

***Villa Portofino West  
Community Development District***

***August 15, 2016***

# Villa Portofino West

## Community Development District

5385 N. Nob Hill Road, Sunrise, Florida 33351

Phone: 954-721-8681 - Fax: 954-721-9202

August 9, 2016

### Board of Supervisors Villa Portofino West Community Development District

Dear Board Members:

The regular meeting of the Board of Supervisors of **Villa Portofino West Community Development District** will be held on **August 15, 2016 at 11:30 a.m. at 1031 Ives Dairy Road, Suite 228, Miami, Florida**. Following is the advance agenda for the meeting

1. Roll Call
2. Organizational Matters
  - A. Consideration of Appointment of Supervisor(s) to Fill Unexpired Term(s) of Office for Seat #3 & Seat #5 - both 11/2018
  - B. Oath of Office for Newly Appointed Supervisor(s)
  - C. Election of Officers
3. Approval of the Minutes of the July 20, 2015, March 21, 2016, and July 18, 2016 Meetings
4. Consideration of Engagement Letter with Grau & Associates to perform the Audit for Fiscal Year Ending September 30, 2016
5. Discussion of Potential Refinancing
6. Discussion and Consideration of Upgrading Lift Station at Villa Portofino West Commercial
7. Staff Reports
  - A. Attorney
  - B. Engineer
  - C. Manager - Discussion of Financial Disclosure Report from Commission on Ethics - *everyone has filed*
8. Financial Reports
  - A. Approval of Check Run Summary
  - B. Balance Sheet and Income Statement
9. Supervisors Requests and Audience Comments
10. Adjournment

The minutes of the July 20, 2015, March 21, 2016, and July 18, 2016 meetings are enclosed for your review.

The fourth order of business is consideration of engagement letter with Grau & Associates to perform the audit for fiscal year ending September 30, 2016. A copy of the engagement letter is enclosed.

The fifth order of business is discussion of potential refinancing. Information related to this item is enclosed.

The seventh order of business is staff reports. Enclosed under the attorney's report are copies of the 2016 legislative session memorandum and supplement memorandum. Enclosed under the manager's report is the report from the Commission on Ethics indicating that all of the supervisors have filed their annual forms.

The financials are also enclosed. The balance of the agenda is routine in nature and staff will present their reports at the meeting. I look forward to seeing you at the meeting and in the meantime if you have any questions, please contact me.

Sincerely,

  
Luis Hernandez

Manager

CC: Dennis Lyles

Nour Shehadeh

Larry Abbo

Steve Sanford

**MINUTES OF MEETING  
VILLA PORTOFINO WEST  
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Villa Portofino West Community Development District was held on Monday, July 20, 2015 at 11:30 a.m. at 1031 Ives Dairy Road, Suite 228, Miami, Florida.

Present and constituting a quorum were:

Jorge Cepero	Vice Chairman
Jim Dupre	Assistant Secretary
Nancy Iglesias	Assistant Secretary

Also present were:

Gerry Knight	District Counsel
Nour Shehadeh	District Engineer
Luis Hernandez	District Manager

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Hernandez called the meeting to order and called the roll.

**SECOND ORDER OF BUSINESS**

**Organizational Matters**

- A. Consideration of Appointment of Supervisor(s) to Fill Unexpired Term(s) of Office**
- B. Oath of Office for Newly Appointed Supervisor(s)**
- C. Election of Officers**

Mr. Hernandez: As the second item on the agenda we have organizational matters, and I just need to remind the supervisors that we have two vacant seats. Does the board have anyone they would like to appoint at this time?

Ms. Iglesias: Not yet.

Mr. Hernandez: Not hearing that you have anyone, we will table that entire item for next time.

July 20, 2015

Villa Portofino West CDD

**THIRD ORDER OF BUSINESS**

**Approval of the Minutes of the September 15, 2014 and March 16, 2015 Meetings (Supervisor Cepero's corrections made on May 19, 2015)**

Mr. Hernandez: The next item we have is approval of the minutes. We have presented here the minutes for September 15, 2014, and March 16, 2015, with all the corrections made by Mr. Cepero on May 19, 2015. With all those indications, is the board ready to consider, and accept those minutes?

Mr. Cepero: Yes.

Mr. Hernandez: So a motion to approve the minutes from September 15, 2014, and March 16, 2015 would be in order.

On MOTION by Mr. Dupre seconded by Mr. Cepero with all in favor, the Minutes of the September 15, 2014 and March 16, 2015 Meetings were approved.

**FOURTH ORDER OF BUSINESS**

**Consideration of Resolution #2015-02 Approving the Proposed Fiscal Year 2016 Budget and Re-Setting the Public Hearing**

Mr. Hernandez: Moving on we have Consideration of Resolution #2015-02 Approving the Proposed Fiscal Year 2016 Budget, and Re-setting the Public Hearing. As you probably remember, originally we were going to have this meeting to take place in the month of May, but we were not able to obtain quorum at that time, and so we rescheduled it to the meeting on July 20, 2015. So by accepting the resolution you will be accepting the proposed budget, and re-setting the public hearing. Before the board actually accepts the resolution, I want to indicate that a copy of the proposed budget has been presented, and nothing has changed from what was given at the March 16th meeting.

On MOTION by Mr. Cepero seconded by Mr. Dupre with all in favor, Resolution #2015-02 approving the proposed Fiscal Year 2016 Budget and re-setting the Public Hearing on July 20, 2015 at 11:30 a.m. at 1031 Ives Dairy Road, Suite 228, Miami, Florida was approved.

**FIFTH ORDER OF BUSINESS**

**Public Hearing to Adopt the Fiscal Year 2016 Budget**

**A. Motion to Open the Public Hearing**

Mr. Hernandez: Moving on, we have the Public Hearing to Adopt the Fiscal Year 2016 Budget. The first action that I will need from the board would be a motion to open the public hearing.

On MOTION by Mr. Cepero seconded by Mr. Dupre with all in favor, opening the Public Hearing was approved.

**B. Public Comment and Discussion**

**C. Consideration of Resolution #2015-03 Annual Appropriation Resolution**

Mr. Hernandez: I just want to indicate for the record that we have no public here today, therefore, it is not that we're skipping over the discussion, and as I was indicating in resolution #2015-02, the budget has not received any changes. Unless anyone has any questions, the step would be to consider resolution #2015-03 that is going to take this proposed budget and make it the District's adopted budget.

On MOTION by Mr. Cepero seconded by Ms. Iglesias with all in favor, Resolution #2015-03 the Annual Appropriation Resolution was approved.

**D. Consideration of Resolution #2015-04 Levy of Non Ad Valorem Assessments**

Mr. Hernandez: Moving on, Consideration of Resolution #2015-04, and what this resolution would do is allow the District to levy the District's assessments on the tax roll as the District has done in the past. Unless anyone has any questions, a motion to approve resolution #2015-04 would be in order.

Mr. Cepero: I'm sorry, which one is this?

Mr. Hernandez: Resolution #2015-04, it's the levy of the Non Ad Valorem Assessments.

On MOTION by Mr. Cepero seconded by Mr. Dupre with all in favor, Resolution #2015-04 levying of Non Ad Valorem Assessments was approved.

**E. Motion to Close the Public Hearing**

Mr. Hernandez: Unless anyone has any questions in regard to the budget, a motion to close the public hearing would be in order.

On MOTION by Mr. Dupre seconded by Ms. Iglesias with all in favor, closing the Public Hearing was approved.

**SIXTH ORDER OF BUSINESS**

**Appointment of Audit Selection Committee**

Mr. Hernandez: At this point we're going to enter into the appointment of the audit selection committee, and the recommendation to the board is to appoint the entire board of supervisors so that we will be able to go ahead, and undertake that item, and move forward today. So I just need a motion authorizing the entire board to act as the audit selection committee.

On MOTION by Mr. Cepero seconded by Mr. Dupre with all in favor, appointing the entire Board of Supervisors to serve as the Audit Selection Committee was approved.

**Audit Selection Committee Meeting**

- A. Opening Audit Selection Committee Meeting**
- B. Roll Call**
- C. Selection of Criteria for Evaluation**
- D. Ratification of RFP**
- E. Ranking of Respondents to the RFP**
- F. Adjournment**

Mr. Hernandez: Then moving forward, we are going to enter into the audit selection committee meeting, I just need a motion to open the audit selection committee meeting.

On MOTION by Mr. Dupre seconded by Ms. Iglesias with all in favor, opening the Audit Selection Committee Meeting was approved.

Mr. Hernandez: I just need to call the roll, and I'm indicating that Jorge Cepero, Jim Dupre, and Nancy Iglesias are here attending as the audit selection committee. The first item that you're going to need to discuss is the selection of the criteria for the evaluation. These are steps that the District has already taken, and there are 5 items for the criteria, and those items are, the ability of personnel, the proposer's experience, the understanding of the scope of the work, the ability to furnish the required services, and lastly the price. It is important to let the board know that the first 4 items are mandatory by the Florida Statutes, the ability of the personnel, the proposer's experience, understanding of the scope, and the ability to furnish the required services. The last one, the price, is one that has been recommended by the District so the price will play a role at the time you undertake who will be the auditor. With that being said, a motion to accept the criteria for the evaluation of the audit selection companies would be in order.

On MOTION by Mr. Dupre seconded by Mr. Cepero with all in favor, accepting the criteria for evaluation was approved.

Mr. Hernandez: The next item would be ratification of the requests for proposals, so rather than having two meetings what the District has done is, we have already advertised and by ratifying the response you will be accepting what the board will be receiving today from the firms who responded to that advertisement. With that being said, a motion to ratify the request for proposals would be in order.

On MOTION by Ms. Iglesias seconded by Mr. Dupre with all in favor, ratifying the RFP was approved.

Mr. Hernandez: The rankings of the respondents for the request for proposals, you need to look at, and in alphabetical order those are, Berger, Toombs, Elam, Gaines & Frank, the total amount, the District has asked them to provide 5 years of costs, and that will not mandate the District to use them for 5 years, but it does obligate the auditing firm to sustain the prices they are giving the District today. This first firm has presented a total price of \$18,095. Carr, Riggs & Ingram, the total price for those 5 years would be \$19,950, GLSC & Company, \$17,500, Grau & Associates, \$18,000, Guillen Serrano & Associates, \$21,792, McDirmit Davis, \$20,000 and Stroemer & Co., LLP, \$18,250. So I just need the board to, based on the criteria determine who will be ranked #1, #2, and #3, and what the District will do is, picking, and trying to enter into an agreement with the firm that is ranked #1, if for some reason the District cannot enter into that agreement, we will move to the #2, and if for any reason we cannot do that one, then we'll jump to #3.

Mr. Dupre: Grau is the one that we've been using recently right?

Mr. Hernandez: That's correct, the one the District has been using is Grau & Associates.

Mr. Dupre: Any comments on their service?

