



**KEYS COVE  
COMMUNITY DEVELOPMENT  
DISTRICT**

**MIAMI-DADE COUNTY  
REGULAR BOARD MEETING  
OCTOBER 24, 2018  
5:30 P.M.**

Special District Services, Inc.  
8785 SW 165<sup>th</sup> Avenue, Suite 200  
Miami, FL 33193

[www.keyscovecdd.org](http://www.keyscovecdd.org)  
786.347.2711 Telephone  
877.SDS.4922 Toll Free  
561.630.4923 Facsimile

**AGENDA**  
**KEYS COVE**  
**COMMUNITY DEVELOPMENT DISTRICT**  
Keys Cove Community Clubhouse  
1455 SE 27<sup>th</sup> Street  
Homestead, Florida 33035  
**REGULAR BOARD MEETING**  
October 24, 2018  
5:30 p.m.

- A. Call to Order
- B. Proof of Publication.....Page 1
- C. Establish Quorum
- D. Additions or Deletions to Agenda
- E. Comments from the Public for Items Not on the Agenda
- F. Approval of Minutes
  - 1. June 27, 2018 Regular Board Meeting & Public Hearing.....Page 2
- G. Old Business
- H. New Business
  - 1. Consider Resolution No. 2018-05 – Adopting a Fiscal Year 2017/2018 Amended Budget.....Page 6
  - 2. Receive and Accept 2018 Annual Report.....Page 11
  - 3. Consider Approval of Roadway Striping Project Proposal(s).....Page 16
- I. Administrative Matters
  - 1. Financial Risk Management Policy Review/Update.....Page 19
  - 2. Financial Update.....Page 20
- J. Additional Board Member/Staff Comments
- K. Adjourn

## **Miami Daily Business Review**

Oct. 12, 2018

Miscellaneous Notices

### **KEYS COVE COMMUNITY DEVELOPMENT DISTRICT FISCAL YEAR 2018/2019 REGULAR MEETING SCHEDULE**

NOTICE IS HEREBY GIVEN that the Board of Supervisors of the Keys Cove Community Development District will hold Regular Meetings at 5:30 p.m. in the meeting room area of the Keys Cove Community Clubhouse located at 1455 SE 27th Street, Homestead, Florida 33035, on the following dates:

October 24, 2018

January 23, 2019

April 24, 2019

June 26, 2019

September 25, 2019

The purpose of the meetings is to conduct any business coming before the Board. The meetings are open to the public and will be conducted in accordance with the provisions of Florida law. Copies of the Agendas for any of the meetings may be obtained from the District's website or by contacting the District Manager at 786-347-2711 Ext. 2011 and/or toll free at 1-877-737-4922 five (5) days prior to the date of the particular meeting.

From time to time one or two Supervisors may participate by telephone; therefore, at the location of these meetings there will be a speaker telephone present so that interested persons can attend the meetings at the above location and be fully informed of the discussions taking place either in person or by telephone communication. Meetings may be continued as found necessary to a time and place specified on the record.

If any person decides to appeal any decision made with respect to any matter considered at these meetings, such person will need a record of the proceedings and such person may need to insure that a verbatim record of the proceedings is made at his or her own expense and which record includes the testimony and evidence on which the appeal is based.

In accordance with the provisions of the Americans with Disabilities Act, any person requiring special accommodations or an interpreter to participate at any of these meetings should contact the District Manager at 786-347-2711 Ext. 2011 and/or toll free at 1-877-737-4922 at least seven (7) days prior to the date of the particular meeting.

Meetings may be cancelled from time to time without advertised notice.

**KEYS COVE COMMUNITY DEVELOPMENT DISTRICT**

[www.keyscovecdd.org](http://www.keyscovecdd.org)

10/12 18-101/0000352988M

**KEYS COVE COMMUNITY DEVELOPMENT DISTRICT  
PUBLIC HEARING & REGULAR BOARD MEETING  
JUNE 27, 2018**

**A. CALL TO ORDER**

The June 27, 2018, Regular Board Meeting of the Keys Cove Community Development District was called to order at 5:36 p.m. at the Keys Cove Community Clubhouse located at 1455 SE 27<sup>th</sup> Street, Homestead, Florida 33035.

**B. PROOF OF PUBLICATION**

Proof of publication was presented that notice of the Regular Board Meeting had been published in the *Miami Daily Business Review* on October 10, 2017, as part of the District's Fiscal Year 2017/2018 Regular Meeting Schedule, as legally required.

**C. ESTABLISH A QUORUM**

It was determined that the attendance of Chairman Carlos Cabezas, Vice Chairperson Paulette Isaac and Supervisors Mary Wantuck, Daniel Cruz and Kenneth Bryant constituted a quorum and it was in order to proceed with the meeting.

Staff in attendance included: District Manager Gloria Perez of Special District Services, Inc.; and General Counsel Scott Cochran of Billing, Cochran, Lyles, Mauro & Ramsey, P.A.

**D. ADDITIONS OR DELETIONS TO AGENDA**

There were no additions or deletions to the agenda.

**E. COMMENTS FROM THE PUBLIC FOR ITEMS NOT ON THE AGENDA**

There were no comments from the public for items not on the agenda.

**F. APPROVAL OF MINUTES**

**1. April 25, 2018, Regular Board Meeting**

Mrs. Perez presented the minutes of the April 25, 2018, Regular Board Meeting, asking if there were any corrections or additions.

There being none, a <b>MOTION</b> was then made by Supervisor Wantuck, seconded by Supervisor Bryant and unanimously passed approving the minutes of the April 25, 2018, Regular Board Meeting, as presented.
---

At 5:37 p.m., Mrs. Perez recessed the Regular Board Meeting and simultaneously called to order the Public Hearing.

**G. PUBLIC HEARING**

**1. Proof of Publication**

Proof of publication was presented that notice of the Public Hearing had been published in the *Miami Daily Business Review* on June 7, 2018, and June 14, 2018, as legally required.

**KEYS COVE COMMUNITY DEVELOPMENT DISTRICT  
PUBLIC HEARING & REGULAR BOARD MEETING  
JUNE 27, 2018**

**2. Receive Public Comment on Fiscal Year 2018/2019 Final Budget**

Mrs. Perez opened the public comment portion of the Public Hearing to receive comments from the public on the fiscal year 2018/2019 final budget and non-ad valorem special assessments. There being no comments on the fiscal year 2018/2019 budget and assessments, Mrs. Perez closed the public comment portion of the Public Hearing.

