



Rizzetta & Company

Wiregrass II Community Development District

**Board of Supervisors
Continuance Meeting
June 14, 2022**

**District Office:
5844 Old Pasco Road, Suite 100
Wesley Chapel, FL 33544
813.994.1001**

www.wiregrasslccd.org

WIREFRASS II COMMUNITY DEVELOPMENT DISTRICT

Rizzetta & Company, Inc., 5844 Old Pasco Road, Suite 100, Wesley Chapel, FL 33544

Board of Supervisors	Bill Porter	Chair
	Colby Chandler	Vice Chair
	Hatcher Porter	Assistant Secretary
	Caitlyn Chandler	Assistant Secretary
	Quinn Porter	Assistant Secretary
District Manager	Lynn Hayes	Rizzetta & Company, Inc.
District Counsel	Lindsay Whelan	Kutak Rock LLP
Interim Engineer	Victor Barbosa	Atwell, LLC

All cellular phones must be placed on mute while in the meeting room.

The Audience Comment portion of the agenda is where individuals may make comments on matters that concern the District. Individuals are limited to a total of three (3) minutes to make comments during this time.

Pursuant to provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this meeting/hearing/workshop is asked to advise the District Office at least forty-eight (48) hours before the meeting/hearing/workshop by contacting the District Manager at (813) 994-1001. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) 1-800-955-8770 (Voice), who can aid you in contacting the District Office.

A person who decides to appeal any decision made at the meeting/hearing/workshop with respect to any matter considered at the meeting/hearing/workshop is advised that person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made including the testimony and evidence upon which the appeal is to be based.

WIREGRASS II COMMUNITY DEVELOPMENT DISTRICT
District Office · Wesley Chapel, Florida (813) 994-1001
Mailing Address · 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614
www.wiregrass2cdd.org

June 9, 2022

**Board of Supervisors
Wiregrass II Community
Development District**

REVISED FINAL AGENDA

Dear Board Members:

The continuance meeting of the Board of Supervisors of the Wiregrass II Community Development District will be held on **Tuesday June 14, 2022, at 10:00 a.m.**, at the offices of Rizzetta & Company located at 5844 Old Pasco Road, Suite 100, Wesley Chapel, FL 33544. The following is the agenda for this meeting:

- 1. CALL TO ORDER/ROLL CALL**
- 2. AUDIENCE COMMENTS**
- 3. BUSINESS ITEMS**
 - A. Consideration of Supplemental Engineer's Report Tab 1
 - B. Consideration of Final Supplemental Assessment Methodology Report Tab 2
 - C. Consideration of Resolution 2022-05, Supplemental Assessment Resolution Tab 3
 - D. Presentation of Fiscal Year 2020-2021 Berger, Toombs, Elam, Gaines & Frank Audit Tab 4
- 4. SUPERVISOR REQUESTS**
- 5. ADJOURNMENT**

I look forward to seeing you at the meeting. In the meantime, if you have any questions, please do not hesitate to call me at (813) 994-1001.

Very truly yours,

Lynn Hayes

Lynn Hayes
District Manager

cc. Lindsay Whelan, Kutak Rock LLP
Victor Barbosa, Atwell LLC

Tab 1

**Wiregrass II
Community Development District
Supplemental Engineer's Report
April 2022**

Prepared for:

**Wiregrass II
Community Development District
Pasco County, Florida**

prepared by:

**Victor E. Barbosa, P.E.
Atwell, LLC
Tampa, Florida**

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PURPOSE AND SCOPE

This report is a supplement to the Master Engineer's Report dated June 2020 and describes the portion of the District's Capital Improvements Plan (the "CIP") included in the second phase of development (the "2022 Project"). The purpose of this report is to outline the scope of the 2022 Project and provide a description of the public infrastructure improvements comprising the 2022 Project that may be financed and constructed or acquired by the District all or in part through the issuance of its Capital Improvement Revenue Bonds, Series 2022 (the "2022 Bonds"). Only those improvements in the 2022 Project eligible to be funded with proceeds of tax-exempt 2022 Bonds and any improvements constructed as part of the 2020 Project that were not funded by the District's Capital Improvement Revenue Bonds, Series 2020 (the "2020 Bonds") will be financed by the District. A portion of these public infrastructure improvements may be completed by i) the District, or ii) by Locust Branch, LLC (the "Developer"), the primary developer of the Master Development, or iii) by Taylor Morrison of Florida, Inc. (the "Esplanade Developer"), the primary developer of lands within the District, and acquired by the District with proceeds of bonds issued by the District. The Developer will finance and construct the balance of the infrastructure improvements needed for the District that are not financed by the District through the 2022 Bonds or a future bond issuance.

The 2022 Project, as outlined herein, is necessary for the functional development of the District as required by Pasco County, Florida, the Southwest Florida Water Management District, and the United States Army Corps of Engineers.

The 2022 Project described in this report reflects the District's present intentions. The implementation and completion of the 2022 Project outlined in this report requires final approval by the District's Board of Supervisors, including the approval for the purchase of site related improvements. Cost estimates contained in this report have been prepared based on the best available information, including current contract unit prices, bid documents and pay requests where available. These estimates may not reflect final engineering design or complete environmental permitting. Actual costs will vary based upon final plans, design, planning, approvals from regulatory authorities, inflation, etc. Nevertheless, all costs contained herein, may be reasonably expected to adequately fund the improvements described, and contingency costs as included are reasonable.

2022 PROJECT

The 2022 Project includes completed and planned infrastructure improvements that will provide special benefit to all assessable land within the District. In particular, the 2022 Project includes construction of roadways and associated public infrastructure, including streetlighting/undergrounding, stormwater/drainage, potable water, sewer and re-use water main extensions, and landscaping and irrigation improvements within and adjacent to public rights-of-way of certain phases of Wiregrass Ranch Boulevard and Chancey Road, and associated soft costs such as environmental mitigation, professional fees and permitting costs. Said improvements are a portion of the total public improvements in the CIP as described in the Master Engineer's Report.

The estimated total cost of the 2022 Project is \$18,272,254. In addition, an estimated \$3,649,406 of improvements constructed as part of the 2020 Project that were not funded by the 2020 Bonds would be eligible for funding from the 2022 Bonds. Refer to **Table 1** for a summary of the costs by infrastructure category from the Master Engineer's Report for the completed and planned CIP expenditures relative to the 2020 and 2022 Projects.

(i) ROADWAY AND ASSOCIATED INFRASTRUCTURE

Roadway and associated infrastructure improvements included in the 2022 Project consist of improvements as further described in the Master Engineer's Report and as summarized and described as follows:

- Wiregrass Ranch Boulevard – Phase 3B (from 2020 Project)
- Wiregrass Ranch Boulevard – Phase 4A, 4B, 4C and 4D (from 2020 Project)
- Chancey Road – Phase 3 (2022 Project)
- Chancey Road – Phase 4 (2022 Project)

Construction of Wiregrass Ranch Boulevard Phases 3B and 4A–4D is nearing completion and the majority of the costs were included in funding requisitions from the 2020 bond funds. Any costs not included in previous requisitions may be included in a funding requisition in 2022. Chancey Road Phase 3 is fully

designed and permitted with all agencies, but no improvements have been started. Design and permitting for Chancey Road Phase 4 has not commenced.

(ii) ENVIRONMENTAL CONSERVATION/MITIGATION

There are 6.74 +/- units of permanent forested and herbaceous wetland impacts associated with the proposed construction of the District's infrastructure which, pursuant to applicable SWFWMD and ACOE approvals, will require purchase of 4.84 +/- units of wetland mitigation bank credits and the creation of onsite mitigation for the remaining units. The costs associated with mitigation creation and bank credits are included in the CIP. Locust Branch had previously constructed or had overseen the construction of wetland mitigation to serve all of Wiregrass Ranch Blvd. that is included within the CIP, including the 2020 Project.

(iii) PROFESSIONAL FEES

Professional fees allocable to the 2022 Project include civil engineering, costs for site design, permitting, inspection and master planning, survey costs for construction staking and record drawings as well as preparation of preliminary and final plats, geotechnical cost for pre-design soil borings, under drain analysis and construction testing and landscape architecture costs. Also included in this category are fees associated with environmental consultation and permitting and legal fees.