Mr. Hernandez: No. The part that I can say, any CPA firm is qualified to provide the services for the District. What makes the difference is that, those who do it on a daily basis, they can provide better services in a sense that they can do it in on a faster basis, than those who do not have the experience.



Mr. Dupre: Right.

Ms. Iglesias: So how do we know which ones have the experience? You should be able to give us that information?

Mr. Hernandez: In each one of the proposals, they're giving you, for instance, the lowest one that you received in price, GLSC, they only have 1 CDD, which they only did it for 3 years, and that was 5 years ago, and since then they haven't taken any other CDDs, since then the only thing they have done is other cities.

Mr. Cepero: Do they all have work with CDDs?

Mr. Hernandez: They have some sort of work with CDDs, yes, at least one or two Districts, some of them. Others, like Grau & Associates, McDirmit Davis, and Carr, Riggs & Ingram, they have the big bulk of all the CDDs.

Ms. Cepero: Which ones?

Mr. Hernandez: It's Berger, Toombs, Elam, Gaines & Frank, they do a lot of CDDs. Carr, Riggs & Ingram, they do a lot. Grau & Associates, and McDirmit Davis, all the others, they just have small experience, specifically with CDDs, and as part of the package they sent to us, that's what they are presenting.

Ms. Iglesias: Since we used Grau in the past, can they match the price, it's only \$5.

Mr. Cepero: Well I would say that, ability of personnel, I'm sure they all have the ability, and understanding scope of work, the same thing, and the ability to furnish services, but the important ones, the ones with the most variable, as we've done in the past, the proposer's experience, and price, and I think we can give the most points to Grau just because they know this CDD, maybe give 15 points to the other ones that have more experience, and 10 points to all the other ones. So I'm going to give Grau & Associates 20 points, then the first two companies 15 points, and McDirmit 15 points, and the other 3 companies 10 points.

Mr. Dupre: I like the idea of the ones that are experienced, so just by that, and then having used Grau in the past, they have a certain qualification, so I'd say #1, #2 and #4, as the ones that I would recommend.

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Mr. Cepero: Then I would give GLSC, as the lowest one, 20 points.

Mr. Hernandez: Followed by Grau & Associates, if you're doing it by price, \$18,000?

Mr. Cepero: Yes. Well the difference is so small, I hate to do it just by price that's why I'm giving points.

Mr. Hernandez: Well you can give them 19 points.

Mr. Cepero: Yes, I could give them 19 points.

Mr. Hernandez: And then if you're going to follow that rationale, the next one would be Berger, Toombs.

Mr. Cepero: Berger, Toombs at 18 points.

Mr. Hernandez: Correct.

Mr. Cepero: Then Stroemer with 17 points.

Mr. Hernandez: Correct.

Mr. Cepero: Then Carr, Riggs would be 16 points.

Mr. Hernandez: Correct, and McDirmit Davis would be 15 points.

Mr. Cepero: McDirmit Davis as 15 points, and then Guillen Serrano with 14 points.

Mr. Hernandez: Then you just need to add it all up at the end to get the answer. So this first one would be 93 points total.

Mr. Cepero: So the first one is 93?

Mr. Hernandez: Yes, because all you need to do is add these all up. So this one would be 91 points, this one would be 100, this one would be 99 points, no excuse me, this one would be 90 points, not 100. Then this one is 84 points, this one is 90 points, and this one would be 87 points.

Mr. Cepero: So the highest one is Grau & Associates at 99 points.

Mr. Hernandez: Yes, Grau would be 99 points, and then the next one?

Mr. Cepero: The second one would be Berger, Toombs at 93 points, and third would be Carr, Riggs & Ingram at 91 points.

Mr. Hernandez: Correct.

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Mr. Dupre: I used a totally different method, and ended up with the same thing.

Mr. Hernandez: Ok, so I will be reading it out loud so that the committee can hear the results. Based on this rationale what it's going to be indicating is Grau & Associates will receive 99 points, being ranked #1, Berger, Toombs, Elam, Gaines will receive 93 points, which will be #2, and Carr, Riggs & Ingram receives a total of 91 points, which would be #3. Does the committee agree with that?

Mr. Dupre: Yes.

Mr. Hernandez: So I'm going to be including this sheet as part of the backup for the District's records.

Mr. Cepero: But Nancy mentioned the price to see if you can speak with Grau and have them match the lowest price at \$17,500.

Mr. Hernandez: That's fine.

Ms. Iglesias: It's only \$500 so I'm sure they can do that.

Mr. Hernandez: We can certainly do that. Now what if they were to say no, do you still want to move forward with the ranking the way you presented it?

Mr. Cepero: Let me see, it's a small difference right?

Mr. Hernandez: It's \$500 in 5 years, so it's \$100 per year.

Ms. Iglesias: Right, and I'm sure they'll say yes.

Mr. Dupre: I would say yes.

Mr. Cepero: Well GLSC is one of the least experienced ones.

Mr. Hernandez: But if you were to put it in the way it's being presented the first year, it would be cheaper to go with Grau since they're putting the first year as \$3,400, while GLSC is giving \$3,500. Then at the second year, they're at the same price, and the difference starts to take place in the 3rd, 4th and 5th years, where Grau is increasing, and GLSC is just maintaining at \$3,500.

Ms. Iglesias: Right.

Mr. Hernandez: So how does the committee want me to move in the event they said it is what we just presented?

Mr. Cepero: Well push them to reduce because they've gone down in the past, right?

Mr. Hernandez: Yes.

Mr. Cepero: But the other company is just not very experienced, so who is #3?

Mr. Hernandez: Carr, Riggs & Ingram.

Ms. Iglesias: #2 is higher.

Mr. Hernandez: The #2 company would be \$95 more.

Mr. Cepero: Ok, so push them as much as possible.

Ms. Iglesias: Right.

Mr. Hernandez: Got it. Alright so based on that ranking, I just need a motion to accept that as the audit selection committee.

On MOTION by Ms. Iglesias seconded by Mr. Dupre with all in favor, accepting the ranking of the respondents to the RFP as stated on the record by Luis Hernandez was approved.

Mr. Hernandez: Then just a motion to adjourn from the audit selection committee meeting would be in order.

On MOTION by Ms. Iglesias seconded by Mr. Dupre with all in favor, the Audit Selection Committee Meeting was adjourned.

## SEVENTH ORDER OF BUSINESS

### Selection of Audit Firms

Mr. Hernandez: Moving on, I just need to inform the board that the audit selection committee has ranked Grau & Associates to be #1, followed by Berger, Toombs, Elam, Gaines & Frank, and then #3 is Carr, Riggs & Ingram. So I just need a motion from the board authorizing to accept the ranking provided by the audit selection committee with the understanding that the District is going to try to negotiate with Grau to take the price for the 5 years to match what GLSC & Company presented.

By making that motion you are authorizing the appropriate officials to execute the document once those parameters have been met.

Mr. Dupre: And if they don't accept you will go ahead and accept their price.

Mr. Hernandez: You can, since the one who needs to sign it is the chairman or vice chairman, you can give the power, and Jorge is acting as the vice chairman, so you can appoint the vice chairman to make the final determination at that time.

Mr. Cepero: Yes why don't we do that, give me a call.

Mr. Dupre: That sounds good.

Ms. Iglesias: Yes.

Mr. Hernandez: So we'll just give him a call, and we let him know, and he will have the last one on that.

Mr. Dupre: So if you follow that, I agree.

On MOTION by Mr. Dupre seconded by Ms. Iglesias with all in favor, accepting the ranking of the auditing firms with Grau & Associates as #1, authorizing staff to negotiate the price lower, and enter into an agreement, giving Jorge Cepero the final approval to execute the document once the price has been negotiated was approved.

**EIGHTH ORDER OF BUSINESS**

**Staff Reports**

Mr. Hernandez: Moving on, we have Staff Reports, Mr. Knight?

**A. Attorney - Discussion of 2015 Legislative Session Memorandum**

Mr. Knight: I don't have anything to report really. We've included this memorandum in the backup, or you have our memorandum which we wrote about what happened in the 2015 legislature session. If you have any questions about it I would be happy to answer those, but there's nothing really there that affects CDDs that much, it's just basically some interesting stuff that happened.

Mr. Hernandez: Certainly, so just a quick summary so that people will get informed.

Mr. Knight: Yes.

Mr. Hernandez: Unless anyone has any questions for Gerry, we can move to the next item.

Mr. Knight: You can read it at your leisure, and call me if you have any questions, or email me.

Mr. Hernandez: Thank you for that Gerry.

Mr. Knight: Or we can pick it up at the next meeting.

**B. Engineer**

Mr. Hernandez: Nour, any items to report for Villa Portofino West?

Mr. Shehadeh: Nothing specific other than we need to update the report for this year, because you guys had sent me an email asking me to do that, and now that we're talking about the ownership of the lakes, and the road, and the right-of-way, I think we need to clarify that, before I go to the fees and start doing my final report.

Mr. Hernandez: Ok.

Mr. Shehadeh: And then I can do my report, or if it's ok with everybody, I will continue down the same path we used to do in the past, just come up with whatever I can from the fees and then put the report together, and then we decide, because otherwise, I don't know how long it's going to take you guys to come back, and tell me, go this way or that way, because I know in July we have to submit the report.

Mr. Hernandez: Yes, and just to give a quick summary of what you're trying to present. There is a requirement of the trust indenture that the District needs to present in July to the trustee, a report from the engineer as to the status of all the improvements that the District has paid for. The concern that exists at this particular point is based on the ownership on some of those improvements, particularly the one we were discussing for the lakes, I believe that's the one we have concerns with for Villa Portofino West, and what was the other concern that we had, the roads?

Mr. Shehadeh: Yes, the roads.

Mr. Hernandez: Wasn't the roads in Villa Portofino West supposed to be private?

Mr. Shehadeh: That's what we are finding out, that it's private, but it looks like there are questions about it, if it's private or it's not.

Mr. Hernandez: Ok, so what I will assume is, you have done your report in the past, what would make sense at this point is to follow up in the same way that you have in the past by going, and making an inspection, and in the interim I will get the information as to what has been paid so that we can come back, and see where those funds have been paid.

Mr. Shehadeh: Ok.

Mr. Knight: Did you look to see who owns the lakes at Villa Portofino West, you were doing that when we started the meeting?

Mr. Hernandez: No I did not but I will do it as soon as we get out of this meeting.

Mr. Knight: Ok, we need to make sure, I think, that the CDD is the owner of the lakes because that's one of the improvements that the CDD paid for was the water management system, so typically the CDD ends up owning the lakes when that happens, and right now we're not seeing anything, at least I don't, that shows the CDD owns the lakes. So we're going to have to get a deed, if the developer still owns the lakes, we'll need to get a deed from the developer, like a quit claim deed for the lakes. You probably did not convey them to your HOA but that's possible, and I don't know if you're still in control of that HOA.

Ms. Iglesias: Yes, we're still in control of the HOA.