At 5:39 p.m., with there being no further final budget and assessment business to conduct, Mrs. Perez adjourned the Public Hearing and simultaneously reconvened the Regular Board Meeting.

**3. Consider Resolution No. 2018-02 – Adopting a Fiscal Year 2018/2019 Final Budget**

Mrs. Perez presented Resolution No. 2018-02, entitled:

**RESOLUTION NO. 2018-02**

**A RESOLUTION OF THE KEYS COVE COMMUNITY DEVELOPMENT DISTRICT ADOPTING A FISCAL YEAR 2018/2019 BUDGET.**

Mrs. Perez read the title of the resolution into the record and stated that the resolution provides for approving and adopting the fiscal year 2018/2019 Final Budget and the non-ad valorem special assess

A **MOTION** was made by Supervisor Wantuck, seconded by Supervisor Cruz and unanimously passed to adopt Resolution No. 2018-02, approving the Fiscal Year 2018/2019 Final Budget, as presented, and setting the fiscal year 2018/2019 Final Budget and non-ad valorem special assessment tax roll (Assessment Levy).

**H. OLD BUSINESS**

There were no Old Business items to come before the Board.

**I. NEW BUSINESS**

**1. Consider Resolution No. 2018-03 – Adopting a Fiscal Year 2018/2019 Meeting Schedule**

Mrs. Perez presented Resolution No. 2018-03, entitled:

**RESOLUTION NO. 2018-03**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE KEYS COVE COMMUNITY DEVELOPMENT DISTRICT, ESTABLISHING A REGULAR MEETING SCHEDULE FOR FISCAL YEAR 2018/2019 AND SETTING THE TIME AND LOCATION OF SAID DISTRICT MEETINGS; AND PROVIDING AN EFFECTIVE DATE.**

**KEYS COVE COMMUNITY DEVELOPMENT DISTRICT  
PUBLIC HEARING & REGULAR BOARD MEETING  
JUNE 27, 2018**

Mrs. Perez read the title of the Resolution into the record and noted that meetings would remain at the same location of the Keys Cove Community Clubhouse located at 1455 SE 27th Street, Homestead, Florida 33035, with the start time of 5:30 p.m. on the following dates:

**October 24, 2018 Amended Budget  
January 23, 2019  
April 24, 2019 Proposed Budget  
June 26, 2019 Final Budget  
September 25, 2019**

A **MOTION** was made by Supervisor Isaac, seconded by Supervisor Bryant and unanimously passed to adopt Resolution No. 2018-03, approving the Regular Meeting Schedule for Fiscal Year 2018-2019, holding meetings in the Keys Cove Community Clubhouse located at 1455 SE 27th Street, Homestead, Florida 33035, with the start time of 5:30 p.m., and authorizes the advertisement of same, as required by law.

**2. Consider Resolution No. 2018-04 – Adopting a Statewide Mutual Aid Agreement**

Resolution No. 2018-04 was presented, entitled:

**RESOLUTION NO. 2018-04**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE KEYS COVE COMMUNITY DEVELOPMENT DISTRICT, STATE OF FLORIDA, APPROVING THE REVISED FLORIDA STATEWIDE MUTUAL AID AGREEMENT; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.**

A **MOTION** was made by Supervisor Isaac, seconded by Supervisor Cruz and passed unanimously to adopt Resolution No. 2018-04, as presented, authorizing the District's participation in and the execution of the Statewide Mutual Aid Agreement by District officials.

**J. ADMINISTRATIVE MATTERS**

**1. Financial Update**

Mrs. Perez presented the Financial Reports through May 2018 and the Assessment Collections, which were provided in the meeting books. Available funds as of May 31, 2018, were \$363,843.47.

**K. ADDITIONAL BOARD MEMBER/STAFF COMMENTS**

Mrs. Perez reminded the Board that they should be receiving in the mail their individual 2017 Form 1 (the "Form") and to complete it and mail and/or hand deliver to the Supervisor of Elections' office on or prior to July 1, 2018.

**L. ADJOURNMENT**

**KEYS COVE COMMUNITY DEVELOPMENT DISTRICT  
PUBLIC HEARING & REGULAR BOARD MEETING  
JUNE 27, 2018**

There being no further business to come before the Board, a **MOTION** was made by Chairman Cabezas, seconded by Supervisor Wantuck to adjourn the Regular Board Meeting at 5:53 p.m. The **MOTION** carried unanimously.

**ATTESTED BY:**

\_\_\_\_\_  
**Secretary/Assistant Secretary**

\_\_\_\_\_  
**Chairman/Vice-Chair**

**RESOLUTION NO. 2018-05**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE KEYS COVE COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING AND ADOPTING AN AMENDED FINAL FISCAL YEAR 2017/2018 BUDGET (“AMENDED BUDGET”), PURSUANT TO CHAPTER 189, FLORIDA STATUTES; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Board of Supervisors of the Keys Cove Community Development District (“District”) is empowered to provide a funding source and to impose special assessments upon the properties within the District; and,

**WHEREAS**, the District has prepared for consideration and approval an Amended Budget.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE KEYS COVE COMMUNITY DEVELOPMENT DISTRICT, THAT:**

**Section 1.** The Amended Budget for Fiscal Year 2017/2018 attached hereto as Exhibit “A” is hereby approved and adopted.

**Section 2.** The Secretary/Assistant Secretary of the District is authorized to execute any and all necessary transmittals, certifications or other acknowledgements or writings, as necessary, to comply with the intent of this Resolution.