OWNERSHIP AND MAINTENANCE

The ownership and maintenance responsibilities of the proposed infrastructure improvements are fully described in the Master Engineer's Report.

PROJECT COSTS

The 2022 Project's identifiable total costs associated with the infrastructure improvements are estimated to be \$18,272,254. An additional \$3,649,406 of costs associated with the infrastructure improvements from the 2020 Project that were not funded from proceeds of the 2020 Bonds will be eligible to be funded from proceeds of the 2022 Bonds. A portion of the 2022 Project is expected to be complete by December 31, 2026 with the balance being completed by December 31, 2030.

The summary of estimated project costs shown below in **Table 1**, outlines the anticipated costs associated with the construction and acquisition of public infrastructure comprising the 2022 Project.

Table 1: Cost Estimates

No.	Facility	CIP	CIP	CIP
		2020 Project	2020 Project (Actuals)	2022 Project
	PUBLIC IMPROVEMENTS			
1	Roadways	\$7,844,000	\$7,967,716	\$7,672,734
2	Underground Electric / Streetlights	\$617,000	\$1,130,876	\$634,940
3	Storm Water Management	\$2,472,000	\$2,315,690	\$1,397,140
4	Environmental Mitigation	\$378,000	\$592,368	\$592,367
5	Wastewater	\$0	\$0	\$917,578
6	Potable Water	\$0	\$0	\$1,170,918
7	Reclaimed Water	\$622,000	\$1,688,890	\$1,270,770
8	Landscape / Irrigation	\$1,525,000	\$1,525,000	\$1,570,431
	Subtotal (Improvements Benefiting All Units)	\$13,458,000	\$15,220,540	\$15,226,878
17	Contingency (10%)	\$1,345,800	\$0	\$1,522,688
18	Professional Fees	\$1,345,800	\$929,060	\$1,522,688
	Total Improvements	\$16,149,600	\$16,149,600	\$18,272,254
	Remaining 2020 Project Improvements			\$3,649,406
	Total Eligible Costs			\$21,921,660

The cost estimates set forth herein are estimates based on current plans and market conditions, which are subject to change. Accordingly, the "2022 Project" as used herein refers to sufficient public infrastructure of the kinds described herein to support the development and sale of the planned residential units, which (subject to true-up determinations) number and type of units may be changed with the development of the District. Stated differently, during development and implementation of the public infrastructure improvements as described for the District, it may be necessary to make modifications and/or deviations for the plans, and the District expressly reserves the right to do so.

SUMMARY AND CONCLUSION

The infrastructure, as outlined above, is necessary for the functional development of the District as required by the applicable independent units of local government. The planning and design of the infrastructure is in accordance with current governmental regulatory requirements. The infrastructure will provide its intended function so long as the construction is in substantial compliance with the design and permits. The platting, design and permitting of the site plan are ongoing at this time and there is no reason to believe such permitting will not be obtained.

Items of construction in this report are based on current contract unit prices and current plan quantities for the infrastructure construction as shown on the master plans, conceptual plans, construction drawings and specifications, last revisions. It is the professional opinion of Atwell that the estimated infrastructure costs provided herein for the District improvements are reasonable to complete the construction of the infrastructure described herein and that these infrastructure improvements will benefit and add value to all lands within the District. All such infrastructure costs are public improvements or community facilities as set forth in Section 190.012(1) of the Florida Statutes. Further, the CIP, including the 2022 Project, functions as a system of improvements benefitting all lands within the District.

The infrastructure total construction cost developed in this report is only an estimate and not a guaranteed maximum price. The labor market, future costs of equipment and materials, and the actual construction processes frequently vary and cannot be accurately forecasted. Due to this inherent opportunity for fluctuation in cost, the total final cost may be more or less than this estimate.

The professional services for establishing the opinion of estimated construction cost are consistent with the degree and care and skill exercised by members of the same profession under similar circumstances.



Victor E. Barbosa, P.E

District Engineer

FL Registration No.: 58548

Tab 2



Rizzetta & Company

Wiregrass II Community Development District

Final Supplemental
Special Assessment Allocation Report

Capital Improvement Revenue Bonds, Series 2022
(Assessment Area Two)

3434 Colwell Avenue
Suite 200
Tampa, FL 33614

May 27, 2022

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I. INTRODUCTION

This Final Supplemental Special Assessment Allocation Report is being presented in anticipation of an issuance of bonds to finance a capital infrastructure project by the Wiregrass II Community Development District (“District”), a local unit of special purpose government established pursuant to Chapter 190, Florida Statutes. The District proposes to issue Capital Improvement Revenue Bonds, Series 2022 (Assessment Area Two) (the “Series 2022 Bonds”), and has retained Rizzetta & Company, Incorporated to prepare a methodology for allocating the special assessments expected to be levied by the District in connection with the transaction.

II. DEFINED TERMS

“Assessment Area Two” – The second phase of development within the District expected to include 490 residential units.

“Capital Improvement Program” – (CIP) Construction and/or acquisition of public infrastructure planned for the District.

“Developer” – Locust Branch, LLC, a Florida limited liability company.

“District” – Wiregrass II Community Development District.

“End User” – The ultimate purchaser of a fully developed residential unit; typically, a resident homeowner.

“Equivalent Assessment Unit” – (EAU) Allocation factor which reflects a quantitative measure of the amount of special benefit conferred by the District’s CIP on a particular land use, relative to other land uses.

“Indentures” – The Master Trust Indenture dated November 1, 2020 and the Second Supplemental Trust Indenture dated June 1, 2022, each between the District and U.S. Bank Trust Company, National Association, as successor in interest to U.S. Bank National Association, as trustee.

“Majority Landowner” – Taylor Morrison of Florida, Inc.

“Master Report” – The Amended and Restated Master Special Assessment Allocation Report dated October 22, 2020.

“Platted Units” – Lands configured into their intended end-use and subject to a recorded plat.



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“Series 2022 Assessments” – Special Assessments, as contemplated by Chapters 190, 170, and 197, Florida Statutes, levied to secure repayment of the District’s Series 2022 Bonds.

“Series 2022 Bonds” – \$11,460,000 Wiregrass II Community Development District Capital Improvement Revenue Bonds, Series 2022 (Assessment Area Two).

“Series 2022 Project” – Construction/acquisition of a portion of the CIP allocable to i) Wiregrass Ranch Boulevard in phases 3B and 4A – 4D that were not funded by the proceeds of the District’s Capital Improvement Revenue Bonds, Series 2020 (Assessment Area One) and ii) Chancey Road phases 3 and 4, in the estimated amount of \$21,921,660.

“True-Up Agreement” – The Agreement Regarding the True-Up and Payment of Special Assessments (Series 2022 Project) Between the District and the Majority Landowner.

“Unplatted Parcels” – Undeveloped lands or parcels not yet subject to a recorded plat in their final end-use configuration.

All capitalized terms not defined herein shall retain the meaning ascribed in the Master Report.

III. DISTRICT INFORMATION

The District was established pursuant to Pasco County Ordinance No. 19-03 which became effective on January 25, 2019. The District is currently planned for an estimated total of 875 single family residential units.

The District is anticipating its second bond issuance, which will be secured by the Series 2022 Assessments, levied over the acreage of Assessment Area Two on an equal acreage basis, and allocated on a first platted, first assigned basis. The Series 2022 Assessments will be assigned to the 172 Platted Units in Assessment Area Two with the remainder being assigned to the Unplatted Parcels in Assessment Area Two. Table 1 illustrates the product mix for the units within Assessment Area Two which are expected to support repayment of the Series 2022 Bonds.

IV. SERIES 2022 PROJECT

The Series 2022 Project is a portion of the District’s CIP allocable to Assessment Area Two that will be partially constructed and/or acquired with the proceeds of the Series 2022 Bonds. The estimated costs of the Series 2022 Project are \$21,921,660 of which \$10,412,759 will be funded with proceeds from the Series 2022 Bonds. The District will issue the Series 2022 Bonds to fund a portion of the Series 2022 Project in the aggregate principal amount of \$11,460,000. Following the issuance of the Series 2022 Bonds, the District’s unfunded CIP costs are expected to be funded with the proceeds of future District bonds and/or Developer contributions. For additional detail on the Series 2022 Project and the unfunded CIP costs,



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see Tables 2 and 3 as well as the District Engineer's Supplemental Engineer's Report dated April 2022.