Mr. Hernandez: No the HOA has already been conveyed.

Ms. Iglesias: Oh, Villa Portofino West, yes, I'm sorry, I was thinking about East.

Mr. Hernandez: Right.

Mr. Knight: Well anyway we need to confirm who owns the lakes, and if the developer still owns them we need to convey them to the District, or get them conveyed to the District, the same issue on East when we get there.

Mr. Hernandez: Yes.

Mr. Knight: And also, we need to double check what the District spent its money on with respect to the roadways, the internal roadways, in both Districts, because it appears to us, at least the Property Appraiser's website shows that the HOA, or the POA owns both the internal roads in both Districts. Of course the CDD owns the entryway at Villa Portofino East, or did, they conveyed it to the City of Homestead, but the internal roads in the residential part are shown as being owned by the HOA or the POA, so we don't know, and we need to find out what the District spent its money on, and also what it owns, and we need to get that straightened out as far as the ownership, so we don't have any problems there.

Mr. Cepero: Why is this an issue now, haven't we known all along who owns it?

Mr. Knight: Sitting here right now this issue came up when we were waiting on you to arrive to the meeting, we were discussing among ourselves, and we went on the websites, and neither the Property Appraiser, nor the public records show that the CDD owns the internal roads, or the lakes. So we don't know why that's the way it is, if that's the case, then we need to make sure that we get the ownership into the CDD of whatever it's supposed to own. Why it didn't happen before now, I don't know.

Mr. Cepero: Well if it's anything like East then the roads are probably private, HOA roads.

Mr. Knight: We think the internal road, the residential road is private.

Mr. Cepero: Right, and the lakes are probably owned by the CDD.

Mr. Knight: They're supposed to be, I think.

Mr. Hernandez: But as per Miami-Dade County when we were just checking it doesn't show it that way.

Mr. Knight: And the public records don't show it either, we searched the public records.

Mr. Cepero: Well do you have deeds?

Mr. Knight: Well that's why I have to go back, and check, and see what we have, but sometimes the public records are wrong for these things, but if we don't own them,



then we'll let you know, and then we'll need a quit claim deed, because on the Property Appraiser's website it says that the lake is owned by the developer.

Mr. Hernandez: In Villa Portofino East.

Mr. Knight: Yes, but we'll work on that, and get an answer, and then if action is necessary we'll let you know.

Mr. Hernandez: Alright so move on with your report Nour, and in the meantime we will find out ownership so that we can tailor it before you present it.

Mr. Shehadeh: Ok, I will start on that.

Mr. Hernandez: Moving on, unless anyone has any questions for Nour.

### **C. Manager**

#### **1) Number of Registered Voters in the District - 209**

#### **2) Consideration of Proposed Fiscal Year 2016 Meeting Schedule**

#### **3) Discussion of Financial Disclosure Report from the Commission on Ethics**

Mr. Hernandez: The next item that I have is the manager's report. I just need to indicate for the record that the number of registered voters as per Miami-Dade County is 209. The reason, and importance of that statement is that once the District meets two requirements, 6 years of establishment, and 250 registered voters the election of the supervisors are controlled by the Supervisor of Elections. As of this date, the District has already met the 6 year requirement, but not the 250 registered voters, so we still are in the landowners portion of the election of the supervisors. Moving on, the next item that I need to present is consideration of the proposed fiscal year 2016 meeting schedule, a copy of which has been presented to the board, and we're just using the same schedule as we had this year. The meetings are established to be on the third Monday of each month, and there are some exceptions I believe. There is only an exception for January 11th, and February 8th, and those exceptions are because of holidays, and instead of being done on the third Monday, those are being moved to the second Monday of the month. So unless anyone has any questions, and once again, as we have done in the past, those meeting are being advertised to be made on those dates, but will only take place if the District has any particular matters to discuss. With that

being said, a motion to approve the proposed fiscal year 2016 meeting schedule would be in order, unless anyone has any changes.

Mr. Cepero: The same day and same time?

Mr. Hernandez: Yes.

Ms. Iglesias: Do you want to switch the time?

Mr. Cepero: No, why?

Ms. Iglesias: I was just wondering, ok just leave it alone?

Mr. Cepero: Yes.

Mr. Hernandez: Alright, so just a motion to approve that meeting schedule would be in order.

On MOTION by Ms. Iglesias seconded by Mr. Dupre with all in favor, accepting the proposed Fiscal Year 2016 Meeting Schedule was approved.

Mr. Hernandez: The next item is discussion of financial disclosure report, as I have already reported, there are two supervisors who need to undertake the function, I will appreciate it if you would just take care of that right away. The reason, and importance of that is that the deadline is July 1st, and technically you can be fined \$25 per day, not to exceed \$1,500. In the past no action has been taken until September, but the sooner you do it the better, because technically the deadline is July 1st. With that being said, unless anyone has any questions we can move on to the next item.

## **NINTH ORDER OF BUSINESS**

## **Supervisors Requests and Audience Comments**

Mr. Hernandez: Are there any supervisors requests at this time?

Ms. Iglesias: No, do you have any requests Jorge?

Mr. Cepero: No.

Mr. Hernandez: Not hearing any, I just need to indicate for the record we have no audience here today.

**TENTH ORDER OF BUSINESS**

**Financial Reports**

**A. Approval of Check Run**

**B. Balance Sheet and Income Statement**

Mr. Hernandez: The next item presented is in section 10, Financial Reports. Behind tab A you have the Check Run Summary and, behind tab B you have the Balance Sheet and Income Statement. Unless anyone has any questions, a motion to approve financials would be in order.

On MOTION by Mr. Cepero seconded by Mr. Dupre with all in favor, the Check Run Summary and the Balance Sheet and Income Statement were approved.

**ELEVENTH ORDER OF BUSINESS**

**Adjournment**

Mr. Hernandez: Unless anyone has any other District business to discuss, a motion to adjourn would be in order.

On MOTION by Ms. Iglesias seconded by Mr. Dupre with all in favor, the Meeting was adjourned.

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Secretary / Assistant Secretary

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Chairman / Vice Chairman

**MINUTES OF MEETING  
VILLA PORTOFINO WEST  
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Villa Portofino West Community Development District was held on Monday, March 21, 2016 at 11:30 a.m. at 1031 Ives Dairy Road, Suite 228, Miami, Florida.

Present and constituting a quorum were:

Nancy Iglesias	Chairman
Jorge Cepero	Vice Chairman
Jim Dupre	Assistant Secretary

Also present were:

Susan Delegal	District Counsel
Luis Hernandez	District Manager
Luci Moraga	Resident

**FIRST ORDER OF BUSINESS**

**Oath of Office for Newly Elected  
Supervisors at the Landowners  
Meeting held November 16, 2015**

Mr. Hernandez: I just need to indicate for the record before we move forward that the oath of the newly elected supervisors have been administered prior to starting the meeting, that's why I have not included that portion on the record.

**SECOND ORDER OF BUSINESS**

**Roll Call**

Mr. Hernandez called the meeting to order and called the roll.

**THIRD ORDER OF BUSINESS**

**Organizational Matters**

**A. Consideration of Resolution #2016-01 Canvassing and Certifying the Results of the Landowners Election**

Mr. Hernandez: Moving on, and since we already have the results of the landowners election, let's move forward with resolution #2016-01 which is canvassing

and certify the results of the landowners election. The resolution shows the results of that election and at this point what I would be asking the board would be a motion to adopt resolution #2016-01 which will show those results.

Mr. Cepero: I'm sorry, which resolution is this?

Mr. Hernandez: It's resolution #2016-01.

Mr. Cepero: For what?

Mr. Hernandez: That's the resolution for canvassing and certifying the results of the landowners election.

Mr. Cepero: Ok, I make a motion.

On MOTION by Mr. Cepero seconded by Mr. Dupre with all in favor, Resolution #2016-01 canvassing and certifying the results of the Landowners Election was approved.

**B. Consideration of Appointment of Supervisor(s) to Fill Unexpired Term(s) of Office for Seat #3 & Seat #5 - 11/2017**

**C. Oath of Office for Newly Appointed Supervisor(s)**

**D. Consideration of Resolution #2016-02 Electing Officers**

Mr. Hernandez: Moving on, I just need to remind the supervisors that there are two vacant seats. At this point you have seat #3 and seat #5 which are still vacant, does the board have anyone they would like to appoint for those seats?

Ms. Iglesias: Not yet.

Mr. Hernandez: Alright so I'm just going to indicate that there are none, and the board doesn't have any and also there is no oath for the new supervisors to take care of. Then the next item would be resolution #2016-02 where the board will need to elect the slate of officers. Currently we have Nancy Iglesias as chairman, Jorge Cepero as vice chairman and Jim Dupre as an assistant secretary, then Patti Powers as treasurer, Luis Hernandez as secretary, and Rich Hans as an assistant secretary. So at this point the board has two options, either you can revise the entire slate of officers, or just elect the slate that I just read on the record.

Mr. Cepero: We can keep it the same.

Mr. Hernandez: Alright, so a motion to elect the same slate of officers by adopting resolution #2016-02 would be in order.

On MOTION by Mr. Cepero seconded by Mr. Dupre with all in favor, Resolution #2016-02 electing officers, keeping the same slate of officers as stated on the record by Luis Hernandez was approved.

**FOURTH ORDER OF BUSINESS**

**Approval of the Minutes of the July 20, 2015 Meeting**

Mr. Hernandez: Moving on, we have is approval of the minutes of the July 20, 2015 meeting. At this time, unless anyone has any questions, comments, additions or deletions, a motion to approve the minutes for the July 20, 2015 meeting would be in order.

Mr. Cepero: Table.

Mr. Hernandez: Alright.

On MOTION by Mr. Cepero seconded by Mr. Dupre with all in favor, the Minutes of the July 20, 2015 meeting were tabled.

**FIFTH ORDER OF BUSINESS**

**Consideration of Resolution #2016-03 Approving the Proposed Fiscal Year 2017 Budget and Setting the Public Hearing**

Mr. Hernandez: The next item for the board’s consideration would be resolution #2016-03 approving the proposed fiscal year 2017 budget and setting the public hearing. Prior to entering into the resolution the part that I need to indicate is that after consideration by District staff, the District believes that it will be able to provide the same level of services as the prior year with no increases. Therefore, the proposed budget contemplates having the same level of assessments for the operation and maintenance in

the general fund, and the portion of the bonds are fixed so they will continue to be part of the Series 2006 Bonds.

Mr. Cepero: What is the assigned fund balance?

Mr. Hernandez: An assigned fund balance is any excess that the District has that is carried forward, that is therefore any type of expenditures related to operation or maintenance of the District.

Mr. Cepero: Ok, I make a motion to accept.

Mr. Hernandez: So by accepting you need to accept it by resolution, so what you're going to be doing is approving the resolution, and what we need to do is to determine when you want to meet to adopt this budget. By law we need to give at least 60 days before we approve it which means that the earliest that we will be able to do it would be at the June 20th meeting. So the option that the board will have is to consider at either the June 20th meeting, July 18th or August 15th.