**PASSED, ADOPTED and EFFECTIVE** this 24<sup>th</sup> day of October, 2018.

**ATTEST:**

**KEYS COVE  
COMMUNITY DEVELOPMENT DISTRICT**

By: \_\_\_\_\_  
Secretary/Assistant Secretary

By: \_\_\_\_\_  
Chairperson/Vice Chairperson



Keys Cove  
Community Development District

**Amended Final Budget For  
Fiscal Year 2017/2018  
October 1, 2017 - September 30, 2018**

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- I AMENDED FINAL OPERATING FUND BUDGET
- II AMENDED FINAL DEBT SERVICE FUND BUDGET

**AMENDED FINAL BUDGET**  
**KEYS COVE COMMUNITY DEVELOPMENT DISTRICT**  
**OPERATING FUND**  
**FISCAL YEAR 2017/2018**  
**OCTOBER 1, 2017 - SEPTEMBER 30, 2018**

	FISCAL YEAR 2017/2018 BUDGET 10/1/17 - 9/30/18	AMENDED FINAL BUDGET 10/1/17 - 9/30/18	YEAR TO DATE ACTUAL 10/1/17 - 9/29/18
<b>REVENUES</b>			
Administrative Assessments	79,835	84,362	84,362
Maintenance Assessments	105,915	106,025	106,025
Debt Assessments	737,791	738,558	738,558
Other Revenues	0	0	0
Interest Income	480	815	801
<b>Total Revenues</b>	<b>\$ 924,021</b>	<b>\$ 929,760</b>	<b>\$ 929,746</b>
<b>ADMINISTRATIVE EXPENDITURES</b>			
Supervisor Fees	6,000	3,400	3,400
Payroll Taxes - Employer	480	260	260
Management	30,864	30,864	30,864
Reimbursables	1,200	850	752
Legal	10,500	10,500	9,040
Assessment Roll	7,500	7,500	7,500
Audit Fees	3,800	3,800	3,800
Arbitrage Rebate Fee	650	650	650
Insurance	6,356	6,261	6,261
Legal Advertisements	750	750	347
Miscellaneous	950	950	667
Dues & Subscriptions	175	175	175
Trustee Fees	4,300	4,300	4,300
Website Management	1,500	1,500	1,500
Continuing Disclosure Fee	500	350	350
<b>TOTAL ADMINISTRATIVE EXPENDITURES</b>	<b>\$ 75,525</b>	<b>\$ 72,110</b>	<b>\$ 69,866</b>
<b>MAINTENANCE EXPENDITURES</b>			
Maintenance Contingency	36,540	25,000	15,637
Storm Drainage Maintenance	20,520	20,520	0
Electricity For Fountains	25,000	0	0
Fountain Maintenance	10,000	1,750	1,750
Holiday Lighting Contribution	5,000	4,228	4,228
Engineering/Inspections	2,500	1,232	1,232
<b>TOTAL MAINTENANCE EXPENDITURES</b>	<b>\$ 99,560</b>	<b>\$ 52,730</b>	<b>\$ 22,847</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 175,085</b>	<b>\$ 124,840</b>	<b>\$ 92,713</b>
<b>EXCESS/ (SHORTFALL)</b>	<b>\$ 748,936</b>	<b>\$ 804,920</b>	<b>\$ 837,033</b>
Bond Payments	(693,524)	(709,470)	(709,470)
<b>Balance</b>	<b>\$ 55,412</b>	<b>\$ 95,450</b>	<b>\$ 127,563</b>
County Appraiser & Tax Collector Fee	(18,471)	(9,009)	(9,009)
Discounts For Early Payments	(36,941)	(27,432)	(27,432)
<b>Excess/ (Shortfall)</b>	<b>\$ -</b>	<b>\$ 59,009</b>	<b>\$ 91,122</b>
Carryover From Prior Year	0	0	0
<b>Net Excess/ (Shortfall)</b>	<b>\$ -</b>	<b>\$ 59,009</b>	<b>\$ 91,122</b>

FUND BALANCE AS OF 9/30/17
FY 2017/2018 ACTIVITY
FUND BALANCE AS OF 9/30/18

\$276,271
\$59,009
\$335,280

Note: \$32,850 Of Fund Balance To Be Used To Reduce 2018/2019 Assessments.

**AMENDED FINAL BUDGET**  
**KEYS COVE COMMUNITY DEVELOPMENT DISTRICT**  
**DEBT SERVICE FUND**  
**FISCAL YEAR 2017/2018**  
**OCTOBER 1, 2017 - SEPTEMBER 30, 2018**

	<b>FISCAL YEAR 2017/2018 BUDGET</b>	<b>AMENDED FINAL BUDGET</b>	<b>YEAR TO DATE ACTUAL</b>
<b>REVENUES</b>	<b>10/1/17 - 9/30/18</b>	<b>10/1/17 - 9/30/18</b>	<b>10/1/17 - 9/29/18</b>
Interest Income	50	<b>4,950</b>	4,924
NAV Tax Collection	693,524	<b>709,470</b>	709,470
<b>Total Revenues</b>	<b>\$ 693,574</b>	<b>\$ 714,420</b>	<b>\$ 714,394</b>
<b>EXPENDITURES</b>			
Principal Payments (2004)	340,000	<b>340,000</b>	340,000
Interest Payments (2004)	274,720	<b>279,310</b>	279,310
Additional Principal Payment	78,854	<b>70,000</b>	70,000
<b>Total Expenditures</b>	<b>\$ 693,574</b>	<b>\$ 689,310</b>	<b>\$ 689,310</b>
<b>EXCESS/ (SHORTFALL)</b>	<b>\$ -</b>	<b>\$ 25,110</b>	<b>\$ 25,084</b>

FUND BALANCE AS OF 9/30/17	\$484,711
FY 2017/2018 ACTIVITY	\$25,110
FUND BALANCE AS OF 9/30/18	\$509,821

Note\*: Reserve Fund Balance = \$227,693. Revenue Fund Balance = \$282,109.  
Revenue Fund Balance To Be Used To Make 11/1/2018 Interest Payment Of \$133,280  
And Extraordinary Principal Payment Of \$70,000.  
\* Approximate Amounts

**Series 2015 Bond Refunding Information**

Original Par Amount =	\$8,965,000	Annual Principal Payments Due:
Interest Rate =	3.40%*	May 1st
Issue Date =	March 2015	Annual Interest Payments Due:
Maturity Date =	May 2035	May 1st & November 1st

\* Rate Is adjustable After Ten Years

Par Amount As Of 9/30/18 = \$7,840,000

August 14, 2018

Ms. Gloria Perez  
District Manager  
Keys Cove Community Development District  
Special District Services, Inc.  
The Oaks Center  
2501A Burns Road  
Palm Beach Gardens, FL 33410

**Re: Year 2018 Keys Cove Community Development District Report**

Dear Ms. Perez:

The intent of this report is fourfold: 1) To inform as to the status of ownership of the infrastructure that was financed or constructed by the District; 2) To describe the state, working order and condition of the infrastructure still owned by the District; 3) To give recommendations as to the funds estimated necessary for the proper maintenance, repair and operation of the District's infrastructure and; 4) To report on the insurance being carried by the District.

