prior to their selected maturity in the manner determined by the Bond Indenture.

The Bond Indenture established a debt service reserve requirement as well as other restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District was not in compliance with certain requirements of the Bond Indenture at September 30, 2024.

NOTE 5 LONG-TERM LIABILITIES (CONTINUED)

The Bond Indenture has certain restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agreed to levy special assessments in annual amounts adequate to provide payment of debt service. Payment of principal and interest on the 2004 Bonds is secured by a pledge of and a first lien upon the pledged special assessment revenue. The District is in compliance with the requirements of the Bond Indenture.

During the current fiscal year, the Developers did not pay most of the fiscal year 2024 special assessments which ultimately secure the Bonds. As a result, the District did not have sufficient funds for the debt service payments due on November 1, 2023 and May 1, 2024, therefore the debt service payment was not made. The amounts have been accrued on the fund financial statements as matured bonds and interest payable. The inability of the District to pay its debt service is considered an event of default.

Total principal and interest remaining on the Series 2004 Revenue Bonds at September 30, 2024 is \$6,541,709, including \$3,230,642 of matured bonds and interest payable. For the year ended September 30, 2024, principal and interest due of \$331,003 was not paid and was accrued to matured bonds and interest payable. During the year, matured interest of \$395,000 was paid. Special assessment revenue pledged for the year was \$60,227.

Long-term debt activity for the year ended September 30, 2024 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds Payable- Public Offering:					
Series 2004	\$ 1,995,000	\$ -	\$ (140,000)	\$ 1,855,000	\$ 145,000
Less: issuance discount	(3,356)	-	301	(3,055)	-
Governmental activity long-term liabilities	<u>\$ 1,991,644</u>	<u>\$ -</u>	<u>\$ (139,699)</u>	<u>\$ 1,851,945</u>	<u>\$ 145,000</u>

The beginning balance in the schedule above includes a reduction of \$1,270,000 of principal due in prior years, which remains unpaid. The current year reduction of \$140,000 was accrued to matured bonds payable. At September 30, 2024, matured bonds payable totals \$1,410,000.

At September 30, 2024, the scheduled debt service requirements on the bonds payable were as follows:

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 145,000	\$ 191,003
2026	155,000	182,520
2027	165,000	173,453
2028	175,000	163,800
2029	185,000	153,563
2030-2034	1,030,000	591,728
	<u>\$ 1,855,000</u>	<u>\$ 1,456,067</u>

NOTE 6 INTERFUND BALANCES

Interfund balances at September 30, 2024, were as follows:

Due to/from other funds in the amount of \$105,522 for the portion of the debt service assessment collected in the general fund in the current and prior years not yet remitted to the debt service fund.

NOTE 7 DEFICIT NET POSITION

The District has a government-wide net deficit of \$2,199,858 at September 30, 2024, resulting from the non-payment of assessments by major landowners.

NOTE 8 RELATED PARTY TRANSACTIONS AND CONCENTRATIONS

Developers

The Developer owns the majority of land within the District, therefore, assessment revenues in the general and debt service funds include the assessments levied on those lots owned by the Developer. The Developer did not pay their share of the current year assessments. The District has initiated foreclosure proceedings on land owned by Cashp3, LLC for which there are delinquent on-roll assessments billed by the tax collector. At September 30, 2024, all developer receivables are fully allowed for.

Other Related Parties

The District entered into an Inter-Local Agreement in a prior year which allocated costs between Southern Hills Plantation I Community Development District, Southern Hills Plantation II Community Development District, and Southern Hills Plantation III Community Development District. In May 2023, the agreement was formalized through an interlocal agreement. The Districts were related through a common Developer. Under the revised interlocal agreement, the District will pay 25% of the annual cost of maintenance, Southern Hills Plantation III will pay 23.8% of the annual maintenance, and Southern Hills Plantation I will pay 51.2% of the annual maintenance costs. The Districts will form a committee with representatives from each district to review and vote on all contracts and invoices included in the shared costs.

As settlement of past balances due, the District has agreed to pay \$40,000 prior to January 31, 2024, and \$20,000 per year for fiscal years 2023 through 2025, for a total payment of \$100,000. During the fiscal year ended September 30, 2024 the District paid \$60,000 to Southern Hills Plantation I Community Development District per the interlocal agreement. The remaining \$20,000 is included in payables on the balance sheet and statement of net position.

The District's activity is dependent upon the continued involvement of the Developer, the loss of which could have a material adverse effect on the District's operations.

During the year, the District received approximately \$116,446 of assessments from two major landowners, which is 58% of total assessment revenue.

NOTE 9 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. These risks are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage over the past three years.

NOTE 10 BOND DEFAULT AND SPECIAL PURPOSE ENTITY

The District has not made debt service principal payments since November 2009. The inability of the District to pay its debt service is considered an event of default. The occurrence of an event of default creates certain remedial rights and remedies in favor of the Trustee. Pursuant to the Indenture, the owners of a majority in aggregate principal amount of the Bonds then outstanding may direct the Trustee with regard to such rights and remedies following an event of default and upon provision of indemnity satisfactory to the Trustee and in accordance with provisions of the Indenture. As a result of the default, the district established a special-purpose entity, SHP 3, LLC, a Florida limited liability company (the "SPE"), was created by the Trustee in January 2020, to own, operate and maintain the property subject to delinquent 2009 assessments. The SPE accepts lots owned by the delinquent landowners (including the Developer) in lieu of foreclosure. In addition, an agreement was entered into between the District and the SPE, whereby, debt service assessments on the Bond would be forborne but continue to constitute a lien on the property. The operation and maintenance assessments for the lots will be billed to SPE as District expenses accrue. However, no assessments related to SPE were billed in the current year. In the current year, the SPE did not pay any assessments.