Mr. Cepero: I guess go with June 20th.

Ms. Iglesias: That's fine.

Mr. Hernandez: Alright so June 20th, and the resolution is going to read that the board is going to consider the adoption of the budget on June 20, 2016 at the same location, 1031 Ives Dairy Road, Suite 228, Miami, Florida at 11:30 a.m. So I will be asking for a motion to approve the resolution and the blanks will be filled in as I have just indicated, is there a motion to that affect?

On MOTION by Mr. Dupre seconded by Mr. Cepero with all in favor, Resolution #2016-03 approving the proposed Fiscal Year 2017 Budget and setting the Public Hearing on June 20, 2016 at 11:30 a.m. at 1031 Ives Dairy Road, Suite 228, Miami, Florida was approved.

March 21, 2016

Villa Portofino West CDD

## SIXTH ORDER OF BUSINESS

### Consideration of Resolution #2016-04 Adjusting the Terms of Office of the Board Members

Mr. Hernandez: The next item is consideration of resolution #2016-04 adjusting the terms of office for the board members. At the current time, we have that some of the seats will expire in an odd year that means the election of the supervisors needs to be made during an even year, and right now we have seat #3 and seat #5 that do not expire in even years. So we need to adopt a resolution that what we are going to be doing is making those seats to coincide with the Supervisor of Elections timing that needs to be in an even year.

Ms. Delegal: We have 250 residents, elected registered voters?

Mr. Hernandez: Yes, allow them to run for those seats.

Ms. Delegal: Ok.

Mr. Cepero: So our election schedule now doesn't match the regular election process for other types of elections, so you just want to match that?

Mr. Hernandez: Correct, and that is controlled by the Supervisors of Elections, they need to do it in either the year 2016 or 2018, they cannot do it in the year 2017.

Mr. Cepero: And that's because now we have enough residents?

Mr. Hernandez: Yes, potentially to run for seats.

Mr. Cepero: So we're going to have to start having resident elections?

Mr. Hernandez: Well by the resolution that you will be adopting, the earliest that you will have the landowners election would be for seat #1 and seat #2, that are now going to be in November, 2018.

Mr. Cepero: But that would include a resident election?

Mr. Hernandez: The earliest you will be able to say it's a possibility for someone running for those seats would be in 2018.

Ms. Delegal: Right, and you'll be extending your terms of office for a year to coincide with the even years which we have general elections.



Mr. Cepero: Alright, so are these seats, #3, #4 and #5, I'm assuming some of those are 4 years, and some are 2 years?

Mr. Hernandez: In either case we need to extend them all. Right now what we have is that seat #4 is being occupied by Jim Dupre, and seats #3 and #5 are vacant. So if everything were to continue the way that you have it right now, the three seats will be coming up for election in November, 2017. What we're doing with this resolution is taking those three seats, and extending them until November, 2018.

Mr. Cepero: So there's not going to be an election for them this November?

Mr. Hernandez: It will not be until November, 2018.

Ms. Delegal: Right.

Mr. Cepero: So there's no election this November?

Mr. Hernandez: Correct.

Ms. Delegal: Correct.

Mr. Cepero: Ok, and the threshold is what, 250?

Ms. Delegal: Yes.

Mr. Hernandez: 250 registered voters and 6 years.

Ms. Delegal: Right, and you check that once a year.

Mr. Cepero: We didn't have that last year?

Mr. Hernandez: No, last year we didn't have it.

Mr. Cepero: So come November, 2018 is one of those seats going to be a resident seat?

Mr. Hernandez: Two of them will be.

Mr. Cepero: Ok, two seats.

Mr. Hernandez: Once you reach the 6 years and 250 registered voters, two seats will go to the general elections, and one seat will continue to be a landowners election. Those three seats will be elected for 4 years, two years later, the remainder two seats will go to general elections and they will be going for 4 years. At the next two years from that, or four years after the beginning of the process the last landowners election seat will

go to the general election process and at that point all 5 seats will be part of the general election process.

Mr. Cepero: Alright, so you're just looking to extend the terms right now?

Mr. Hernandez: Yes, so that it will match the schedule that the Supervisor of Elections typically will be able to maintain.

Mr. Cepero: Alright, I make a motion.

On MOTION by Mr. Cepero seconded by Ms. Iglesias with all in favor, Resolution #2016-04 adjusting the terms of office for the board members was approved.

**SEVENTH ORDER OF BUSINESS**

**Ratification of Engagement Letter with Grau & Associates to perform the Audit for Fiscal Year Ending September 30, 2015**

Mr. Hernandez: Moving on, I will be asking the board for a motion to ratify the engagement letter with Grau & Associates to perform the audit for fiscal year ending September 30, 2015. The letter and the engagement was for the same amount that the board and the audit committee has approved and therefore the District treasurer has signed it and all we're asking for is ratification of that action. Is there a motion?

On MOTION by Mr. Cepero seconded by Mr. Dupre with all in favor, ratifying the engagement letter with Grau & Associates to perform the audit for Fiscal Year ending September 30, 2015 was approved.

**EIGHTH ORDER OF BUSINESS**

**Acceptance of Audit for Fiscal Year Ending September 30, 2015**

Mr. Hernandez: Now that you have accepted the engagement letter, I just need to present to you a copy of the audit report for the fiscal year ending September 30, 2015. I

have passed out hard copies and I also have an extra one in case you need it. What you will be able to see is that it's a clean audit, and unless the board wants me to go through the details of walking you through the report, I would just ask for a motion to accept the audit for the fiscal year ending September 30, 2015. So unless anyone has any questions in regard to the audit for the fiscal year ending September 30, 2015, a motion to accept would be in order.

On MOTION by Mr. Cepero seconded by Mr. Dupre with all in favor, accepting the audit for Fiscal Year ending September 30, 2015 was approved.

**NINTH ORDER OF BUSINESS**

**Staff Reports**

Mr. Hernandez: Moving on to Staff Reports, Sue?

**A. Attorney**

Ms. Delegal: I do not have anything.

Mr. Hernandez: Thank you very much.

**B. Engineer - Acceptance of Engineer's Annual Report**

Mr. Hernandez: As for the engineer, we have included a copy of the engineer's report that was prepared and presented in August, 2015. The engineer is highlighting some maintenance items that corresponds to the residential and commercial area. The only thing that I need to indicate is that the District has a maintenance agreement with the homeowners association, but we don't have an executed copy for the maintenance agreement with the commercial side. Although, since the beginning of when the District was established, both entities, the property owners association and the homeowners association were going to be maintaining those common areas.

Mr. Cepero: Have you provided this report to the manager?

Mr. Hernandez: To the manager of who?

Mr. Cepero: Of the HOA?

Mr. Hernandez: No. At the time we received it, the engineer tried to contact the management company for the HOA and that's as much as I know.

Mr. Cepero: Why don't we have an agreement for management services here for the commercial?

Mr. Hernandez: The commercial was provided but we never received the executed copy.

Mr. Cepero: Who are you dealing with, Brian?

Mr. Hernandez: That was done prior to you. That was when we had the other lady, I believe it was Linda Socolow, she was the one who received it at that time and since then we have never received anything after that.

Mr. Cepero: That was 8 years ago, that doesn't count, that's not worth mentioning. Why don't you send a request to Brian and see if he can get that moving?

Mr. Hernandez: Alright, I will take care of that. Moving on unless anyone has any questions?

Mr. Cepero: Hold on, I'm looking at the report.

Mr. Hernandez: Sure.

Mr. Cepero: Alright, you need to coordinate with the engineer because his comment on #13, cleaning the inlet, on page 4 and 7, I think that may be outside of the CDD controlled area, so you may want to compare it to your boundary sketch, and see if it is or it's not.

Mr. Hernandez: I will contact him.

Mr. Cepero: Ok, and why don't you send this report to Brian as well so he can see the area, and the issues on the commercial area?

Mr. Hernandez: Sure.

Mr. Cepero: Again, what are we doing with this, we're accepting the report?

Mr. Hernandez: Yes, that would be appropriate.

On MOTION by Mr. Cepero seconded by Ms. Iglesias with all in favor, accepting the Engineer's Annual Report dated August, 2015 was approved.

**C. Manager**

Mr. Hernandez: As for the manager's report, I have nothing to report.

**TENTH ORDER OF BUSINESS**

**Supervisors Requests and Audience Comments**

Mr. Hernandez: Moving on, are there any supervisors requests? Not hearing any, are there any audience comments? Lucy anything to report or any requests?

Ms. Moraga: No nothing.

**ELEVENTH ORDER OF BUSINESS**

**Financial Reports**

- A. Approval of Check Run**
- B. Balance Sheet and Income Statement**

Mr. Hernandez: Moving on, the next item would be Financial Reports. You will find that in section 11 in your agenda, tab A has the Check Run Summary and, tab B has the Balance Sheet and Income Statement. Unless anyone has any questions, a motion to approve financials would be in order.

On MOTION by Mr. Cepero seconded by Ms. Iglesias with all in favor, the Check Run Summary and the Balance Sheet and Income Statement were approved.

**TWELVTH ORDER OF BUSINESS**

**Adjournment**

Mr. Hernandez: Unless anyone has any other District business to discuss, a motion to adjourn would be in order.

On MOTION by Ms. Iglesias seconded by Mr. Cepero with all in favor, the Meeting was adjourned.

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Secretary / Assistant Secretary

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Chairman / Vice Chairman

**MINUTES OF MEETING  
VILLA PORTOFINO WEST  
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Villa Portofino West Community Development District was held on Monday, July 18, 2016 at 11:30 a.m. at 1031 Ives Dairy Road, Suite 228, Miami, Florida.

Present and constituting a quorum were:

Nancy Iglesias	Chairman
Jorge Cepero	Vice Chairman
Jim Dupre	Assistant Secretary

Also present were:

Gerry Knight	District Counsel
Luis Hernandez	District Manager
Brian Seidler	Prime Homes

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Hernandez called the meeting to order and called the roll.

**SECOND ORDER OF BUSINESS**

**Organizational Matters**

- A. Consideration of Appointment of Supervisor(s) to Fill Unexpired Term(s) of Office for Seat #3 & Seat #5 - both 11/2018
- B. Oath of Office for Newly Appointed Supervisor(s)
- C. Election of Officers

Mr. Hernandez: Moving on with the second item for the board's consideration which are organizational matters. I just need to remind the supervisors that there are two vacant seats. Does the board have anyone that you would like to appoint at this point?

Ms. Iglesias: Not yet.

Mr. Hernandez: Alright, we will just table entirely item No. 2.

**THIRD ORDER OF BUSINESS**

**Approval of the Minutes of  
the July 20, 2015 and March  
21, 2016 Meetings**

Mr. Hernandez: The next item is consideration of the approval of the minutes of the July 20, 2015 meeting, and March 21, 2016 meetings.