V. SERIES 2022 BONDS AND ASSESSMENTS

In order to provide for the Series 2022 Project funding described in Section IV above, the District will issue the Series 2022 Bonds in the aggregate principal amount of \$11,460,000. The Series 2022 Bonds will be structured as amortizing current-interest bonds, with repayment occurring in substantially equal annual installments of principal and interest. Interest payments shall occur every May 1 and November 1 from the date of issuance until maturity. The first scheduled payment of coupon interest will be due on November 1, 2022, although interest will be capitalized through this date. The first scheduled annual principal payment will be due on May 1, 2023 and on each May 1 thereafter until final maturity, with the maximum annual debt service at \$755,492.50. The general financing terms of the Series 2022 Bonds are summarized on Table 3.

The Series 2022 Bonds will be secured by the revenues derived from the Series 2022 Assessments. The Series 2022 Assessments will initially be levied in the amount of \$755,492.50 and shall be structured in the same manner as the Series 2022 Bonds, so that revenue from the Series 2022 Assessments are sufficient to fulfill the debt service requirements of the Series 2022 Bonds.

It is expected that the Series 2022 Assessment installments assigned to Platted Units will be collected via the Pasco County property tax bill process (Uniform Method of Collection per Section 197.3632, Florida Statutes)¹. Accordingly, the Series 2022 Assessments will be adjusted to allow for current county collection costs and the possibility that landowners will avail themselves of early payment discounts. Currently, the aggregate rate for costs and discounts is 6.0%, but this may fluctuate as provided by law.

VI. SERIES 2022 ASSESSMENT ALLOCATION

The District's Master Report contains specific special benefit findings relative to the Maximum Assessments and the District's CIP. As stated therein, the CIP cost per unit and Maximum Assessments were allocated pursuant to an EAU-based methodology.

Per Section IV above, the Series 2022 Bonds will fund a portion of the District's Series 2022 Project, which is expected to be constructed or acquired in a manner generally proportionate to the construction of improvements for the overall CIP. Accordingly, it is expected that the improvements funded by the Series 2022 Bonds will confer benefit on the District's developable parcels in a manner generally proportionate to and consistent with the allocation of benefit found in the Master Report. Therefore, it is proper to impose Series 2022 Assessments on the units specified in Table 5, as well as the District's Series 2022 Assessment Roll.

¹ The ultimate collection procedure is subject to District approval. Nothing herein should be construed as mandating collections that conflict with the terms, privileges, and remedies provided in the Indentures, Florida law, assessment resolutions, and/or other applicable agreements.



A. Assessment Allocation

The Series 2022 Assessments are expected to ultimately be allocated to Assessment Area Two, as shown on Table 5. The Series 2022 Assessments are allocated based on the EAU methodology described in the Master Report and as allocated, the Series 2022 Assessments fall within the cost/benefit thresholds, as well as the Maximum Assessment levels, established by the Master Report, and are fairly and reasonable allocated amount the different product types.

Table 2 reflects the total CIP costs and provides an estimated funding allocation between the Series 2022 Bond proceeds and Developer or Majority Landowner funding.

The Series 2022 Assessment Roll is located at page A-5.

B. Assignment of Assessments

The Series 2022 Bonds and Series 2022 Assessments have been sized based on the expectation that the Series 2022 Assessments will be fully absorbed by the 172 Platted Units in Assessment Area Two and the remaining 318 residential units planned for Assessment Area Two. It is not expected that any other land within the boundaries of the District will be encumbered with the Series 2022 Assessments.

The District is securing repayment of the Series 2022 Bonds with the Series 2022 Assessments, as contemplated under Chapters 170 and 190, Florida Statutes. Unlike property taxes, which are *ad valorem* in nature, a community development district may levy special assessments under Florida law only if the parcels to be assessed receive special benefit from the infrastructure improvements acquired and/or constructed by the district. These special benefits are specific to lands within the district and differ in nature to those general or incidental benefits that landowners outside the district or the general public may enjoy. A district must also apportion or allocate its special assessments so that the assessments are fairly and reasonably distributed relative to the special benefit conferred. Generally speaking, this means the amount of special assessment levied on a parcel should not exceed the amount of special benefit enjoyed by that parcel. The District typically may develop and adopt an assessment methodology based on front footage, square footage, or any other reasonable allocation method, so long as the assessment meets the benefit requirement, and so long as the assessments are fairly and reasonably allocated.

Pursuant to District Resolution 2020-11, the District's Board of Supervisors determined in relevant part that 1) the Series 2022 Project, as part of the total CIP, conferred special benefit upon the parcels to be encumbered with Series 2022 Assessments and 2) that the proposed allocation of Series 2022 Assessments, as specified in the Master Report and adhered to in this report, was fair and reasonable.



VII. PREPAYMENT OF SERIES 2022 ASSESSMENTS

The Series 2022 Assessments encumbering a parcel may be prepaid in part or in full at any time, without penalty, together with interest at the rate on the Series 2022 Bonds to the bond interest payment date that is more than forty-five (45) days next succeeding the date of prepayment. Notwithstanding the preceding provisions, the District does not waive the right to assess penalties which would otherwise be permissible if the parcel being prepaid is subject to an assessment delinquency.

VIII. ADDITIONAL STIPULATIONS

Certain financing, development, and engineering data was provided by members of District staff and/or the Developer. The allocation methodology described herein was based on information provided by those professionals. Rizzetta & Company, Incorporated makes no representations regarding said information transactions beyond restatement of the information necessary for compilation of this report.

Rizzetta & Company, Incorporated, does not represent the District as a Municipal Advisor or Securities Broker nor is Rizzetta & Company, Incorporated, registered to provide such services as described in Section 15B of the Securities and Exchange Act of 1934, as amended. Similarly, Rizzetta & Company, Incorporated, does not provide the District with financial advisory services or offer investment advice in any form.



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EXHIBIT A:

ALLOCATION METHODOLOGY



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**WIREGRASS II
COMMUNITY DEVELOPMENT DISTRICT
CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2022
(ASSESSMENT AREA TWO)**

TABLE 1: CURRENT DEVELOPMENT PLAN ⁽¹⁾

PRODUCT	EAU	PHASES 3, 4, 5 ⁽²⁾⁽³⁾
Single Family 45'	0.87	178
Single Family 52'	1.00	206
Single Family 62'	1.19	96
Single Family 76'	1.46	10
TOTAL:		490

(1) Product totals are shown for illustrative purposes and not fixed per product type. Development plan is subject to change with land platting.

(2) Total units on which the Series 2022 Assessments are expected to be levied.

(3) The developer has provided an updated development plan subsequent to the District's Master Special Assessment Allocation Report dated June 25, 2020. The new development plan is 875 units compared to the original 867 units.

**WIREGRASS II
COMMUNITY DEVELOPMENT DISTRICT
CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2022
(ASSESSMENT AREA TWO)**

TABLE 2: CIP COSTS AND SERIES 2022 PROJECT FUNDING

<u>DESCRIPTION</u>	<u>2022 PROJECT COSTS</u>
Roadways	\$7,672,734
Underground Electric	\$634,940
Stormwater Management	\$1,397,140
Environmental Mitigation	\$592,367
Wastewater	\$917,578
Potable Water	\$1,170,918
Reclaimed Water	\$1,270,770
Landscape / Irrigation	\$1,570,431
Subtotal (Improvements benefitting all units)	\$15,226,878
Contingency (10%)	\$1,522,688
Professional Fees	\$1,522,688
Total 2022 Costs	\$18,272,254
Remaining 2020 Project Improvements	\$3,649,406
Total Eligible Costs	\$21,921,660
Series 2022 Project Costs Funded by Series 2022 Bonds	\$10,412,759
Additional Project Costs Funded by the Developer or Landowner	\$11,508,901
Total CIP Costs	\$21,921,660

NOTE: Infrastructure cost estimates provided by District Engineer.