The District is in Section 29, Township 57 South, Range 39 East, in the City of Homestead, Miami-Dade County, Florida. It is bounded by SW 344 Street, SW 163 Avenue, SW 346 Lane, SW 162 Avenue, SW 350 Terrace and Valencia Gardens Drive (SE 13 Avenue). The development is located within Zip Code 33035. Refer to Exhibit 1.

**1) Infrastructure Ownership**

a) Roads

Shoma Homes at Keys Gate, Inc. granted an easement to Keys Cove Community Development District (the "District", or "CDD") for the District to construct, own and maintain roadways, which include the onsite stormwater drainage system, the public parking, sidewalks, curbs, planters and landscaping, all located within the granted easement area (the "Roadway Easement"). The Roadway Easement was recorded at ORB 23148, PG 4183 of the public records of Miami-Dade County. The extent of the easement area is depicted in Exhibit 1.

b) Stormwater Management System

Shoma Homes at Keys Gate, Inc. granted an easement to the District for the District to construct, own and maintain two lakes and related stormwater management facilities (the "Lakes Easement"). The Lakes Easement was recorded at ORB 23148, PG 4170 of the public records of Miami-Dade County. The location of the easement area is depicted in Exhibit 1.

c) Water Distribution System

The system has been conveyed to the City of Homestead for ownership and maintenance.

- d) Sanitary Sewer System  
The system has been conveyed to the City of Homestead for ownership and maintenance.
- e) Security System  
Starting in May of 2017, the District installed and completed a security system within the District boundaries. The system consisted of cameras, network recorders, antennas, cables, conduits, computer hardware, software, support and appurtenant equipment. The security system is described in more detail in the agreement between the District and Regions Security Services, Inc. dated May 5, 2017. Most of the security system is located within the Roadway Easement, with portions located in adjacent land belonging to the Association. The District entered into a “Revocable License Agreement” with the Association on September 20, 2017 for installing those portions.
- f) Lake Fountains  
The District installed, and owns, two lake fountains. They are described in more detail in the installation agreement between the District and DeAngelo Brothers, LLC dated June 29, 2015.

## 2) State, Working Order and Condition of the Infrastructure Currently Owned by the District

Alvarez Engineers, Inc. conducted a field inspection to determine the current state, working order and condition of the infrastructure owned by the District.

- a) Roads  
The roads, public parking, sidewalks, curbs, planters and landscaping within the roadway easement area are in good working and conditions.
- b) Stormwater Management System  
The lakes are well maintained and in good working order and condition. The road drainage system is in good condition. Some damaged baffles were replaced. The fountains project approved in April of 2015 has been completed satisfactorily.
- c) Water Distribution System  
The system is in good working order and condition, the District Engineer is not aware of complaints. Issues may be reported to the City of Homestead at telephone number: 305-224-4770.
- d) Sanitary Sewer System  
The system is in good working order and condition, the District Engineer is not aware of complaints. Issues may be reported to the City of Homestead at telephone number 305-224-4770.
- g) Security System  
The security system was recently completed. The District Engineer has not received complaints and is not aware of any issues.

h) Lake Fountains

The lake fountains are functioning well. The District Engineer has not received complaints and is not aware of any issues.

**3) Estimated Maintenance Costs for District Owned Infrastructure**

On September 20, 2017, the District entered into a maintenance agreement with the Association (the “2017 Maintenance Agreement”) under which the Association agrees to maintain the CDD roads, stormwater management system, security system and lake fountains, as well as, funding the electrical power consumption of the security system and lake fountains.

a) District Budget

The CDD final 2018-2019 Fiscal Year budget has the following amounts for maintenance expenditures:

1. Maintenance Contingency:	\$ 36,540
2. Storm Drainage Maintenance:	\$ 20,520
3. Roadway Resurfacing Project	\$ 35,715
4. Maintenance Reserve:	\$ 25,000
5. Fountain Maintenance:	\$ 10,000
6. Holiday Lighting Contribution:	\$ 2,500
7. Engineering/Inspections:	<u>\$ 2,500</u>
8. Total:	\$ 132,775

Alvarez Engineers finds the District’s final maintenance budget for Fiscal Year 2018/2019 adequate and sufficient.

For more detailed information regarding the 2018-2019 Fiscal Year Budget please visit the District’s website at the following link:

<http://keyscovecdd.org/>

b) Estimated Future Expenditures for District Roads

Funds will be needed to mill and resurface the roadway pavement in about 15 years. The District Board of Supervisors may decide how to provide for these funds, whether by an annual assessment or at some time in the future. The present costs for milling 1” of asphalt is \$3.00/SY and for placing 1” of asphalt is \$6.50/SY. Therefore, the present costs for milling and resurfacing the District roads is estimated to be as follows:

1. Milling 1”:	50,988 SY x \$3.00/SY	=	\$152,964
2. Resurfacing 1”:	50,988 SY x \$6.50/SY	=	<u>\$331,422</u>
3. Total			\$484,386

c) Stormwater Drainage System

It is recommended that a four-year recurring program be maintained to clean the drainage structures and pipes, as well as to repair or replace baffles that might have deteriorated. The total cost of the four-year program is projected to be \$81,768, estimated as follows:

113 drainage structures at \$125 per structure =	\$14,125
10,555 LF of 10", 15" and 24" diameter pipes at \$6.00 per LF =	\$63,330
Assume replacing 25% of 69 baffles at \$250 each =	<u>\$ 4,313</u>
Total	\$81,768

The recommended program may be implemented in a cycle of four years at a cost of \$20,442 per year. It is recommended that the work be inspected by an Engineer to ensure quality.

d) Water Distribution System

No maintenance costs are estimated since the system is owned and maintained by the City of Homestead.

e) Sanitary Sewer System

No maintenance costs are estimated since the system is owned and maintained by the City of Homestead.