Mr. Cepero: Table them.

Mr. Hernandez: Alright, so those will be tabled for the next meeting.

On MOTION by Mr. Cepero seconded by Mr. Dupre with all in favor, the Minutes of the July 20, 2015 and March 21, 2016 meetings were tabled.

**FOURTH ORDER OF BUSINESS**

**Consideration of Resolution  
#2016-05 Approving the  
Proposed Fiscal Year 2017  
Budget and Re-Setting the  
Public Hearing**

Mr. Hernandez: The next item would be consideration of resolution #2016-05 which is going to approve the proposed fiscal year 2017 budget and re-setting the public hearing. Originally, and initially the District had set everything to be done for the prior month, in the month of June, unfortunately we were not able to obtain a quorum. Therefore, what the District has done is we re-advertised to have the meeting today, and it would be appropriate for the board at this point to ratify this action so that the advertisement and all these steps the District staff has taken would allow us to continue the District's business today. So a motion to approve resolution #2016-05 would be in order, and by approving this you would be ratifying the action of District staff.

On MOTION by Mr. Cepero seconded by Ms. Iglesias with all in favor, Resolution #2016-05 approving the proposed Fiscal Year 2017 Budget and re-setting the Public Hearing on July 18, 2016 at 11:30 a.m. at 1031 Ives Dairy Road, Suite 228, Miami, Florida was approved.

**FIFTH ORDER OF BUSINESS**

**Public Hearing to Adopt the Fiscal Year 2017 Budget**

**A. Motion to Open the Public Hearing**

Mr. Hernandez: Moving on, we have the public hearing in section No. 5, which is for the adoption of the fiscal year 2017 budget. The first action from the board would be a motion to open the public hearing.

On MOTION by Mr. Cepero seconded by Ms. Iglesias with all in favor, opening the Public Hearing was approved.

**B. Public Comment and Discussion**

**C. Consideration of Resolution #2016-06 Annual Appropriation Resolution**

Mr. Hernandez: Before we go to the public comments I just want to indicate for the record that we have no audience here today, so it's not that we're skipping over that portion, it is just that we don't have anyone from the general audience to provide any comments. Before we go to the resolution itself, I just want to ask the board to once again walk through the proposed budget that is dated July 18, 2016. As you will be able to see, for the general fund, the operation and maintenance cost is being maintained the same as the prior year, therefore there is no increase, and the District is levying the same amount, or at least suggesting to level the same amount to the homeowners to be able to maintain the same level of services that were provided the prior year. It is important to remind everybody that this is the District that only has an administrative budget, there is no field operation whatsoever in this District. Those functions have been passed on to either the homeowners association, or the property owners association. As we move forward, the next part after the explanations that are given on pages 3 and 4, on page 5, you will be able to see the bonds that the District currently has, those being the Series 2006 Bonds



which is the fixed amount that isn't affected every year. With that explanation, does anyone have any questions in regard to the proposed budget?

Mr. Cepero: There is the second hearing for this budget right?

Mr. Hernandez: That will be the one for adopting it, yes sir. Not hearing any questions, I will then move on to the resolution itself. The first resolution that the board will need to consider would be resolution #2016-06, and this is the annual appropriation resolution. What this resolution basically does is it takes this proposed budget, and it makes it the District's adopted budget. So by approving the resolution you are adopting the District's budget. With that being said, unless anyone has any questions, a motion to approve resolution #2016-06 would be in order.

On MOTION by Mr. Cepero seconded by Ms. Iglesias with all in favor, Resolution #2016-06 the Annual Appropriation Resolution was approved.

**D. Consideration of Resolution #2016-07 Levy of Non Ad Valorem Assessments**

Mr. Hernandez: The next item is consideration of resolution #2016-07 which you will find in section 5D, and this is the levy of Non Ad Valorem Assessments. What this resolution does is it allows the District once again to levy the assessment on the Miami-Dade County tax bill. With that being said, a motion to approve resolution #2016-07 would be in order.

On MOTION by Mr. Cepero seconded by Ms. Iglesias with all in favor, Resolution #2016-07 Levy of Non Ad Valorem Assessments was approved.

**E. Motion to Close the Public Hearing**

Mr. Hernandez: Unless anyone has any questions now on the adopted budget, a motion to close the public hearing would be in order.

On MOTION by Mr. Cepero seconded by Ms. Iglesias with all in favor, closing the Public Hearing was approved.

**SIXTH ORDER OF BUSINESS**

**Discussion of Potential Refinancing**

Mr. Hernandez: Moving on, the next item that we have is discussion of the potential refinancing. I know you have had a conversation with Jon Kessler, was he going to be calling in?

Mr. Cepero: I don't know.

Mr. Hernandez: There was a possibility for the District to refinance the Series 2006 Bonds and he passed you some information, and that's as much as I know.

Mr. Cepero: If he did then I didn't notice it.

Mr. Hernandez: Ok, well the bonds could be refinanced.

Mr. Cepero: What's the percentage now?

Mr. Hernandez: It is my understanding that he passed that on to you. The part that I do know is that the existing bonds that the District has is at 5.35%, and he believes that the District would be able to be somewhere around the high 3% to the low 4%, therefore it basically seems reasonable for the District to consider the refinancing.

Mr. Cepero: How do you spell his last name?

Mr. Hernandez: It's Kessler, K-e-s-s-l-e-r.

Mr. Cepero: I don't see anything here. Maybe he sent it to Larry, but I haven't seen anything.

Mr. Hernandez: There was an exchange of emails, and you asked him to provide you with some information, and he was supposed to be replying to it, and I was not copied on it, but it's my understanding that he replied back to you.

Mr. Cepero: I don't think I've been emailing him on that.

Mr. Hernandez: Oh yes, you received an email from him.

Mr. Cepero: From me?

Mr. Hernandez: Yes, you received an email, and then you replied back what would be the savings, and you would be needing to see those savings.

Mr. Cepero: Oh so this was a long time ago then?

Mr. Hernandez: Two or three months ago.

Mr. Cepero: Ok.

Mr. Hernandez: Right it was nothing that was done recently.

Mr. Cepero: It would be on my phone then.

Mr. Hernandez: I know that one of the items of concern at that point was the deferred obligation, that it would have to be defined, and limited prior to the refinancing, and the other point of concern that he had is that on the commercial side, still there is just one parcel owner, it was a significant parcel holder that could affect the refinancing process.

Mr. Cepero: What is it that would affect the refinancing process?

Mr. Hernandez: Having just one parcel owner on the commercial side, it's on one entity, the one who owns the majority of the units.

Mr. Cepero: How does that affect the refinancing?

Mr. Hernandez: That the risk is higher. Alright, so moving forward, there will be no discussion at this point of the potential refinancing other than the statement that I just indicated that potentially the District could refinance the Series 2006 Bonds.

## **SEVENTH ORDER OF BUSINESS**

## **Staff Reports**

Mr. Hernandez: Moving on to the next item which is staff reports, Mr. Knight?

### **A. Attorney - Discussion of 2016 Legislative Memorandum and Supplement Memorandum**

Mr. Knight: Yes, what's on here is the memo we did about what happened at the 2016 session of the Florida Legislation, and I think you all heard this before, I know you've heard it Jorge and Portofino Landings I think I went through it. Have you all heard it before, I don't think we made it the last time, so that's why it's still on here right?

Mr. Hernandez: Yes, that has never been done for this one.

Mr. Knight: Basically it lists some of the legislation that was passed in the 2016 legislature that affects CDDs, and I can go through it briefly, or I can let you read it and ask questions about it at the next meeting if you want, either way.

Ms. Iglesias: I don't care.

Mr. Cepero: I've heard it.

Mr. Knight: Right so Jorge has heard it.

Ms. Iglesias: I think you mentioned at the other meeting, I remember.

Mr. Knight: Yes, you were there too, but you may not have heard it Jim.

Mr. Dupre: Yes, just send it to me, and I'll look at it.

Mr. Knight: Ok, it's your agenda book.

Mr. Dupre: Ok.

Mr. Hernandez: I can give you hard copies of all those ones.

Mr. Dupre: Ok.

Mr. Knight: Then if you have any questions about it just let me know.

Mr. Dupre: Yes.

Mr. Knight: Ok.

Mr. Hernandez: I think probably the appropriate statement for the board to know is that anything in any matter that could affect the District the steps have already been taken necessary as to cover whatever requirements from these changes may be implied to the District. The only one being the new changes for the website of the CDDs, now we're required to include, starting in October, a copy not only of the agenda but the entire package of what items will be presented for the board's consideration that needs to be provided 7 days before the meeting, so we're all set, and ready to undertake those changes.

Mr. Knight: And that's a big change I think. Out of all these changes, the two big ones I think are the one that makes any documents relating to a contract that the District enters into with a contractor public records, even if they're in the possession of the contractor, so that if somebody makes a public records demand can get those documents from the contractor, where in the past they may not have been able to do that because they weren't public records in the contractor's possession. That, plus the changes in the procedure for doing agendas especially, they're required to be out at least 7 days before the meeting.

Mr. Hernandez: Being posted on the community's webpage.

Mr. Knight: So some District managers that I know, not Luis, but they're going to have to really change their ways to get those agendas out. Anyway, it should be fun.

Mr. Hernandez: It will be, yes.

Mr. Knight: Ok.

Mr. Hernandez: Unless anyone has any questions for Gerry, we can move on to the next item.

**B. Engineer**

Mr. Hernandez: There is nothing to be presented as for the engineer.

**C. Manager**

- 1) **Number of Registered Voters in the District - 255**
- 2) **Consideration of Proposed Fiscal Year 2017 Meeting Schedule**
- 3) **Discussion of Financial Disclosure Report from the Commission on Ethics**

Mr. Hernandez: As for the manager, I have three items to present. Number one is to let the board know that the number of registered voters at this point is 255. It means that elections for the supervisors who want to run for the vacant seat are going to be controlled by the Supervisor of Elections. At this point, there are two vacant seats which are the ones that are open for election, and those will be up for election in the year 2018. Therefore, if anyone from the community wants to run for those available seats, those are available for election in the year 2018. The next item is consideration of the proposed fiscal year 2017 meeting schedule. What the District has used is the same calendar as the one we have used in the past that is an advertisement of the meetings on the third Monday of each month. This time we have the exceptions being in January, and February that being for holidays, and therefore what we have done is we have moved the meetings to be a week earlier, those being on January 9th, and February 13th. At the same time it's appropriate to remind the supervisors that even though we advertise for the entire year, we only meet as required. Meaning by that, we're trying to save funds of the District by anticipating what would be the entire year, with the understanding that we only have a meeting that would be required. With that being said, this would be the

time for the board to either reconsider the time, the day, or the place, where you want to have this meeting. If there are no changes, a motion to approve the proposed fiscal year 2017 meeting schedule would be in order, and by making that motion authorizing the advertisement.