**WIREGRASS II
COMMUNITY DEVELOPMENT DISTRICT
CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2022
(ASSESSMENT AREA TWO)**

TABLE 3: FINANCING INFORMATION - SERIES 2022 BONDS

ISSUE DATE	June 16, 2022
MATURITY DATE	May 1, 2052
AVERAGE COUPON RATE	5.196%
MAXIMUM ANNUAL DEBT SERVICE	\$755,493
SOURCES:	
PAR AMOUNT OF BONDS	\$11,460,000
Original Issue Discount	(\$35,406)
Total Net Proceeds	<u>\$11,424,594</u>
USES:	
Construction Fund	(\$10,412,759)
Debt Service Reserve Fund	(\$377,746) (1)
Capitalized Interest thru 11/1/2022	(\$219,689)
Costs of Issuance	(\$185,200)
Underwriter's Discount	(\$229,200)
Total Uses	<u>(\$11,424,594)</u>

Source: District Underwriter

(1) 50% of MADS

TABLE 4: FINANCING INFORMATION - SERIES 2022 ASSESSMENTS

AVERAGE COUPON RATE	5.196%
Aggregate Initial Principal Amount	\$11,460,000
Aggregate Annual Installment	\$755,493 (1)
County Collection Costs	2% \$16,074
Early Paymt Discounts	4% <u>\$32,149 (2)</u>
Total Annual Installment	\$803,715

(1) Based on MADS

(2) May vary as provided by law.

**WIREGRASS II
COMMUNITY DEVELOPMENT DISTRICT
CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2022
(ASSESSMENT AREA TWO)**

TABLE 5: ASSESSMENT ALLOCATION - SERIES 2022 ASSESSMENTS (1)

PRODUCT	UNITS	PER UNIT EAU	TOTAL EAU'S	PRODUCT TOTAL PRINCIPAL (2)	PER UNIT TOTAL PRINCIPAL	PRODUCT ANNUAL INSTLMT. (2)(3)	PER PRODUCT TYPE ANNUAL INSTLMT. (3)
Single Family 45'	178	0.87	154.04	\$3,609,129.51	\$20,276.01	\$253,116.32	\$1,422.00
Single Family 52'	206	1.00	206.00	\$4,826,591.18	\$23,430.05	\$338,499.63	\$1,643.20
Single Family 62'	96	1.19	114.46	\$2,681,840.06	\$27,935.83	\$188,083.44	\$1,959.20
Single Family 76'	10	1.46	14.62	\$342,439.25	\$34,243.93	\$24,016.03	\$2,401.60
TOTAL	490.00		489.12	\$11,460,000.00		\$803,715.43	

(1) Allocation of Series 2022 Assessments based on methodology adopted in the Master Report.

(2) Product total shown for illustrative purposes only and are not fixed per product type.

(3) Includes estimated Pasco County collection costs/payment discounts, which may fluctuate.

WIREGRASS II COMMUNITY DEVELOPMENT DISTRICT PRELIMINARY SERIES 2022 ASSESSMENT LIEN ROLL				
FOLIO	PHASE	PRODUCT TYPE	SERIES 2022 PRINCIPAL/UNIT	SERIES 2022 ANNUAL ASSESSMENT
*See Legal Descriptions Attached			\$11,460,000	\$803,715
			\$11,460,000	\$803,715

EXHIBIT "A" TO SPECIAL WARRANTY DEED
LEGAL DESCRIPTION OF THE PROPERTY

DESCRIPTION: A parcel of land lying in Sections 17 and 20, Township 26 South, Range 20 East, Pasco County, Florida, and being more particularly described as follows:

COMMENCE at the South 1/4 corner of said Section 17, run thence along the South boundary of the Southwest 1/4 of said Section 17, S.89°56'36"W., a distance of 81.51 feet to a point on the Easterly boundary of ESPLANADE AT WIREGRASS RANCH PHASE 1, as recorded in Plat Book 82, Pages 76 through 91, inclusive, of the Public Records of Pasco County, Florida, said point also being the **POINT OF BEGINNING**; thence along said Easterly boundary the following seventeen (17) courses: 1) N.13°07'32"E., a distance of 257.80 feet; 2) N.84°09'29"E., a distance of 658.51 feet; 3) N.54°31'18"E., a distance of 776.34 feet; 4) N.61°31'05"W., a distance of 402.39 feet; 5) N.16°18'13"W., a distance of 329.96 feet; 6) N.68°54'43"E., a distance of 465.38 feet; 7) S.62°17'23"E., a distance of 522.31 feet; 8) N.10°53'03"E., a distance of 195.13 feet; 9) N.41°09'45"W., a distance of 50.00 feet; 10) N.48°50'15"E., a distance of 53.66 feet; 11) Northwesterly, 278.55 feet along the arc of a non-tangent curve to the left having a radius of 545.00 feet and a central angle of 29°17'02" (chord bearing N.58°57'23"W., 275.53 feet); 12) N.73°35'54"W., a distance of 159.02 feet; 13) Westerly, 106.48 feet along the arc of a tangent curve to the left having a radius of 270.00 feet and a central angle of 22°35'43" (chord bearing N.84°53'45"W., 105.79 feet); 14) N.06°11'37"W., a distance of 70.02 feet; 15) Easterly, 31.75 feet along the arc of a non-tangent curve to the right having a radius of 340.00 feet and a central angle of 05°21'03" (chord bearing N.86°29'28"E., 31.74 feet); 16) N.27°30'45"E., a distance of 416.49 feet; 17) N.88°13'41"W., a distance of 233.36 feet; thence departing said East boundary, N.27°42'11"E., a distance of 276.31 feet; thence N.19°17'06"E., a distance of 15.69 feet; thence N.19°17'06"E., a distance of 154.11 feet; thence N.61°53'11"E., a distance of 452.85 feet; thence N.48°19'27"W., a distance of 898.90 feet; thence N.20°00'03"E., a distance of 687.00 feet to a point on the North boundary of the South 1/2 of the Northeast 1/4 of said Section 17; thence along said North boundary, N.89°55'08"E., a distance of 1263.73 feet to the Northeast corner of the South 1/2 of the Northeast 1/4 of said Section 17, said point also being on the West boundary of COUNTRY WALK INCREMENT E PHASE 2, as recorded in Plat Book 59, Pages 96 through 102, inclusive, of the Public Records of Pasco County, Florida; thence along the East boundary of said Section 17 the following two courses: 1) S.00°02'06"W., a distance of 1324.55 feet to the Northeast corner of the Southeast 1/4 of said Section 17; 2) thence continue along said East boundary, S.00°17'41"W., a distance of 863.67 feet to a point on the West boundary of COUNTRY WALK INCREMENT E PHASE 1, as recorded in Plat Book 55, Pages 75 through 83, inclusive, of the Public Records of Pasco County, Florida; thence departing said West boundary, S.78°08'27"W., a distance of 245.90 feet; thence Southwesterly, 148.36 feet along the arc of a tangent curve to the left having a radius of 205.00 feet and a central angle of 41°27'51" (chord bearing S.57°24'31"W., 145.14 feet); thence Southwesterly, 90.44 feet along the arc of a reverse curve to the right having a radius of 200.00 feet and a central angle of 25°54'37" (chord bearing S.49°38'11"W., 89.67 feet); thence Southwesterly, 317.91 feet along the arc of a compound curve to the right having a radius of 1830.00 feet and a central angle of 09°57'12" (chord bearing S.67°34'05"W., 317.51 feet); thence S.72°32'42"W., a distance of 17.28 feet; thence S.54°36'24"W., a distance of 52.81 feet; thence Southeasterly, 128.45 feet along the arc of a non-tangent curve to the right having a radius of 615.00 feet and a central angle of 11°58'00" (chord bearing S.29°28'13"E., 128.21 feet); thence Easterly, 13.05 feet along the arc of a non-tangent curve to the left having a radius of 25.00 feet and a central angle of 29°54'43" (chord bearing N.87°30'03"E., 12.90 feet); thence N.72°32'42"E., a distance of 5.79 feet; thence S.17°27'18"E., a distance of 50.00 feet; thence Southwesterly, 15.94 feet along the arc of a non-tangent curve to the left having a radius of 25.00 feet and a central angle of 36°32'18" (chord bearing S.54°16'33"W., 15.67 feet); thence Southerly, 88.13 feet along the arc of a non-tangent curve to the right having a radius of 615.00 feet and a central angle of 08°12'39" (chord bearing S.13°56'39"E., 88.06 feet); thence S.09°50'19"E., a distance of 196.76 feet; thence Easterly, 19.41 feet along the arc of a non-tangent curve to the left having a radius of 25.00 feet and a central angle of 44°29'11" (chord bearing S.85°12'43"E.,