**4) Insurance**

Alvarez Engineers has reviewed the District's general liability, hired non-owned auto, employment practices liability and public officials' liability coverage insurance policy proposed by Florida Insurance Alliance under Agreement No. 100117043 for the period between October 1, 2017 and October 1, 2018. The District has budgeted \$6,356 which are sufficient funds to cover the \$5,778 proposed insurance premium.

**5) Description of Public Facilities the District is Building, Improving or Expanding**

The District is not currently considering constructing, improving or expanding Public Facilities.

This report was prepared to the best of my knowledge and belief and is based on field observations conducted by Alvarez Engineers personnel, the District Engineer's Report and public documents available.

If you have any questions please do not hesitate to contact me at 305-640-1345 or at [Juan.Alvarez@Alvarezeng.com](mailto:Juan.Alvarez@Alvarezeng.com).

Sincerely,  
**Alvarez Engineers, Inc.**

Juan R Alvarez

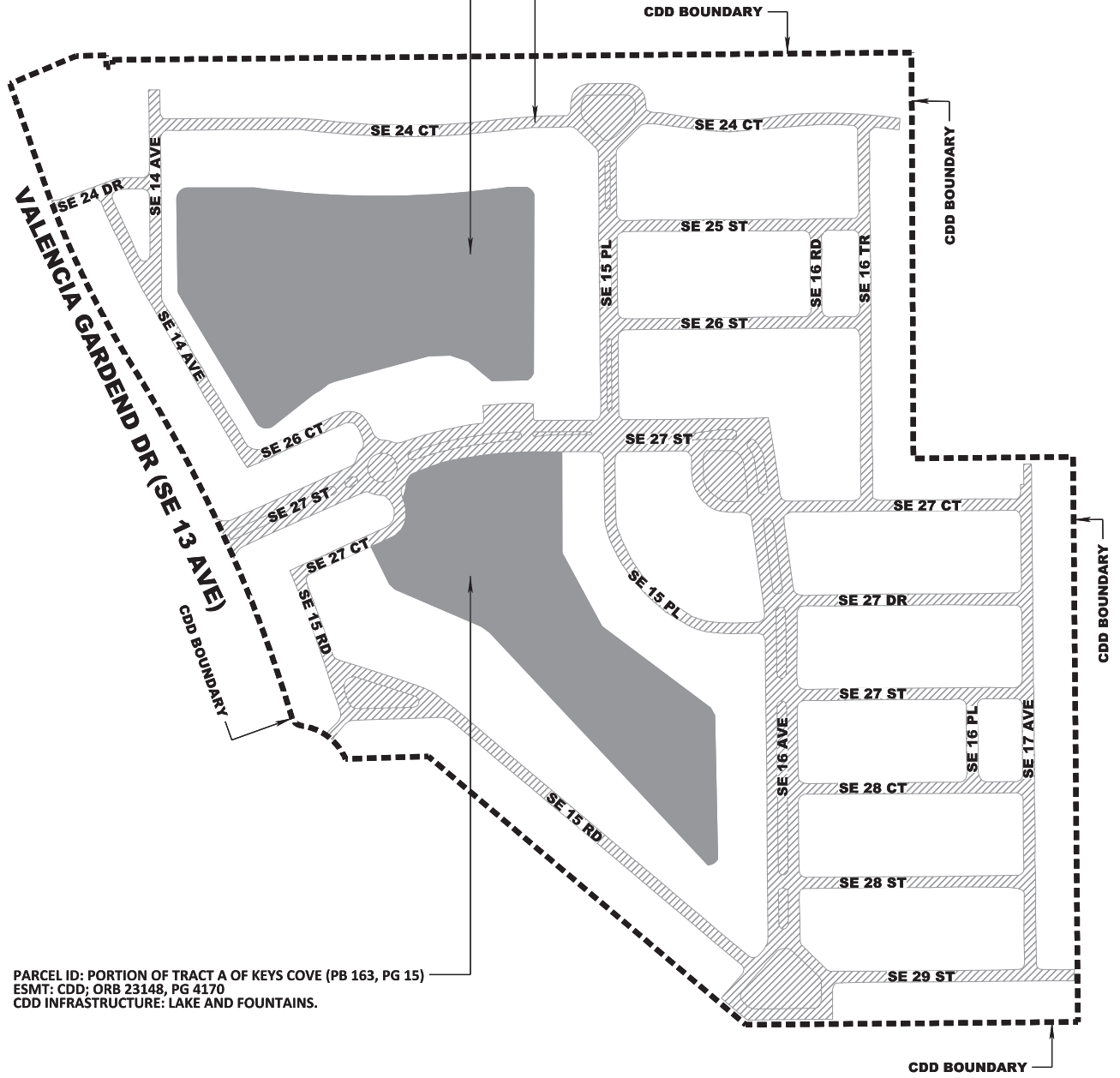
Digitally signed by Juan R Alvarez  
Date: 2018.08.15 14:53:02 -0400

Juan R. Alvarez, PE  
District Engineer  
Florida Engineer License No. 38522  
Date: August 14, 2018



PARCEL ID: PORTION OF TRACT A OF KEYS COVE (PB 163, PG 15)  
 ESMT: CDD; ORB 23148, PG 4170  
 CDD INFRASTRUCTURE: LAKE AND FOUNTAINS.

PARCEL ID: PORTION OF TRACT A OF KEYS COVE (PB 163, PG 15)  
 ESMT: CDD; ORB 23148, PG 4183  
 CDD INFRASTRUCTURE: ROADWAYS, PUBLIC PARKING, SIDEWALKS,  
 CURBS, PLANTERS, LANDSCAPING, SECURITY SYSTEM ALL INSIDE THE  
 CDD EASEMENT.

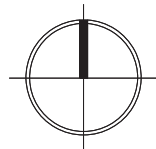


PARCEL ID: PORTION OF TRACT A OF KEYS COVE (PB 163, PG 15)  
 ESMT: CDD; ORB 23148, PG 4170  
 CDD INFRASTRUCTURE: LAKE AND FOUNTAINS.

LEGEND:  
 ESMT: EASEMENT  
 ORB: OFFICIAL RECORD BOOK  
 PB: PLAT BOOK  
 PG: PAGE

**ALVAREZ ENGINEERS, INC.**

**KEYS COVE C.D.D.  
 INFRASTRUCTURE: ROADWAYS AND STORMWATER OWNERSHIP**



11/21/2017 10:04:01 - Keys Cove CDD 2017 Report\Cadd\Exhibits\EXHIBIT-01.dgn



PERSANT CONSTRUCTION CO., INC.