On MOTION by Mr. Cepero seconded by Mr. Dupre with all in favor, accepting the proposed Fiscal Year 2017 Meeting Schedule and authorizing staff to advertise was approved.

Mr. Hernandez: Moving on we have the discussion of the financial disclosure form from the Commission on Ethics. They have not received any of your forms, have you filed?

Ms. Iglesias: I did in June.

Mr. Dupre: What's the deadline?

Ms. Iglesias: July 1st.

Mr. Hernandez: It shows that you have not filed.

Mr. Dupre: So we're only a few days late.

Ms. Iglesias: I did it, in fact I was one of the first ones to do it.

Mr. Dupre: I think we've done it just recently, is it every 6 months, or every year?

Mr. Knight: Every year.

Mr. Hernandez: Every year.

Ms. Iglesias: I will find out, do I call them?

Mr. Knight: But they're supposed to send you the form.

Mr. Hernandez: As soon as we're done in here, I will call my office and they will be able to double check.

Ms. Iglesias: Ok.

Mr. Hernandez: I don't know, this one doesn't have when it was printed, but at the time they printed it, that was likely last Monday, none of you had filed. If you haven't done it, the part that I want to remind you is that the deadline is July 1st, please get it done ASAP because technically they can fine you \$25 per day, not to exceed \$1,500.

Mr. Knight: And you only need to do one for all your Districts, just list them all.

Mr. Hernandez: Correct, you just need to list them.

Mr. Knight: They do give an unofficial grace period, but you definitely need to go ahead and get it in as soon as you can.

Mr. Dupre: Yes.

Mr. Hernandez: Alright, moving forward unless anyone has any questions for me?

Ms. Iglesias: If you called and they haven't received my original I'm worried because I did send it about a month ago.

Mr. Hernandez: I have extra copies here.

Ms. Iglesias: Ok.

Mr. Hernandez: So once that we're done, let's deal with it before you leave, and if needed we'll just get it done ASAP.

Ms. Iglesias: Ok.

## **EIGHTH ORDER OF BUSINESS**

### **Financial Reports**

#### **A. Approval of Check Run**

#### **B. Balance Sheet and Income Statement**

Mr. Hernandez: The next item is the Financial Reports. You will find that in section 8 of your agenda. Tab A contains the Check Run Summary and, tab B has the Balance Sheet and Income Statement. Unless anyone has any questions, a motion to approve financials would be in order.

On MOTION by Mr. Cepero seconded by Mr. Dupre with all in favor, the Check Run Summary and the Balance Sheet and Income Statement were approved.

## **NINTH ORDER OF BUSINESS**

### **Supervisors Requests and Audience Comments**

Mr. Hernandez: Moving on, are there any supervisors requests?

Mr. Cepero: Yes, Brian can you give a proposal to the CDD for management services on the commercial area?

Mr. Hernandez: But you don't have anything in the budget for that.

Mr. Seidler: This is strictly an administrative budget, there may be money in the Villa Portofino East budget for that.

Mr. Hernandez: In East there is a budget for that, but in this one there is no budget for that. In this one you have an agreement with the homeowners association that was signed, we never received the signed one from the property owners association, but there has never been anything done from the CDD regarding maintenance in West. Everything has been done, and undertaken by the property owners association.

Mr. Cepero: Can we start doing it?

Mr. Hernandez: It will be too late, you just approved the budget that doesn't have anything for that.

Mr. Cepero: Can we amend it?

Mr. Hernandez: I will have to go and look at it, give me just one second. The budget is entirely being tied to the expenditures, and the only part that you have any room would be the first quarter operation there is approximately \$13,000. Meaning by that, once the District received the funds, technically we will have somewhere around that amount that you could use for any expenditures.

Mr. Cepero: How much?

Mr. Hernandez: \$13,360 is the number that you currently have.

Mr. Cepero: Brian what's the expense on Villa Portofino East?

Mr. Seidler: I don't have it in front of me but I think \$13,000 should cover it.

What's it show Luis?

Mr. Hernandez: \$19,000.

Mr. Seidler: And West has less work to be done.

Mr. Cepero: Yes, it's just the commercial area.

Mr. Seidler: Right, so I think the \$13,000 should cover it.

Mr. Cepero: Alright, let's bring the budget back up, do we need to bring the budget back up?



July 18, 2016

Villa Portofino West CDD

Mr. Hernandez: No we'll have to go ahead and find the source of funding and come back with an amendment to the adopted budget.

Mr. Cepero: Does that need to be advertised?

Mr. Hernandez: No, that's something that the District treasurer will need to do. So let's do this, pass me the proposal, and based on that proposal I will make the necessary changes in the budget, and it will be presented to the board for its consideration at the next meeting.

Mr. Cepero: Alright. Another thing is that Stewart I thought was supposed to be here to talk about the lift station, there's some improvements that need to be done to the lift station according to the city, and how much do we have in the construction budget here?

Mr. Hernandez: You have in the construction account \$54,191.

Mr. Cepero: So we may need to use some of that for the upgrades that the city is talking about. What do we need to do in order to move on that?

Mr. Hernandez: You need to pass all that information to the District engineer, and then he will need to first determine that it's part of what was originally intended in the program that he had, and then approve the amount that needs to be approved, and all the numbers that he needs to obtain so that he can come to the board for consideration.

Mr. Knight: Who is the District engineer, is it Carlos?

Mr. Hernandez: No this one is Nour.

Mr. Knight: That's right Nour.

Mr. Cepero: I'm sorry, could you say that again, I could not hear you.

Mr. Hernandez: The first step would be that whatever is being required to be passed on to the engineer for him to determine what information he needs to obtain so that he can put a consistent program together. Define that it's part of the original engineer report as presented and come back and make a presentation for the board's approval.

Mr. Cepero: Ok.

Mr. Knight: It has to be part of the improvements that were described in the original engineers report, as part of the CDD project.

Mr. Cepero: Right.

Mr. Knight: To spend construction dollars on it, and then it has to be a capital cost, it cannot just be a repair.

Mr. Hernandez: Correct, it cannot be maintenance.

Mr. Knight: But the engineer will have to look at it, and determine all that, and then if he is ok with it, he'll have to do a cost estimate on the cost. Anyway he'll have to come back to the board and say that he's ok with it, that it meets those requirements.

Mr. Hernandez: And what would be the estimated cost.

Mr. Knight: And then it will be paid, and the board would have to approve the contract to make the improvements, the amount would be requested through the requisition process from the trustee, and that would be paid that way.

Mr. Cepero: Ok.

Mr. Hernandez: Anything else that the board needs to request at this time?

Mr. Knight: So you're going to amend the budget that was just adopted?

Mr. Hernandez: Yes, based on a field service cost that I have not received yet.

Mr. Knight: Ok, and it was the final budget?

Mr. Hernandez: The final budget so far is not going to change the amount, what is going to be changing is the shifting of the lines items.

Mr. Knight: Ok just the internal line items.

Mr. Hernandez: Yes, the total amount that will be levied, that's not increased.

Mr. Knight: Ok.

Mr. Hernandez: We cannot change it at this point.

Mr. Knight: Ok.

Mr. Hernandez: Next year is a completely different story.

Mr. Knight: So the change would be included in the resolution that approved the final budget as amended.

Mr. Hernandez: Correct, yes we need leave that total, we cannot change that total.

July 18, 2016

Villa Portofino West CDD

Mr. Knight: Right, that's what the record will reflect.

Mr. Hernandez: Exactly.

Mr. Knight: Ok.

Mr. Hernandez: Not hearing any other comments from the board, I just want once again to indicate that there is no audience here today.

**TENTH ORDER OF BUSINESS**

**Adjournment**

Mr. Hernandez: Unless anyone has any other matters to discuss about the District, a motion to adjourn would be in order.

On MOTION by Mr. Dupre seconded by Ms. Iglesias with all in favor, the Meeting was adjourned.

---

Secretary / Assistant Secretary

---

Chairman / Vice Chairman



# Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

2700 North Military Trail • Suite 350  
Boca Raton, Florida 33431  
(561) 994-9299 • (800) 299-4728  
Fax (561) 994-5823  
[www.graucpa.com](http://www.graucpa.com)

August 1, 2016

Board of Supervisors  
Attn: Patti Powers  
Villa Portofino West Community Development District  
5385 N. Nob Hill Road  
Sunrise, FL 33351

We are pleased to confirm our understanding of the services we are to provide Villa Portofino West Community Development District, Miami-Dade County, Florida ("the District") for the fiscal year ended September 30, 2016. We will audit the financial statements of the governmental activities, including the related notes to the financial statements, which collectively comprise the basic financial statements of Villa Portofino West Community Development District as of and for the fiscal year ended September 30, 2016. In addition, we will examine the District's compliance with the requirements of Section 218.415 Florida Statutes. This letter serves to renew our agreement and establish the terms and fee for the 2016 audit.

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such information, 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. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding 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 will 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.

The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Budgetary comparison schedule

### **Audit Objectives**

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the District and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the District's financial statements. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add emphasis-of-matter or other-matter paragraphs. If our opinion on the financial statements is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or issue a report, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

**Examination Objective**

The objective of our examination is the expression of an opinion as to whether the District is in compliance with Florida Statute 218.415 in accordance with Rule 10.556(10) of the Auditor General of the State of Florida. Our examination will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and will include tests of your records and other procedures we consider necessary to enable us to express such an opinion. We will issue a written report upon completion of our examination of the District's compliance. The report will include a statement that the report is intended solely for the information and use of management, those charged with governance, and the Florida Auditor General, and is not intended to be and should not be used by anyone other than these specified parties. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add emphasis-of-matter or other-matter paragraphs. If our opinion on the District's compliance is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the examination or are unable to form or have not formed an opinion, we may decline to express an opinion or issue a report, or may withdraw from this engagement.

**Management Responsibilities**

Management is responsible for the financial statements and all accompanying information as well as all representations contained therein. Further, management is responsible for compliance with Florida Statute 218.415 and will provide us with the information required for the examination. The accuracy and completeness of such information is also management's responsibility. As part of the audit, we will assist with preparation of your financial statements and related notes in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. In addition, you will be required to make certain representations regarding compliance with Florida Statute 218.415 in the management representation letter. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management is reliable and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. As part of our engagement, we may propose standard adjusting, or correcting journal entries to your financial statements. You are responsible for reviewing the entries and understanding the nature of the proposed entries and the impact they have on the financial statements.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to using the audit's report, you understand that you must obtain our prior written consent to reproduce or use our report in bond offering official statements or other documents.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

#### **Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

#### **Audit Procedures—Internal Control**

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

#### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

#### **Engagement Administration, Fees, and Other**

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Grau & Associates and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a cognizant or oversight agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Grau & Associates personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies. Notwithstanding the foregoing, the parties acknowledge that various documents reviewed or produced during the conduct of the audit may be public records under Florida law. The District agrees to notify Grau & Associates of any public record request it receives that involves audit documentation.