18.93 feet); thence S.17°27'18"E., a distance of 50.00 feet; thence S.72°32'42"W., a distance of 13.37 feet; thence Southwesterly, 12.76 feet along the arc of a tangent curve to the left having a radius of 25.00 feet and a central angle of 29°15'13" (chord bearing S.57°55'05"W., 12.63 feet); thence S.09°50'19"E., a distance of 223.68 feet; thence Southerly, 167.38 feet along the arc of a tangent curve to the right having a radius of 570.00 feet and a central angle of 16°49'29" (chord bearing S.01°25'35"E., 166.78 feet); thence Southerly, 147.73 feet along the arc of a reverse curve to the left having a radius of 390.00 feet and a central angle of 21°42'11" (chord bearing S.03°51'43"E., 146.85 feet); thence S.14°42'49"E., a distance of 104.42 feet; thence Southerly, 226.34 feet along the arc of a tangent curve to the left having a radius of 4960.00 feet and a central angle of 02°36'52" (chord bearing S.16°01'15"E., 226.32 feet); thence Southerly, 208.55 feet along the arc of a reverse curve to the right having a radius of 1040.00 feet and a central angle of 11°29'21" (chord bearing S.11°35'01"E., 208.20 feet); thence S.05°50'20"E., a distance of 47.40 feet; thence Easterly, 14.26 feet along the arc of a non-tangent curve to the left having a radius of 25.00 feet and a central angle of 32°40'14" (chord bearing S.75°18'15"E., 14.06 feet); thence Easterly, 19.40 feet along the arc of a reverse curve to the right having a radius of 725.00 feet and a central angle of 01°32'01" (chord bearing N.89°08'01"E., 19.40 feet); thence S.00°05'59"E., a distance of 50.00 feet; thence Westerly, 18.59 feet along the arc of a non-tangent curve to the left having a radius of 25.00 feet and a central angle of 42°36'33" (chord bearing S.68°35'45"W., 18.17 feet); thence S.05°50'20"E., a distance of 38.57 feet; thence Southerly, 345.01 feet along the arc of a tangent curve to the right having a radius of 350.00 feet and a central angle of 56°28'44" (chord bearing S.22°24'02"W., 331.21 feet); thence Southwesterly, 217.93 feet along the arc of a reverse curve to the left having a radius of 650.00 feet and a central angle of 19°12'35" (chord bearing S.41°02'07"W., 216.91 feet); thence Southerly, 64.79 feet along the arc of a compound curve to the left having a radius of 90.00 feet and a central angle of 41°14'39" (chord bearing S.10°48'30"W., 63.40 feet); thence Southerly, 239.95 feet along the arc of a reverse curve to the right having a radius of 260.00 feet and a central angle of 52°52'41" (chord bearing S.16°37'57"W., 231.53 feet); thence Southwesterly, 54.47 feet along the arc of a reverse curve to the left having a radius of 90.00 feet and a central angle of 34°40'38" (chord bearing S.25°43'58"W., 53.64 feet); thence S.08°23'39"W., a distance of 21.81 feet to a point on the North right-of-way line of (Proposed) CHANCEY ROAD; thence along said North right-of-way line the following three (3) courses: 1) Westerly, 767.58 feet along the arc of a non-tangent curve to the right having a radius of 2030.00 feet and a central angle of 21°39'52" (chord bearing N.72°11'06"W., 763.01 feet); 2) N.61°21'10"W., a distance of 187.95 feet; 3) Westerly, 1199.96 feet along the arc of a tangent curve to the left having a radius of 2170.00 feet and a central angle of 31°41'00" (chord bearing N.77°11'40"W., 1184.73 feet) to a point on aforesaid Easterly boundary of ESPLANADE AT WIREGRASS RANCH PHASE 1; thence along said Easterly boundary the following two (2) courses: 1) N.03°02'10"W., a distance of 20.00 feet; 3) N.13°07'32"E., a distance of 495.31 feet to the **POINT OF BEGINNING**.

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[EXHIBIT "B" TO SPECIAL WARRANTY DEED COMMENCES ON FOLLOWING PAGE]

EXHIBIT "A" TO SPECIAL WARRANTY DEED
LEGAL DESCRIPTION OF THE PROPERTY

WIREGRASS TAKEDOWN PARCEL 3

DESCRIPTION: A parcel of land lying in Sections 17, 20, and 21, Township 26 South, Range 20 East, Pasco County, Florida, and being more particularly described as follows:

BEGIN at the Northwest corner of said Section 21, run thence along the North boundary of the Northwest 1/4 of said Section 21, S.89°36'09"E., a distance of 2618.81 feet; thence S.00°19'13"W., a distance of 1110.08 feet to a point on the North right-of-way line of (Proposed) CHANCEY ROAD; thence along said North right-of-way line the following two (2) courses: 1) N.89°35'57"W., a distance of 3171.41 feet to a point of curvature; 2) Westerly, 233.20 feet along the arc of a tangent curve to the right having a radius of 2030.00 feet and a central angle of 06°34'55" (chord bearing N.86°18'29"W., 233.07 feet) to the Southeast corner of lands described in Official Records Book 10269, Page 3938, of the Public Records of Pasco County, Florida; thence along the Easterly boundary of said lands described in Official Records Book 10269, Page 3938, the following twenty-eight (28) courses: 1) N.08°23'39"E., a distance of 21.81 feet; 2) Northeasterly, 54.47 feet along the arc of a tangent curve to the right having a radius of 90.00 feet and a central angle of 34°40'38" (chord bearing N.25°43'58"E., 53.64 feet); 3) Northerly, 239.98 feet along the arc of a reverse curve to the left having a radius of 260.00 feet and a central angle of 52°53'00" (chord bearing N.16°37'47"E., 231.55 feet); 4) Northerly, 64.76 feet along the arc of a non-tangent curve to the right having a radius of 90.00 feet and a central angle of 41°13'45" (chord bearing N.10°48'57"E., 63.37 feet); 5) Northeasterly, 217.93 feet along the arc of a compound curve to the right having a radius of 650.00 feet and a central angle of 19°12'35" (chord bearing N.41°02'07"E., 216.91 feet); 6) Northerly, 345.01 feet along the arc of a reverse curve to the left having a radius of 350.00 feet and a central angle of 56°28'44" (chord bearing N.22°24'02"E., 331.21 feet); 7) N.05°50'20"W., a distance of 38.57 feet; 8) Easterly, 18.59 feet along the arc of a non-tangent curve to the right having a radius of 25.00 feet and a central angle of 42°36'33" (chord bearing N.68°35'45"E., 18.17 feet); 9) N.00°05'59"W., a distance of 50.00 feet; 10) Westerly, 19.42 feet along the arc of a non-tangent curve to the left having a radius of 725.00 feet and a central angle of 01°32'06" (chord bearing S.89°07'58"W., 19.42 feet); 11) Westerly, 14.24 feet along the arc of a non-tangent curve to the right having a radius of 25.00 feet and a central angle of 32°37'46" (chord bearing N.75°17'01"W., 14.05 feet); 12) N.05°50'20"W., a distance of 47.40 feet; 13) Northerly, 208.55 feet along the arc of a tangent curve to the left having a radius of 1040.00 feet and a central angle of 11°29'21" (chord bearing N.11°35'01"W., 208.20 feet); 14) Northerly, 226.34 feet along the arc of a reverse curve to the right having a radius of 4960.00 feet and a central angle of 02°36'52" (chord bearing N.16°01'15"W., 226.32 feet); 15) N.14°42'49"W., a distance of 104.42 feet; 16) Northerly, 147.70 feet along the arc of a tangent curve to the right having a radius of 390.00 feet and a central angle of 21°41'59" (chord bearing N.03°51'49"W., 146.82 feet); 17) Northerly, 167.40 feet along the arc of a reverse curve to the left having a radius of 570.00 feet and a central angle of 16°49'38" (chord bearing N.01°25'31"W., 166.80 feet); 18) N.09°50'19"W., a distance of 223.68 feet; 19) Northeasterly, 12.76 feet along the arc of a non-tangent curve to the right having a radius of 25.00 feet and a central angle of 29°15'13" (chord bearing N.57°55'05"E., 12.63 feet); 20) N.72°32'42"E., a distance of 13.37 feet; 21) N.17°27'18"W., a distance of 50.00 feet; 22) Westerly, 19.41 feet along the arc of a non-tangent curve to the right having a radius of 25.00 feet and a central angle of 44°29'11" (chord bearing N.85°12'43"W., 18.93 feet); 23) N.09°50'19"W., a distance of 196.76 feet; 24) Northerly, 88.13 feet along the arc of a tangent curve to the left having a radius of 615.00 feet and a central angle of 08°12'39" (chord bearing N.13°56'39"W., 88.06 feet); 25) Northeasterly, 15.94 feet along the arc of a non-tangent curve to the right having a radius of 25.00 feet and a central angle of 36°32'18" (chord bearing N.54°16'33"E., 15.67 feet); 26) N.17°27'18"W., a distance of 50.68 feet; 27) Westerly, 18.89 feet along the arc of a non-tangent curve to the right having a radius of 25.00 feet and a central angle of 43°18'04" (chord bearing S.80°48'23"W., 18.45 feet); 28) Northwesterly, 128.45 feet along the arc of a non-tangent curve to the left having a radius of 615.00 feet and a central angle