NOTE 11 MANAGEMENT COMPANY

The District has contracted with a management company to perform management advisory services, which include financial and accounting services. Certain employees of the management company also serve as officers (Board appointed non-voting positions) of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, and other administrative costs.

NOTE 12 SUBSEQUENT EVENTS

Subsequent to year end, the District proceeded with a petition to contract the boundaries of the District.

Events of Default

Subsequent to year end, the District was unable to make the scheduled debt service payments due on the Series 2004A Bonds.

COMPLIANCE SECTION

**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
Southern Hills Plantation II Community Development District

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 (Government Auditing Standards), the financial statements of the governmental activities, and each major fund of the *Southern Hills Plantation II Community Development District* (the "District") as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated June 26, 2025, which includes an explanatory paragraph regarding the adverse opinion for the omission of the blended component unit.

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) as a basis for designing 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, noncompliance with which could have a direct and material effect on the financial statements. 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 certain instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. See Appendix A of the accompanying report to management dated June 26, 2025.

We noted certain other matters that we reported to management of the District, in a separate letter dated June 26, 2025. The District's response to our findings identified in our audit is included in this report. We did not audit the District's response, and accordingly, we express no opinion on it.

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.

McDermitt Davis

Orlando, Florida
June 26, 2025

MANAGEMENT LETTER

Board of Supervisors
 Southern Hills Plantation II Community Development District

Report on the Financial Statements

We have audited the financial statements of the *Southern Hills Plantation II Community Development District*, (the “District”) as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated June 26, 2025, which included an adverse opinion due to the exclusion of the blended component unit.

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 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 Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Auditor’s Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 26, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding financial audit report, except as noted below.

Tabulation of Uncorrected Audit Findings		
Current Year Finding #	2022-23 FY Finding #	2021-22 FY Finding #
2024-01	2023-01	2021-01
2024-02	2023-02	2021-02
2024-03	2023-03	2021-03

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information has been disclosed in the notes to the financial statements.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the *Southern Hills Plantation II Community Development District* has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the *Southern Hills Plantation II Community Development District* met one of the conditions described in Section 218.503(1), Florida Statutes. See Appendix B.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the District. It is management’s responsibility to monitor the *Southern Hills Plantation II Community Development District* 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. Deteriorating financial conditions were noted and are described in Appendix B.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we have one such recommendation.

ML 2024-03- Interfund Balances

Interfund balances are generally expected to be repaid within one year or be classified as advances. During our audit, we noted that the interfund balance due to the debt service fund remains outstanding. We recommend that the District review the balance and implement procedures for the timely repayment of assessments to the debt service fund.

Specific Information (unaudited)

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

- a. The total number of District employees compensated in the last pay period of the District's fiscal year as 0.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year as 5.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as 0.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$40,920.
- e. The District did not have any construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final budget under Section 189.016(6), Florida Statutes, as disclosed in the general fund budget statement.

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

- a. The rate or rates of non-ad valorem special assessments imposed by the District as: O&M: \$376.73; Debt Service: \$303.51.
- b. The total amount of special assessments collected by or on behalf of the District as \$199,435.
- c. The total amount of outstanding bonds issued by the District and the terms of such bonds as disclosed in the notes.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

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

McDiarmid Davis

Orlando, Florida
June 26, 2025

2024-01 - Failure to Make Bond Debt Service Payments When Due

The Special Assessment Revenue Bonds Series 2004 require annual principal and semiannual interest payments. In prior years, the District did not receive sufficient assessment revenue. Therefore, the District was unable to make the required debt service payments due to the nonpayment of debt assessments owed to the District. At September 30, 2024, the District was not in compliance with the requirements of the Bond Indenture and has met a financial emergency condition as described in Florida Statute Section 218.503(1). We recommend the District utilize all legal remedies available to collect delinquent assessments to bring debt service payments current.

Management's Response: Management is working with legal counsel to utilize all legal remedies available to collect delinquent assessments to bring debt service payments current.

2024-02 - Failure to Meet Debt Service Reserve Requirements

The Trust Indenture requires the District to keep minimum amounts in the Debt Service Reserve Accounts. At September 30, 2024, the Series 2004 Debt Service Reserve Accounts were deficient. In prior years, debt service reserves were used to pay debt service on the Bonds due to the Developer's nonpayment of assessments owed. The District is not in compliance with the Trust Indentures. We recommend the District utilize all legal remedies available to collect delinquent assessments to replenish the Debt Service Reserve Accounts.

Management's Response: Management is working with legal counsel to utilize all legal remedies available to collect delinquent assessments to replenish the Debt Service Reserve Accounts.

2024-01 - Failure to Make Bond Debt Service Payments When Due

In the current year and prior years, the District did not pay required debt service on the Series 2004 Bonds as a result of lack of funds; therefore, the District meets Section 218.503(1)(a) as a financial emergency condition.

**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH
THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES**

Board of Supervisors
Southern Hills Plantation II Community Development District

We have examined Southern Hills Plantation II Community Development District's (the District) compliance with the requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2024. 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 and the standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2024.

McDermitt Davis

Orlando, Florida
June 26, 2025