Our fee for these services will not exceed \$3,500 for the September 30, 2016 audit, unless there is a change in activity by the District which results in additional audit work or if additional Bonds are issued.

We will complete the audit within prescribed statutory deadlines, with the understanding that your employees will provide information needed to perform the audit on a timely basis.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. Invoices will be submitted in sufficient detail to demonstrate compliance with the terms of this agreement. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate.

This agreement may be renewed each year thereafter subject to the mutual agreement by both parties to all terms and fees. The fee for each annual renewal will be agreed upon separately.

We will provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2013 peer review report accompanies this letter.

We appreciate the opportunity to be of service to Villa Portofino West Community Development District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Grau & Associates



\_\_\_\_\_  
Antonio J. Grau

RESPONSE:

This letter correctly sets forth the understanding of Villa Portofino West Community Development District.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



## PEER REVIEW PROGRAM

is proud to present this

### Certificate of Recognition

to

### **GRAU & ASSOCIATES**

*For having a system of quality control for its accounting and auditing practice in effect for the year ended June 30, 2013 which has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA, and which was complied with during the year then ended to provide the firm with reasonable assurance of conforming with professional standards.*

A handwritten signature in cursive script, reading "Rick Reeder", positioned above a horizontal line.

**Rick Reeder, Chair  
AICPA Peer Review Board  
2013**



## Robin Ventura

---

**From:** Jennifer McConnell  
**Sent:** Tuesday, August 9, 2016 4:21 PM  
**To:** Robin Ventura  
**Subject:** FW: VPW  
**Attachments:** VPW Bond Summary.pdf

**From:** Jon Kessler [mailto:[jkessler@FMSbonds.com](mailto:jkessler@FMSbonds.com)]  
**Sent:** Tuesday, August 9, 2016 4:16 PM  
**To:** 'Jorge Cepero' <[jorgec@primegroupus.com](mailto:jorgec@primegroupus.com)>  
**Cc:** Rich Hans <[rhans@gmssf.com](mailto:rhans@gmssf.com)>; Jennifer McConnell <[jmcconnell@gmssf.com](mailto:jmcconnell@gmssf.com)>; Luis Hernandez <[lhernandez@gmssf.com](mailto:lhernandez@gmssf.com)>  
**Subject:** RE: VPW

Jorge,

Attached is the bond refinance summary for your upcoming meeting.

This is the most conservative. ~ 8% annual savings, \$26K per year, \$537K total district savings.

I assume 75% of the bonds are rated and 25% non rated, which is the commercial. It is possible this gets better if I can get S&P to agree to rate more.

### Considerations

- CDD would have to go thru a public hearing and send out notices because the par is increasing. I assume there is no excess collections from prior years; rich or luis to confirm; Or at least in the amount of \$135K
- I may be able to get a bank to do it at around 3.25% for 10 years. They would embed a cap so the rate was never over a certain level what the cdd is paying now. Not certain if this is something you want to do. The one bank that will go longer will likely not like the commercial aspect.

Call me if you want to discuss.

Jon Kessler  
FMSbonds, Inc.  
20660 W Dixie Highway  
North Miami Beach, FL 33180  
Office (direct): 305.692.4124  
Cell: 407.619.3781  
Email: [jkessler@fmsbonds.com](mailto:jkessler@fmsbonds.com)  
Bloomberg: [jkessler14@bloomberg.net](mailto:jkessler14@bloomberg.net)

**Villa Portofino West CDD, Special Assessment Refunding Bonds**

	<u>Current Bonds</u>	<u>New Bonds -- Rated No Premium Bonds</u>
Bonds Outstanding	\$3,930,000	\$4,065,000
Average Coupon	5.35%	~ 3.90% blended
Average Annual Assessment Payments	\$319,898	\$293,009
Total Debt Service 2017 - 2036	\$6,397,955	\$5,860,174
Rating	NR	BBB-/NR
Reserve Fund	\$149,000	\$136,000
Prepayment Option	5/1/2016 @ 100	10 Years
Final Maturity	2036	2036
<b>SAVINGS SUMMARY</b>		
Annual Savings - District		\$26,889
Annual Savings - %		8%
Total Savings - District		\$537,781
Present Value Savings at Bond Rate		\$368,688



## Search for Financial Disclosure Filers

Everyone was filed!

### Search Results

In the table below, organization names are linked to coordinator contact information. Supervisor of Election and Commission on Ethics links display the relevant contact information.

If you filed a form and no date appears in the "Filing Requirement Fulfilled" column, then the Supervisor of Elections or Commission on Ethics has not yet recorded receipt of your form. Generally, forms are recorded within a few days of receipt. If you are concerned about the status of your form, please use the contact information under "Statutory Filing Requirement."

Section 112.31445, Florida Statutes, requires that all CE Form 6 Full and Public Disclosure of Financial Interests, other than those of judges and judges of compensation claims, be posted online. Before being posted online, any information required by law to be maintained as confidential must be redacted. For persons other than those who have filed as candidates with the Department of State, this process may take up to 5 business days. Processing times for Form 6 disclosures filed with the Department of State at qualifying may exceed 5 business days. Those forms may be available for viewing on the [Department of State](#) website before they are available here.

Once we have logged in a Form 6, the status will contain the date received and the message "Form Available Soon!" When the Form 6 becomes available online, the Filing Requirement Fulfilled status will have a link to "View Form."

[Show filers for previous form years](#)

Your Search for "Villa Portofino West Community Development District - Board of Supervisors" returned the following results:

Coordinator: **Narrow results to a particular suborg:**  
 Rich Hans • [All Suborganizations](#)  
 • [Board of Supervisors](#)  
 Governmental Management Services • [Employees](#)  
 5385 N. Nob Hill Rd  
 Sunrise, FL, 33351  
 (954) 721-8681  
[rhans@gmssf.com](mailto:rhans@gmssf.com)

Filer ID	Form Year	Full Name	Organizations	Statutory Filing Requirement	Filing Requirement Fulfilled	Filing History
233386	2015	Cepero, Jorge	<ul style="list-style-type: none"> <li>Portofino Cove Community Development District-Board of Supervisors</li> <li>Portofino Landings Community Development District-Board of Supervisors</li> <li>Portofino Vineyards Community Development District-Board of Supervisors</li> <li>Portofino Vista Community Development District-Board of Supervisors</li> <li>Villa Portofino East Community Development District-Board of Supervisors</li> <li>Villa Portofino West Community Development District-Board of Supervisors</li> </ul>	Form 1 with <a href="#">Miami-Dade County SOE</a>	☑ 08/08/2016	<a href="#">View Filing History</a>
224166	2015	Dupre, Sidney James	<ul style="list-style-type: none"> <li>Portofino Cove Community Development District-Board of Supervisors</li> <li>Portofino Landings Community Development District-Board of Supervisors</li> <li>Portofino Vineyards Community Development District-Board of Supervisors</li> <li>Portofino Vista Community Development District-Board of Supervisors</li> <li>Villa Portofino East Community Development District-Board of Supervisors</li> <li>Villa Portofino West Community Development District-Board of Supervisors</li> </ul>	Form 1 with <a href="#">Broward County SOE</a>	☑ 08/03/2016	<a href="#">View Filing History</a>
206213	2015	Villaman-Iglesias, Nancy	<ul style="list-style-type: none"> <li>Portofino Cove Community Development District-Board of Supervisors</li> <li>Portofino Landings Community Development District-Board of Supervisors</li> <li>Portofino Vineyards Community Development District-Board of Supervisors</li> <li>Portofino Vista Community Development District-Board of Supervisors</li> <li>Villa Portofino East Community Development District-Board of Supervisors</li> <li>Villa Portofino West Community Development District-Board of Supervisors</li> </ul>	Form 1 with <a href="#">Broward County SOE</a>	☑ 07/18/2016	<a href="#">View Filing History</a>

[Search Again](#)

### General Information about Filing Financial Disclosure

- [Brochure: A Guide to the Sunshine Amendment and Code of Ethics \(PDF\)](#)
- [Financial Disclosure Laws](#)
- [The Commission on Ethics Rules on Financial Disclosure](#)
- [Forms and Detailed Instructions](#)

For assistance with financial disclosure, you may wish to contact the Commission's Financial Disclosure Coordinator, Kimberly Holmes, at [disclosure@leg.state.fl.us](mailto:disclosure@leg.state.fl.us) or (850) 488-7864. Address correspondence to P.O. Drawer 15709 Tallahassee, FL 32317-5709.

Under Florida law, e-mail addresses are public records. If you do not want your e-mail address released in response to a public-records request, do not send electronic mail to this entity. Instead, contact this office by phone or in writing.

**Villa Portofino West**  
**Community Development District**

**Check Register Summary**  
**6/1/2016 - 7/31/2016**

<b>Check Date</b>	<b>Check #'s</b>	<b>Total Amount</b>
6/10/2016	523-527	\$ 8,865.91
7/7/2016	528-530	\$ 14,920.69
<b>Total</b>		<b>\$ 23,786.60</b>

CHECK DATE	VEND#	INVOICE DATE	INVOICE	EXPENSED YRMO	TO DPT	ACCT#	SUB	SUBCLASS	VENDOR NAME	STATUS	AMOUNT	CHECK AMOUNT	CHECK #
6/10/16	00007	4/30/16	133602	201604	310	51300	31500			*	500.60		
SERVICE THRU 4/30/2016													
BILLING COCHRAN LYLES MAURO &												500.60	000523
6/10/16	00005	6/02/16	115293-0	201606	310	51300	48000			*	179.22		
NOTICE OF PH 5/26-6/2													
DAILY BUSINESS REVIEW												179.22	000524
6/10/16	00001	6/01/16	136	201606	310	51300	34000			*	2,703.75		
JUNE 2016 MGMT FEES													
6/01/16		6/01/16	136	201606	310	51300	35100			*	83.33		
JUNE 2016 COMPUTER TIME													
6/01/16		6/01/16	136	201606	310	51300	44000			*	200.00		
JUNE 2016 RENT													
6/01/16		6/01/16	136	201606	310	51300	31300			*	208.33		
JUNE 2016 DISSEMINATION													
6/01/16		6/01/16	136	201606	310	51300	35110			*	41.67		
JUNE 2016 WEB ADM													
6/01/16		6/01/16	136	201606	310	51300	42000			*	.47		
JUNE 2016 POSTAGE													
GOVERNMENTAL MANAGEMENT SERVICES -												3,237.55	000525
6/10/16	00020	5/31/16	05312016	201605	310	51300	49000			*	50.00		
REGISTERED VOTERS FEE													
MIAMI-DADE COUNTY												50.00	000526
6/10/16	00012	6/10/16	06102016	201606	300	20700	10100			*	4,898.54		
TXFER TAX RCPTS 6/10/16													
VILLA PORTOFINO WEST												4,898.54	000527
7/07/16	00007	5/31/16	134206	201605	310	51300	31500			*	500.00		
SERVICE THRU 05/31/16													
BILLING COCHRAN LYLES MAURO &												500.00	000528
7/07/16	00001	7/01/16	137	201607	310	51300	34000			*	2,703.75		
JUL 16-MGMT FEES													
7/01/16		7/01/16	137	201607	310	51300	35100			*	83.33		
JUL 16-COMPUTER TIME													
7/01/16		7/01/16	137	201607	310	51300	44000			*	200.00		
JUL 16-RENT													
7/01/16		7/01/16	137	201607	310	51300	31300			*	208.33		
JUL 16-DISSEMINATION SVCS													
7/01/16		7/01/16	137	201607	310	51300	35110			*	41.67		
JUL 16-WEBSITE ADMIN													
7/01/16		7/01/16	137	201607	310	51300	42000			*	1.40		
JUL 16-POSTAGE													
GOVERNMENTAL MANAGEMENT SERVICES -												3,238.48	000529