of 11°58'00" (chord bearing N.29°28'13"W., 128.21 feet) to a corner on the Southerly boundary of ESPLANADE AT WIREGRASS RANCH PHASES 2 & 3, according to the plat thereof, recorded in Plat Book 87, Page 33, of the Public Records of Pasco County, Florida thence along said Southerly boundary the following six (6) courses: 1) N.54°36'24"E., a distance of 52.81 feet; 2), N.72°32'42"E., a distance of 17.28 feet; 3) Easterly, 317.91 feet along the arc of a tangent curve to the left having a radius of 1830.00 feet and a central angle of 09°57'12" (chord bearing N.67°34'05"E., 317.51 feet); 4) along said Southerly boundary of ESPLANADE AT WIREGRASS RANCH PHASES 2 & 3, Northeasterly, 90.47 feet along the arc of a compound curve to the left having a radius of 200.00 feet and a central angle of 25°55'00" (chord bearing N.49°37'59"E., 89.70 feet); 5) Northeasterly, 148.33 feet along the arc of a non-tangent curve to the right having a radius of 205.00 feet and a central angle of 41°27'28" (chord bearing N.57°24'43"E., 145.12 feet); 6) N.78°08'27"E., a distance of 245.90 feet to the Southeast corner thereof, also being a point on the East boundary of the Southeast 1/4 of aforesaid Section 17; thence along said East boundary of the Southeast 1/4 of Section 17, S.00°17'41"W., a distance of 1783.58 feet to the **POINT OF BEGINNING**.

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[EXHIBIT "B" TO SPECIAL WARRANTY DEED COMMENCES ON FOLLOWING PAGE]

Tab 3

RESOLUTION 2022-05

A RESOLUTION SETTING FORTH THE SPECIFIC TERMS OF THE WIREGRASS II COMMUNITY DEVELOPMENT DISTRICT'S CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2022; CONFIRMING THE DISTRICT'S PROVISION OF THE SERIES 2022 PROJECT AND ADOPTING A SUPPLEMENTAL ENGINEER'S REPORT; CONFIRMING AND ADOPTING A SUPPLEMENTAL ASSESSMENT REPORT; CONFIRMING, ALLOCATING AND AUTHORIZING THE COLLECTION OF SPECIAL ASSESSMENTS SECURING SERIES 2022 BONDS; PROVIDING FOR THE APPLICATION OF TRUE-UP PAYMENTS; PROVIDING FOR THE SUPPLEMENT TO THE IMPROVEMENT LIEN BOOK; PROVIDING FOR THE RECORDING OF A NOTICE OF SERIES 2022 SPECIAL ASSESSMENTS; PROVIDING FOR CONFLICTS, SEVERABILITY AND AN EFFECTIVE DATE

WHEREAS, the Wiregrass II Community Development District (the "District") has previously indicated its intention to undertake, install, establish, construct or acquire certain public infrastructure improvements within the District, and to finance such improvements through the imposition of special assessments on benefitted property within the District and the issuance of bonds; and

WHEREAS, the District's Board of Supervisors (the "Board") has previously adopted, after notice and public hearing, Resolution 2020-11, relating to the imposition, levy, collection and enforcement of such special assessments; and

WHEREAS, pursuant to and consistent with the terms of Resolution 2020-11, this Resolution shall set forth the terms of bonds actually issued by the District, and apply the adopted special assessment methodology to the actual scope of the project to be completed with a series of bonds and the terms of the bond issue; and

WHEREAS, on May 27, 2022, the District entered into a *Bond Purchase Agreement* whereby it agreed to sell \$11,460,000 of its Capital Improvement Revenue Bonds, Series 2022 (Assessment Area Two) (the "Series 2022 Bonds"); and

WHEREAS, pursuant to and consistent with Resolution 2020-11, the District desires to set forth the particular terms of the sale of the Series 2022 Bonds and confirm the lien of the special assessments securing the Series 2022 Bonds on the lands within Assessment Area Two within the District.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE WIREGRASS II COMMUNITY DEVELOPMENT DISTRICT AS FOLLOWS:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of Florida law, including Chapters 170 and 197, *Florida Statutes*, and Resolution 2020-11.

SECTION 2. FINDINGS. The Board of Supervisors of the Wiregrass II Community Development District hereby finds and determines as follows:

(a) On August 27, 2020, the District, after due notice and public hearing, adopted Resolution 2020-11, which, among other things, equalized, approved, confirmed and levied special assessments on all of the lands within the District benefitting from the infrastructure improvements authorized by the District. That Resolution provided that as each series of bonds was issued to fund all or any portion of the District's infrastructure improvements within the District, a supplemental resolution would be adopted to set forth the specific terms of the bonds and certifying the amount of the lien of the special assessments securing any portion of the bonds, including interest, costs of issuance, the number of payments due, the True-Up amounts and the application of receipt of True-Up proceeds.

(b) The *Supplemental Engineer's Report*, dated April 2022 which is attached to this Resolution as **Exhibit A** (the "Supplemental Engineer's Report"), identifies and describes the capital infrastructure improvements providing benefit to "Assessment Area Two" included within the District's "Series 2022 Project," a portion of which project is to be financed with the Series 2022 Bonds. The District hereby confirms that the Series 2022 Project serves a proper, essential and valid public purpose. The Supplemental Engineer's Report is hereby confirmed. The District ratifies its use in connection with the sale of the Series 2022 Bonds.

(c) The *Final Supplemental Special Assessment Allocation Report, Series 2022 Bonds (Assessment Area Two)*, dated May 27, 2022, attached to this Resolution as **Exhibit B** (the "Supplemental Assessment Report"), applies the adopted Master Assessment Methodology Report for the District to the actual terms of the Series 2022 Bonds. The Supplemental Assessment Report is hereby approved, adopted and confirmed. The District ratifies its use in connection with the sale of the Series 2022 Bonds.

(d) The Series 2022 Project will specially benefit all of the developable acreage within Assessment Area Two. It is reasonable, proper, just and right to assess the portion of the costs of the Series 2022 Project financed, in part, with the Series 2022 Bonds to the specially benefited properties within Assessment Area Two, as set forth in Resolution 2020-11 and this Resolution.

SECTION 3. CONFIRMATION OF MAXIMUM ASSESSMENT LIEN FOR SERIES 2022 BONDS. As provided in Resolution 2020-11, this Resolution is intended to set forth the terms of the Series 2022 Bonds and the final amount of the lien of the special assessments securing those bonds. The Series 2022 Bonds, in a par amount of \$11,460,000 shall bear such rates of interest and maturity as shown on **Exhibit C** attached hereto. The final payment on the Series 2022 Bonds shall be due on May 1, 2052. The sources and uses of funds of the Series 2022 Bonds shall be as set forth in **Exhibit D**. The debt service due on the Series 2022 Bonds is set forth on **Exhibit E** attached hereto. The lien of the special assessments securing the Series 2022

Bonds on all developable land within Assessment Area Two within the District shall be the principal amount due on the Series 2022 Bonds, together with accrued but unpaid interest thereon, and together with the amount by which annual assessments are grossed up to include early payment discounts required by law and costs of collection. The Series 2022 Bonds are secured solely by the lien against lands within Assessment Area Two within the District.

SECTION 4. ALLOCATION OF ASSESSMENTS SECURING SERIES 2022 BONDS.