13220 SW 132 Ave.  
Unit 2  
Miami, FL 33186

# Estimate

Date	Estimate #
10/15/2018	18MISC-18

Name / Address
Special District Services, Inc. 2501A Burns Road Palm Beach Gardens, FL 33410

Project

Description	Qty	Rate	Total
Project; The Keys Cove Community Development District Location; 1455 SE 27th Street, Homestead, FL 33035			
Paint Yellow (20' x 2') Speed Bump	105	36.00	3,780.00
Paint 24" Wide White Solid Lane (Thermoplastic)	560	4.86	2,721.60
Paint 6" Wide yellow Solid Lane (Thermoplastic)	5,995	0.96	5,755.20
Paint Standard Directional Traffic Arrow (Thermoplastic)	5	60.00	300.00
Paint ONLY Message (Thermoplastic)	1	96.00	96.00
Paint & Install Yellow Reflective Paving Marker	144	5.40	777.60
Provide & Install Blue Reflective Paving Marker	50	9.60	480.00
Traffic Circle Yield Triangles	10	72.00	720.00
		<b>Total</b>	



PERSANT CONSTRUCTION CO., INC.

13220 SW 132 Ave.  
Unit 2  
Miami, FL 33186

# Estimate

Date	Estimate #
10/15/2018	18MISC-18

Name / Address
Special District Services, Inc. 2501A Burns Road Palm Beach Gardens, FL 33410

Project

Description	Qty	Rate	Total
<p>Notes;</p> <ul style="list-style-type: none"> <li>- The above price does not include performance and payment bond. Add 3% if required</li> <li>- All MOT, striping, testing, Engineering including QC, layout and/or as-builts in solely the responsibility of the client.</li> <li>- The above prices does not include Permits</li> <li>- The above prices does not include protection of brick pavers or stamped concrete</li> <li>- New Asphalt pavement is subject to tire tracks and marking. Persant Construction is not responsible for these issues.</li> <li>- Unless indicated otherwise, this proposal is based on average thickness of asphalt, not minimum thickness</li> <li>- This proposal may be withdrawn by Persant Construction if not accepted within 30 days</li> <li>- Final payment will be based upon actual quantities installed as determined by field measurement after completion.</li> <li>- Persant Construction shall not be responsible for reflective cracking, birdbaths, drainage problems, or settlement of new asphalt overlay due to the existing asphalt.</li> <li>- Any punchlist items must be submitted in writing. No repairs will be made until 90% of the invoice amount has been paid.</li> <li>- Persant Construction is not responsible for birdbaths or water flow when projects are designed with less than 1% fall.</li> <li>- Customer agrees to pay asphalt over-runs at a price of \$186.00 per ton</li> <li>- Customer Agrees to pay for asphalt leveling at a price of \$173.00 per ton</li> <li>- This quote is based on the bituminous and material index from the Florida department of Transportation for liquid asphalt. Persant Construction shall be compensated for any increase in excess of the current month's index at the time of the asphalt placement.</li> <li>- No under roof paving is included unless specifically stated in the proposal.</li> <li>- No behind the curb paving is included unless specifically stated in the proposal</li> </ul>			
		<b>Total</b>	\$14,630.40



## **FINANCIAL RISK MANAGEMENT POLICY**

Special District Services, Inc. (“SDS, Inc.”), acting in the capacity of District Manager, as part of good management practices and to satisfy annual audit requirements does implement certain measures and procedures to identify and mitigate financial mismanagement/fraud risks, as follows:

- a. Each month the District’s operating/checking bank account is reconciled by an authorized person who has not deposited funds to, processed expenditures or written checks from, that particular operating/checking account; and
- b. Each expenditure from the District’s operating/checking account requires a minimum of two (2) approvals from authorized staff and/or District officials and the respective approvals are provided by persons other than the preparer of the expenditure(s); and
- c. All financial transactions are logged and maintained by the District Manager for record keeping purposes; and
- d. A designated member of the Board (by an electronic approval procedure) has an opportunity to review the District’s expenditure(s) prior to the payment(s) being released; and
- e. The District engages an independent firm, pursuant to Chapter 218.391, Florida Statutes, to audit the prior year’s financial activities (October 1<sup>st</sup> through September 30<sup>th</sup>) from which an independent fiscal year annual audit is prepared; and
- f. Within sixty (60) days of the end of each fiscal year (September 30<sup>th</sup>) the District’s Board of Supervisors reviews, pursuant to Chapter 189.418(5), Florida Statutes, the prior year’s budget relative to actual revenues and expenditures and adopts by resolution an amended/revised final budget.