VPW VILLA PORT W MPHILLIPS

VPW - GENERAL FUND  
BANK A VILLA PORTOFINO WEST

CHECK DATE	VEND#	INVOICE DATE	INVOICE	EXPENSED TO YRMO	DPT	ACCT#	SUB	SUBCLASS	VENDOR NAME	STATUS	AMOUNT	CHECK AMOUNT	CHECK #
7/07/16	00012	7/07/16	07072016	201607	300	20700	10100		TRANSFER OF TAX RECEIPTS VILLA PORTOFINO WEST	*	11,182.21	11,182.21	000530

TOTAL FOR BANK A 23,786.60

TOTAL FOR REGISTER 23,786.60

VPW VILLA PORT W MPHILLIPS

**VILLA PORTOFINO WEST**  
**COMMUNITY DEVELOPMENT DISTRICT**  
**BALANCE SHEET**  
 July 31, 2016

	<u>Major Funds</u>		<u>Non-Major Fund</u>	<u>Total Governmental Funds</u>
	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
<b><u>ASSETS:</u></b>				
Cash	\$54,734	---	---	\$54,734
Investments:				
Reserve	---	\$136,245	---	\$136,245
Interest	---	\$2	---	\$2
Revenue	---	\$219,211	---	\$219,211
Sinking	---	\$2	---	\$2
Construction	---	---	\$54,251	\$54,251
State Board of Administration	\$201,439	---	---	\$201,439
<b>TOTAL ASSETS</b>	<u>\$256,173</u>	<u>\$355,460</u>	<u>\$54,251</u>	<u>\$665,884</u>
<b><u>LIABILITIES:</u></b>				
Accounts Payable	\$0	---	---	\$0
<b><u>FUND BALANCES:</u></b>				
Restricted for Debt Service	---	\$355,460	---	\$355,460
Restricted for Capital Projects	---	---	\$54,251	\$54,251
Unassigned	\$256,173	---	---	\$256,173
<b>TOTAL LIABILITIES &amp; FUND EQUITY &amp; OTHER CREDITS</b>	<u>\$256,173</u>	<u>\$355,460</u>	<u>\$54,251</u>	<u>\$665,884</u>

**VILLA PORTOFINO WEST**  
**COMMUNITY DEVELOPMENT DISTRICT**

**GENERAL FUND**

Statement of Revenues, Expenditures and Changes in Fund Balance  
For The Period Ending July 31, 2016

	ADOPTED BUDGET	PRORATED BUDGET THRU 7/31/2016	ACTUAL THRU 7/31/2016	VARIANCE
<b>REVENUES:</b>				
Maintenance Assessments	\$84,830	\$84,830	\$85,622	\$792
Interest Income	\$0	\$0	\$836	\$836
<b>TOTAL REVENUES</b>	<b>\$84,830</b>	<b>\$84,830</b>	<b>\$86,458</b>	<b>\$1,628</b>
<b>EXPENDITURES:</b>				
<b>ADMINISTRATIVE:</b>				
Engineering	\$3,000	\$2,500	\$0	\$2,500
Dissemination	\$2,500	\$2,083	\$2,083	\$0
Assessment Roll	\$2,000	\$2,000	\$2,000	\$0
Attorney	\$12,000	\$10,000	\$4,559	\$5,441
Auditing	\$4,200	\$4,200	\$2,400	\$1,800
Trustee Fees	\$4,000	\$4,000	\$3,000	\$1,000
Management Fees	\$32,445	\$27,038	\$27,038	\$0
Computer Time	\$1,000	\$833	\$833	\$0
Website Compliance	\$500	\$417	\$417	(\$0)
Telephone	\$150	\$125	\$0	\$125
Postage	\$500	\$417	\$16	\$400
Rentals and Leases	\$2,400	\$2,000	\$2,000	\$0
Insurance	\$6,663	\$6,663	\$5,923	\$740
Printing & Binding	\$320	\$267	\$81	\$186
Legal Advertising	\$500	\$417	\$414	\$2
Other Current Charges	\$500	\$417	\$323	\$94
Office Supplies	\$250	\$208	\$5	\$203
Dues, Licenses & Subscriptions	\$175	\$175	\$175	\$0
Capital Outlay	\$250	\$208	\$0	\$208
Operating Reserve	\$11,477	\$9,564	\$0	\$9,564
<b>TOTAL EXPENDITURES</b>	<b>\$84,830</b>	<b>\$73,531</b>	<b>\$51,267</b>	<b>\$22,264</b>
<b>EXCESS REVENUES (EXPENDITURES)</b>	<b>\$0</b>		<b>\$35,191</b>	
<b>FUND BALANCE - Beginning</b>			<b>\$220,982</b>	
<b>FUND BALANCE - Ending</b>			<b>\$256,173</b>	



**VILLA PORTOFINO WEST**  
**COMMUNITY DEVELOPMENT DISTRICT**

**DEBT SERVICE FUND**

*Statement of Revenues, Expenditures and Changes in Fund Balance*

*For The Period Ending July 31, 2016*

	ADOPTED BUDGET	PRORATED THRU 7/31/2016	ACTUAL THRU 7/31/2016	VARIANCE
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**REVENUES:**

Interest Income	\$0	\$0	\$403	\$403
Maintenance Assessments	\$322,653	\$322,653	\$325,536	\$2,883

**TOTAL REVENUES**

	\$322,653	\$322,653	\$325,939	\$3,286
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**EXPENDITURES:**

**Series 2006A**

Interest - 11/1	\$107,936	\$107,936	\$107,936	\$0
Interest - 5/1	\$107,936	\$107,936	\$107,936	\$0
Principal - 5/1	\$105,000	\$105,000	\$105,000	\$0

**TOTAL EXPENDITURES**

	\$320,873	\$320,873	\$320,873	\$0
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**OTHER SOURCES/USES**

Interfund Transfer In/(Out)	\$0	\$0	(\$25,855)	(\$25,855)
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**TOTAL OTHER**

	\$0	\$0	(\$25,855)	(\$25,855)
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**EXCESS REVENUES (EXPENDITURES)**

	\$1,781		(\$20,789)	
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**FUND BALANCE - Beginning**

	\$214,275		\$376,248	
--	-----------	--	-----------	--

**FUND BALANCE - Ending**

	\$216,056		\$355,460	
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# VILLA PORTOFINO WEST

## COMMUNITY DEVELOPMENT DISTRICT CAPITAL PROJECTS FUND

Statement of Revenues, Expenditures and Changes in Fund Balance  
For The Period Ending July 31, 2016

	ADOPTED BUDGET	PRORATED THRU 7/31/2016	ACTUAL THRU 7/31/2016	VARIANCE
<b>REVENUES:</b>				
Interest Income	\$0	\$0	\$37	\$37
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$37</b>	<b>\$37</b>
<b>EXPENDITURES:</b>				
Capital Outlay	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>OTHER SOURCES/USES</b>				
Interfund Transfer In/(Out)	\$0	\$0	\$25,855	\$25,855
<b>TOTAL OTHER</b>	<b>\$0</b>	<b>\$0</b>	<b>\$25,855</b>	<b>\$25,855</b>
<b>EXCESS REVENUES (EXPENDITURES)</b>	<b>\$0</b>		<b>\$25,892</b>	
FUND BALANCE - Beginning			\$28,359	
FUND BALANCE - Ending			<b>\$54,251</b>	

**VILLA PORTOFINO WEST  
COMMUNITY DEVELOPMENT DISTRICT  
Long Term Debt Report  
FY 2016**

<i>Series 2006, Special Assessment Bonds</i>		
<i>Interest Rate;</i>	<i>5.35%</i>	
<i>Maturity Date:</i>	<i>5/1/2036</i>	
<i>Reserve Fund Requirement:</i>	<i>4% of Bonds Outstanding</i>	
<i>Bonds outstanding - 9/30/2013</i>		<i>\$4,230,000.00</i>
<i>Less:</i>	<i>May 1, 2014 (Mandatory)</i>	<i>(\$95,000.00)</i>
<i>Less:</i>	<i>May 1, 2015 (Mandatory)</i>	<i>(\$100,000.00)</i>
<i>Less:</i>	<i>May 1, 2016 (Mandatory)</i>	<i>(\$105,000.00)</i>
<i>Current Bonds Outstanding</i>		<i>\$3,930,000.00</i>

<b><i>Total Current Bonds Outstanding</i></b>	<b><i>\$3,930,000.00</i></b>
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**Villa Portofino West**  
**Community Development District**  
**Series 2006 Capital Improvement Bonds**

**1. Recap of Capital Project Fund Activity Through July 31, 2016**

Opening Balance in Construction Account		\$4,466,120.18
Source of Funds:	Interest Earned	\$11,136.67
Funds transferred from Reserve		\$35,824.57
Use of Funds:		
Disbursements:	Hardscape/Landscape/Irrigation	(\$43,998.00)
	Parcel Infrastructure	(\$1,927,425.38)
	Land Development Contract-Commercial	(\$546,826.39)
	Utility Backbone System-Commercial	(\$55,759.90)
	Utility Backbone System-Residential	(\$265,143.04)
	Land Sale-Residential	(\$1,116,940.40)
	Land Sale-Commercial	(\$284,109.38)
	Land Sale Costs	(\$17,258.60)
	Professional Services	(\$4,997.63)
	COI	(\$196,371.51)
<b>Adjusted Balance in Construction Account at July 31, 2016</b>		<b><u>\$54,251.19</u></b>

**2. Funds Available For Construction at July 31, 2016**

Book Balance of Construction Fund at July 31, 2016	\$54,251.19
Construction Funds available at July 31, 2016	<b><u>\$54,251.19</u></b>

**3. Investments - Wells Fargo**

July 31, 2016	<u>Type</u>	<u>Yield</u>	<u>Due</u>	<u>Maturity</u>	<u>Principal</u>
Construction Fund:	Overnight	0.07%		\$54,251.19	\$54,251.19
ADJ: Outstanding Requisitions					\$0.00
Balance at 7/31/2016					<b><u>\$54,251.19</u></b>