(a) The special assessments for the Series 2022 Bonds shall be allocated in accordance with **Exhibit B**, which allocation shall initially be on a per acre basis and further allocated as lands are platted. The Supplemental Assessment Report is consistent with the District's Master Assessment Methodology Report. The Supplemental Assessment Report, considered herein, reflects the actual terms of the issuance of the District's Series 2022 Bonds. The estimated costs of collection of the special assessments for the Series 2022 Bonds are as set forth in the Supplemental Assessment Report.

(b) The lien of the special assessments securing the Series 2022 Bonds includes all developable land within Assessment Area Two within the District, as such land is ultimately defined and set forth in plats or other designations of developable acreage. To the extent land is added to Assessment Area Two, the District may, by supplemental resolution, determine such land to be benefited by the Series 2022 Project and reallocate the special assessments securing the Series 2022 Bonds and impose special assessments on the newly added and benefited property.

(c) Taking into account earnings on certain funds and accounts as set forth in the *Master Trust Indenture*, dated November 1, 2020 and *Second Supplemental Trust Indenture*, dated June 1, 2022 and by and between the District and U.S. Bank Trust Company, National Association, successor-in-interest to U.S. Bank, National Association, as trustee, the District shall begin annual collection of special assessments for the Series 2022 Bonds debt service payments using the methods available to it by law. Debt service payments and semi-annual installments of interest are reflected on **Exhibit E**.

(d) The District hereby certifies the special assessments for collection and directs staff to take all actions necessary to meet the time and other deadlines imposed by Pasco County and Florida law for collection. The District Manager shall prepare or cause to be prepared each year a tax roll for purposes of effecting the collection of the special assessments and present same to the District Board as required by law. The District Manager is further directed and authorized to take all actions necessary to collect any prepayments of debt as and when due and to collect special assessments on unplatted property using methods available to the District authorized by Florida law in order to provide for the timely payment of debt service on the Series 2022 Bonds.

SECTION 5. APPLICATION OF TRUE-UP PAYMENTS. Pursuant to Resolution 2020-11, there may be required from time to time certain True-Up payments. As lands are platted within Assessment Area Two, the special assessments securing the Series 2022 Bonds shall be allocated to the platted lands and the unplatted lands as set forth in Resolution 2020-11, this

Resolution, and the Supplemental Assessment Report, including, without limitation, the application of the True-Up process set forth in Section 8 of Resolution 2020-11. The True-Up calculations will be made in accordance with the process set forth in the Supplemental Assessment Report. The District shall apply all True-Up payments related to the Series 2022 Bonds only to the credit of the Series 2022 Bonds. All True-Up payments, as well as all other prepayments of assessments, shall be deposited into the accounts specified in the First Supplemental Indenture governing the Series 2022 Bonds.

SECTION 6. IMPROVEMENT LIEN BOOK. Immediately following the adoption of this Resolution these special assessments as reflected herein shall be recorded by the Secretary of the District in the District's Improvement Lien Book. The special assessment or assessments against each respective parcel shall be and shall remain a legal, valid and binding first lien on such parcel until paid and such lien shall be coequal with the lien of all state, county, district, municipal or other governmental taxes and superior in dignity to all other liens, titles, and claims.

SECTION 7. OTHER PROVISIONS REMAIN IN EFFECT. This Resolution is intended to supplement Resolution 2020-11, which remains in full force and effect. This Resolution and Resolution 2020-11 shall be construed to the maximum extent possible to give full force and effect to the provisions of each resolution. All District resolutions or parts thereof in actual conflict with this Resolution are, to the extent of such conflict, superseded and repealed.

SECTION 8. ASSESSMENT NOTICE. The District's Secretary is hereby directed to record a Notice of Series 2022 Special Assessments securing the Series 2022 Bonds in the Official Records of Pasco County, Florida, or such other instrument evidencing the actions taken by the District.

SECTION 9. SEVERABILITY. If any section or part of a section of this Resolution be declared invalid or unconstitutional, the validity, force and effect of any other section or part of a section of this resolution shall not thereby be affected or impaired unless it clearly appears that such other section or part of a section of this Resolution is wholly or necessarily dependent upon the section or part of a section so held to be invalid or unconstitutional.

SECTION 10. EFFECTIVE DATE. This Resolution shall become effective upon its adoption.

[Signatures on Next Page]

APPROVED and **ADOPTED** this 14th day of June, 2022.

ATTEST:

**WIREGRASS II COMMUNITY
DEVELOPMENT DISTRICT**

Secretary / Assistant Secretary

Chairperson, Board of Supervisors

Exhibit A: *Supplemental Engineer's Report*, dated April 2022

Exhibit B: *Final Supplemental Special Assessment Allocation Report, Series 2022 Bonds
(Assessment Area Two)*, dated May 27, 2022

Exhibit C: Maturities and Coupon of Series 2022 Bonds

Exhibit D: Sources and Uses of Funds for Series 2022 Bonds

Exhibit E: Annual Debt Service Payment Due on Series 2022 Bonds

Exhibit A

Supplemental Engineer's Report, dated April 2022

Exhibit B

*Final Supplemental Special Assessment Allocation Report, Series 2022 Bonds
(Assessment Area Two), dated May 27, 2022*

Exhibit C

Maturities and Coupon of Series 2022 Bonds

BOND PRICING

Wiregrass II Community Development District
(Pasco County, Florida)
Capital Improvement Revenue Bonds, Series 2022 (Assessment Area Two)
Pricing Date: May 26, 2022
Final Pricing Numbers

Bond Component	Maturity Date	CUSIP	Amount	Rate	Yield	Price	Premium (-Discount)
Term Bond due 2027:							
	05/01/2023		170,000	4.500%	4.510%	99.951	-83.30
	05/01/2024		180,000	4.500%	4.510%	99.951	-88.20
	05/01/2025		185,000	4.500%	4.510%	99.951	-90.65
	05/01/2026		195,000	4.500%	4.510%	99.951	-95.55
	05/01/2027	97655G AEB	205,000	4.500%	4.510%	99.951	-100.45
			935,000				-458.15
Term Bond due 2032:							
	05/01/2028		215,000	4.800%	4.890%	99.296	-1,513.60
	05/01/2029		225,000	4.800%	4.890%	99.296	-1,584.00
	05/01/2030		235,000	4.800%	4.890%	99.296	-1,654.40
	05/01/2031		245,000	4.800%	4.890%	99.296	-1,724.80
	05/01/2032	97655G AFS	260,000	4.800%	4.890%	99.296	-1,830.40
			1,180,000				-8,307.20
Term Bond due 2042:							
	05/01/2033		275,000	5.150%	5.150%	100.000	
	05/01/2034		290,000	5.150%	5.150%	100.000	
	05/01/2035		305,000	5.150%	5.150%	100.000	
	05/01/2036		320,000	5.150%	5.150%	100.000	
	05/01/2037		335,000	5.150%	5.150%	100.000	
	05/01/2038		355,000	5.150%	5.150%	100.000	
	05/01/2039		370,000	5.150%	5.150%	100.000	
	05/01/2040		390,000	5.150%	5.150%	100.000	
	05/01/2041		415,000	5.150%	5.150%	100.000	
	05/01/2042	97655G AG3	435,000	5.150%	5.150%	100.000	
			3,490,000				
Term Bond due 2052:							
	05/01/2043		455,000	5.250%	5.280%	99.545	-2,070.25
	05/01/2044		480,000	5.250%	5.280%	99.545	-2,184.00
	05/01/2045		510,000	5.250%	5.280%	99.545	-2,320.50
	05/01/2046		535,000	5.250%	5.280%	99.545	-2,434.25
	05/01/2047		565,000	5.250%	5.280%	99.545	-2,570.75
	05/01/2048		595,000	5.250%	5.280%	99.545	-2,707.25
	05/01/2049		625,000	5.250%	5.280%	99.545	-2,843.75
	05/01/2050		660,000	5.250%	5.280%	99.545	-3,003.00
	05/01/2051		695,000	5.250%	5.280%	99.545	-3,162.25
	05/01/2052	97655G AH1	735,000	5.250%	5.280%	99.545	-3,344.25
			5,855,000				-26,640.25
			11,460,000				-35,405.60