Keys Cove  
Community Development District

**Financial Report For  
September 2018**

**Keys Cove Community Development District**  
**Budget vs. Actual**  
**October 2017 through September 2018**

	<u>Oct '17 - Sep 18</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
<b>Income</b>				
363.100 · Admin Assessment Income	84,362.10	79,835.00	4,527.10	105.67%
363.101 · Maint Assessment Income	106,024.80	105,915.00	109.80	100.1%
363.810 · Debt Assessment	738,557.55	737,791.00	766.55	100.1%
363.820 · Debt Assessment-Paid To Trustee	-709,470.27	-693,524.00	-15,946.27	102.3%
363.830 · Assessment Fees	-9,008.61	-18,471.00	9,462.39	48.77%
363.831 · Assessment Discounts	-27,432.15	-36,941.00	9,508.85	74.26%
369.401 · Interest Income	801.02	480.00	321.02	166.88%
<b>Total Income</b>	<u>183,834.44</u>	<u>175,085.00</u>	<u>8,749.44</u>	<u>105.0%</u>
<b>Expense</b>				
511.122 · Payroll Expense	260.10	480.00	-219.90	54.19%
511.131 · Supervisor Fees	3,400.00	6,000.00	-2,600.00	56.67%
511.301 · Maintenance/Contingency	15,636.76	36,540.00	-20,903.24	42.79%
511.302 · Storm Drainage Maintenance	0.00	20,520.00	-20,520.00	0.0%
511.304 · Maintenance Reserve	0.00	25,000.00	-25,000.00	0.0%
511.307 · Fountain Maintenance	1,750.00	10,000.00	-8,250.00	17.5%
511.308 · Holiday Lighting	4,228.13	5,000.00	-771.87	84.56%
511.310 · Engineering	1,232.50	2,500.00	-1,267.50	49.3%
511.311 · Management Fees	30,864.00	30,864.00	0.00	100.0%
511.315 · Legal Fees	9,040.00	10,500.00	-1,460.00	86.1%
511.318 · Assessment/Tax Roll	7,500.00	7,500.00	0.00	100.0%
511.320 · Audit Fees	3,800.00	3,800.00	0.00	100.0%
511.330 · Arbitrage Rebate Fee	650.00	650.00	0.00	100.0%
511.450 · Insurance	6,261.00	6,356.00	-95.00	98.51%
511.480 · Legal Advertisements	346.68	750.00	-403.32	46.22%
511.512 · Miscellaneous	666.70	950.00	-283.30	70.18%
511.515 · Reimbursables	751.81	1,200.00	-448.19	62.65%
511.540 · Dues, License & Subscriptions	175.00	175.00	0.00	100.0%
511.733 · Trustee Fees	4,300.00	4,300.00	0.00	100.0%
511.734 · Continuing Disclosure Fee	350.00	500.00	-150.00	70.0%
511.750 · Website Management	1,500.00	1,500.00	0.00	100.0%
<b>Total Expense</b>	<u>92,712.68</u>	<u>175,085.00</u>	<u>-82,372.32</u>	<u>52.95%</u>
<b>Net Income</b>	<u><u>91,121.76</u></u>	<u><u>0.00</u></u>	<u><u>91,121.76</u></u>	<u><u>100.0%</u></u>

**KEYS COVE COMMUNITY DEVELOPMENT DISTRICT  
MONTHLY FINANCIAL REPORT  
SEPTEMBER 2018**

	Annual Budget 10/1/17 - 9/30/18	Actual Sep-18	Year To Date Actual 10/1/17 - 9/30/18
<b>REVENUES</b>			
ADMINISTRATIVE ASSESSMENTS	79,835	0	84,362
MAINTENANCE ASSESSMENTS	105,915	0	106,025
DEBT ASSESSMENTS	737,791	0	738,558
OTHER REVENUES	0	0	0
INTEREST INCOME	480	0	801
<b>Total Revenues</b>	<b>\$ 924,021</b>	<b>\$ -</b>	<b>\$ 929,746</b>
<b>EXPENDITURES</b>			
<b>MAINTENANCE EXPENDITURES</b>			
MAINTENANCE CONTINGENCY	36,540	0	15,637
STORM DRAINAGE MAINTENANCE	20,520	0	0
MAINTENANCE RESERVE	25,000	0	0
FOUNTAIN MAINTENANCE	10,000	0	1,750
HOLIDAY LIGHTING CONTRIBUTION	5,000	0	4,228
ENGINEERING/INSPECTIONS	2,500	0	1,232
<b>TOTAL MAINTENANCE EXPENDITURES</b>	<b>\$ 99,560</b>	<b>\$ -</b>	<b>\$ 22,847</b>
<b>ADMINISTRATIVE EXPENDITURES</b>			
SUPERVISOR FEES	6,000	0	3,400
EMPLOYER TAXES	480	0	260
MANAGEMENT	30,864	2,572	30,864
REIMBURSABLES (POSTAGE/OFFICE SUPPLIES)	1,200	48	752
LEGAL	10,500	0	9,040
ASSESSMENT ROLL	7,500	7,500	7,500
AUDIT FEES	3,800	0	3,800
ARBITRAGE REBATE FEE	650	0	650
INSURANCE	6,356	0	6,261
LEGAL ADVERTISING	750	0	347
MISCELLANEOUS	950	73	667
DUES & SUBSCRIPTIONS	175	0	175
TRUSTEE FEES	4,300	0	4,300
WEBSITE MANAGEMENT	1,500	125	1,500
CONTINUING DISCLOSURE FEE	500	350	350
<b>TOTAL ADMINISTRATIVE EXPENDITURES</b>	<b>\$ 75,525</b>	<b>\$ 10,668</b>	<b>\$ 69,866</b>
<b>Total Expenditures</b>	<b>\$ 175,085</b>	<b>\$ 10,668</b>	<b>\$ 92,713</b>
<b>REVENUES LESS EXPENDITURES</b>	<b>\$ 748,936</b>	<b>\$ (10,668)</b>	<b>\$ 837,033</b>
BOND PAYMENTS	(693,524)	0	(709,470)
<b>BALANCE</b>	<b>\$ 55,412</b>	<b>\$ (10,668)</b>	<b>\$ 127,563</b>
COUNTY APPRAISER & TAX COLLECTOR FEE	(18,471)	0	(9,009)
DISCOUNTS FOR EARLY PAYMENTS	(36,941)	0	(27,432)
<b>EXCESS/ (SHORTFALL)</b>	<b>\$ -</b>	<b>\$ (10,668)</b>	<b>\$ 91,122</b>
CARRYOVER FROM PRIOR YEAR	0	0	0
<b>NET EXCESS/ (SHORTFALL)</b>	<b>\$ -</b>	<b>\$ (10,668)</b>	<b>\$ 91,122</b>

Note: Storm Drainage Maintenance Reserve Will Increase In October 2018.

Bank Balance As Of 8/31/18	\$ 383,636.01
Funds Received: 9/1/18 - 9/30/18	\$ -
Disbursements: 9/1/18 - 9/30/18	\$ 5,074.82
Bank Balance As Of 9/30/18	\$ 378,561.19
Accounts Payable As Of 9/30/18	\$ 11,168.08
Accounts Receivable As Of 9/30/18	\$ -
Reserve For Storm Drainage Maintenance As Of 9/30/18	\$ 20,520.00
Available Funds As Of 9/30/18	\$ 346,873.11



**KEYS COVE CDD  
TAX COLLECTIONS  
2017-2018**

#	ID#	PAYMENT FROM	DATE	FOR	Tax Collect Receipts	Interest Received	Commissions Paid	Discount	Net From Tax Collector	Admin Assessment Income (Before Discounts & Fees)	Maint Assessment Income (Before Discounts & Fees)	Debt Assessment Income (Before Discounts & Fees)	Admin Assessment Income (After Discounts & Fees)	Maint Assessment Income (After Discounts & Fees)	Debt Assessment Income (After Discounts & Fees)	Debt Assessment Paid to Trustee
									\$ 923,541	\$ 79,835	\$ 105,915	\$ 737,791	\$ 79,835	\$ 105,915	\$ 737,791	
									\$ 868,229	\$ 75,145	\$ 99,560	\$ 693,524	\$ 75,145	\$ 99,560	\$ 693,524	\$ 693,524
1	761	Miami-Dade Tax Collector	11/20/17	NAV Taxes	\$ 3,925.24		\$ (37.67)	\$ (157.98)	\$ 3,729.59	\$ 339.09	\$ 450.25	\$ 3,135.90	\$ 322.19	\$ 427.80	\$ 2,979.60	\$ 2,979.60
2	436	Miami-Dade Tax Collector	11/28/17	NAV Taxes	\$ 59,736.60		\$ (573.47)	\$ (2,389.59)	\$ 56,773.54	\$ 5,164.11	\$ 6,850.62	\$ 47,721.87	\$ 4,907.84	\$ 6,510.85	\$ 45,354.85	\$ 45,354.85
3	572	Miami-Dade Tax Collector	12/08/17	NAV Taxes	\$ 217,137.80		\$ (2,084.52)	\$ (8,685.97)	\$ 206,367.31	\$ 18,771.13	\$ 24,901.46	\$ 173,465.21	\$ 17,839.61	\$ 23,666.35	\$ 164,861.35	\$ 164,861.35
4	106	Miami-Dade Tax Collector	12/26/17	NAV Taxes	\$ 306,268.60		\$ (2,942.07)	\$ (12,061.75)	\$ 291,264.78	\$ 26,476.31	\$ 35,123.02	\$ 244,669.27	\$ 25,183.98	\$ 33,401.80	\$ 232,679.00	\$ 232,679.00
5	957	Miami-Dade Tax Collector	01/03/18	NAV Taxes	\$ 35,083.40		\$ (338.89)	\$ (1,194.81)	\$ 33,549.70	\$ 3,032.89	\$ 4,023.38	\$ 28,027.13	\$ 2,901.65	\$ 3,847.35	\$ 26,800.70	\$ 26,800.70
6	647	Miami-Dade Tax Collector	01/10/18	NAV Taxes	\$ 29,562.93		\$ (286.57)	\$ (905.92)	\$ 28,370.44	\$ 2,554.23	\$ 3,390.85	\$ 23,617.85	\$ 2,451.14	\$ 3,254.10	\$ 22,665.20	\$ 22,665.20
7	261	Miami-Dade Tax Collector	01/29/18	Interest		\$ 243.70			\$ 243.70	\$ 243.70			\$ 243.70			\$ -
8	503	Miami-Dade Tax Collector	02/08/18	NAV Taxes	\$ 69,218.60		\$ (677.11)	\$ (1,507.56)	\$ 67,033.93	\$ 5,983.81	\$ 7,938.02	\$ 55,296.77	\$ 5,796.16	\$ 7,687.35	\$ 53,550.42	\$ 53,550.42
9	256	Miami-Dade Tax Collector	03/08/18	NAV Taxes	\$ 45,513.60		\$ (450.39)	\$ (474.00)	\$ 44,589.21	\$ 3,934.56	\$ 5,219.52	\$ 36,359.52	\$ 3,854.86	\$ 5,113.50	\$ 35,620.85	\$ 35,620.85
10	556	Miami-Dade Tax Collector	04/10/18	NAV Taxes	\$ 56,552.96	\$ 170.68	\$ (566.69)	\$ (54.57)	\$ 56,102.38	\$ 5,056.84	\$ 6,486.65	\$ 45,180.15	\$ 5,001.58	\$ 6,415.60	\$ 44,685.20	\$ 44,685.20
11	250	Miami-Dade Tax Collector	04/26/18	Interest		\$ 132.05			\$ 132.05	\$ 132.05			\$ 132.05			\$ -
12	828	Miami-Dade Tax Collector	05/11/18	NAV Taxes/Interest	\$ 25,601.40	\$ 455.20	\$ (260.56)		\$ 25,796.04	\$ 2,668.39	\$ 2,935.98	\$ 20,452.23	\$ 2,641.69	\$ 2,906.60	\$ 20,247.75	\$ 20,247.75
13	474	Miami-Dade Tax Collector	06/08/18	NAV Taxes/Interest	\$ 15,209.08	\$ 441.28	\$ (156.51)		\$ 15,493.85	\$ 1,755.31	\$ 1,744.50	\$ 12,150.55	\$ 1,737.75	\$ 1,727.05	\$ 12,029.05	\$ 12,029.05
14	883	Miami-Dade Tax Collector	06/22/18	NAV Taxes/Interest (TC)	\$ 60,684.80	\$ 2,730.88	\$ (634.16)		\$ 62,781.52	\$ 7,974.03	\$ 6,960.55	\$ 48,481.10	\$ 7,894.27	\$ 6,890.95	\$ 47,996.30	\$ 47,996.30
15	568	Miami-Dade Tax Collector	07/31/18	Interest		\$ 275.65			\$ 275.65	\$ 275.65			\$ 275.65			\$ -
16									\$ -							
17									\$ -							
18									\$ -							
19									\$ -							
20									\$ -							
21									\$ -							
					\$ 924,495.01	\$ 4,449.44	\$ (9,008.61)	\$ (27,432.15)	\$ 892,503.69	\$ 84,362.10	\$ 106,024.80	\$ 738,557.55	\$ 81,184.12	\$ 101,849.30	\$ 709,470.27	\$ 709,470.27

Total Assessment Roll = 923,546.80

Note: \$923,541, \$79,835, \$105,915 and \$737,791 are 2017/2018 Budgeted assessments before discounts and fees.

Note: \$868,229, \$75,145, \$99,560 and \$693,524 are 2017/2018 Budgeted assessments after discounts and fees.

\$ 924,495.01	
\$ 4,449.44	\$ 892,503.69
\$ (84,362.10)	\$ (81,184.12)
\$ (106,024.80)	\$ (101,849.30)
\$ (738,557.55)	\$ (709,470.27)
\$ -	\$ -