Dated Date	06/16/2022	
Delivery Date	06/16/2022	
First Coupon	11/01/2022	
Par Amount	11,460,000.00	
Original Issue Discount	-35,405.60	
Production	11,424,594.40	99.691051%
Underwriter's Discount	-229,200.00	-2.000000%
Purchase Price	11,195,394.40	97.691051%
Accrued Interest		
Net Proceeds	11,195,394.40	

Exhibit D

Sources and Uses of Funds for Series 2022 Bonds

SOURCES AND USES OF FUNDS

Wiregrass II Community Development District
(Pasco County, Florida)
Capital Improvement Revenue Bonds, Series 2022 (Assessment Area Two)
Pricing Date: May 26, 2022
Final Pricing Numbers

Sources:

Bond Proceeds:	
Par Amount	11,460,000.00
Original Issue Discount	-35,405.60
	<hr/>
	11,424,594.40

Uses:

Project Fund Deposits:	
Project Fund	10,412,759.09
Other Fund Deposits:	
Debt Service Reserve Fund @ 50% of MADS	377,746.25
Capitalized Interest Fund Thru 11/1/2022	<hr/>
	219,689.06
	597,435.31
Delivery Date Expenses:	
Cost of Issuance	185,200.00
Underwriter's Discount	<hr/>
	229,200.00
	414,400.00
	<hr/>
	11,424,594.40

Exhibit E

Annual Debt Service Payment Due on Series 2022 Bonds

BOND DEBT SERVICE

Wiregrass II Community Development District
(Pasco County, Florida)
Capital Improvement Revenue Bonds, Series 2022 (Assessment Area Two)
Pricing Date: May 26, 2022
Final Pricing Numbers

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service	Bond Balance	Total Bond Value
06/16/2022						11,460,000	11,460,000
11/01/2022						11,460,000	11,460,000
05/01/2023	170,000	4.500%	219,689.06	219,689.06	219,689.06	11,290,000	11,290,000
11/01/2023			289,093.75	289,093.75	752,012.50	11,290,000	11,290,000
05/01/2024	180,000	4.500%	289,093.75	469,093.75		11,110,000	11,110,000
11/01/2024			285,043.75	285,043.75	754,137.50	11,110,000	11,110,000
05/01/2025	185,000	4.500%	285,043.75	470,043.75		10,925,000	10,925,000
11/01/2025			280,881.25	280,881.25	750,925.00	10,925,000	10,925,000
05/01/2026	195,000	4.500%	280,881.25	475,881.25		10,730,000	10,730,000
11/01/2026			276,493.75	276,493.75	752,375.00	10,730,000	10,730,000
05/01/2027	205,000	4.500%	276,493.75	481,493.75		10,525,000	10,525,000
11/01/2027			271,881.25	271,881.25	753,375.00	10,525,000	10,525,000
05/01/2028	215,000	4.800%	271,881.25	486,881.25		10,310,000	10,310,000
11/01/2028			266,721.25	266,721.25	753,602.50	10,310,000	10,310,000
05/01/2029	225,000	4.800%	266,721.25	491,721.25		10,085,000	10,085,000
11/01/2029			261,321.25	261,321.25	753,042.50	10,085,000	10,085,000
05/01/2030	235,000	4.800%	261,321.25	496,321.25		9,850,000	9,850,000
11/01/2030			255,681.25	255,681.25	752,002.50	9,850,000	9,850,000
05/01/2031	245,000	4.800%	255,681.25	500,681.25		9,605,000	9,605,000
11/01/2031			249,801.25	249,801.25	750,482.50	9,605,000	9,605,000
05/01/2032	260,000	4.800%	249,801.25	509,801.25		9,345,000	9,345,000
11/01/2032			243,561.25	243,561.25	753,362.50	9,345,000	9,345,000
05/01/2033	275,000	5.150%	243,561.25	518,561.25		9,070,000	9,070,000
11/01/2033			236,480.00	236,480.00	755,041.25	9,070,000	9,070,000
05/01/2034	290,000	5.150%	236,480.00	526,480.00		8,780,000	8,780,000
11/01/2034			229,012.50	229,012.50	755,492.50	8,780,000	8,780,000
05/01/2035	305,000	5.150%	229,012.50	534,012.50		8,475,000	8,475,000
11/01/2035			221,158.75	221,158.75	755,171.25	8,475,000	8,475,000
05/01/2036	320,000	5.150%	221,158.75	541,158.75		8,155,000	8,155,000
11/01/2036			212,918.75	212,918.75	754,077.50	8,155,000	8,155,000
05/01/2037	335,000	5.150%	212,918.75	547,918.75		7,820,000	7,820,000
11/01/2037			204,292.50	204,292.50	752,211.25	7,820,000	7,820,000
05/01/2038	355,000	5.150%	204,292.50	559,292.50		7,465,000	7,465,000
11/01/2038			195,151.25	195,151.25	754,443.75	7,465,000	7,465,000
05/01/2039	370,000	5.150%	195,151.25	565,151.25		7,095,000	7,095,000
11/01/2039			185,623.75	185,623.75	750,775.00	7,095,000	7,095,000
05/01/2040	390,000	5.150%	185,623.75	575,623.75		6,705,000	6,705,000
11/01/2040			175,581.25	175,581.25	751,205.00	6,705,000	6,705,000
05/01/2041	415,000	5.150%	175,581.25	590,581.25		6,290,000	6,290,000
11/01/2041			164,895.00	164,895.00	755,476.25	6,290,000	6,290,000
05/01/2042	435,000	5.150%	164,895.00	599,895.00		5,855,000	5,855,000
11/01/2042			153,693.75	153,693.75	753,588.75	5,855,000	5,855,000
05/01/2043	455,000	5.250%	153,693.75	608,693.75		5,400,000	5,400,000
11/01/2043			141,750.00	141,750.00	750,443.75	5,400,000	5,400,000
05/01/2044	480,000	5.250%	141,750.00	621,750.00		4,920,000	4,920,000
11/01/2044			129,150.00	129,150.00	750,900.00	4,920,000	4,920,000
05/01/2045	510,000	5.250%	129,150.00	639,150.00		4,410,000	4,410,000
11/01/2045			115,762.50	115,762.50	754,912.50	4,410,000	4,410,000
05/01/2046	535,000	5.250%	115,762.50	650,762.50		3,875,000	3,875,000
11/01/2046			101,718.75	101,718.75	752,481.25	3,875,000	3,875,000
05/01/2047	565,000	5.250%	101,718.75	666,718.75		3,310,000	3,310,000
11/01/2047			86,887.50	86,887.50	753,606.25	3,310,000	3,310,000
05/01/2048	595,000	5.250%	86,887.50	681,887.50		2,715,000	2,715,000
11/01/2048			71,268.75	71,268.75	753,156.25	2,715,000	2,715,000
05/01/2049	625,000	5.250%	71,268.75	696,268.75		2,090,000	2,090,000
11/01/2049			54,862.50	54,862.50	751,131.25	2,090,000	2,090,000
05/01/2050	660,000	5.250%	54,862.50	714,862.50		1,430,000	1,430,000
11/01/2050			37,537.50	37,537.50	752,400.00	1,430,000	1,430,000
05/01/2051	695,000	5.250%	37,537.50	732,537.50		735,000	735,000
11/01/2051			19,293.75	19,293.75	751,831.25	735,000	735,000
05/01/2052	735,000	5.250%	19,293.75	754,293.75			
11/01/2052					754,293.75		
	11,460,000		11,347,645.31	22,807,645.31	22,807,645.31		

Tab 4



Berger, Toombs, Elam, Gaines & Frank

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Board of Supervisors
Wiregrass II Community Development District
Pasco County, Florida

We are pleased to provide the following information related to our audit of the Wiregrass II Community Development District for the year ended September 30, 2021 to assist you in your oversight responsibility of the financial reporting process of the District.

Our responsibility under the auditing standards has been described to you in our engagement letter dated September 10, 2021.

Management is responsible for the appropriateness of the accounting policies used by the District. During the year, no significant new accounting policies were adopted nor were there any changes in the existing accounting policies.

We did not discuss with Management, any significant or unusual transactions nor did we discuss any alternative treatments available under generally accepted accounting policies during the current audit period.

Any audit adjustments provided by Management or communicated to Management have been reported to and agreed upon by Management. If you would like a detailed listing of all audit adjustments for the current period, please contact us.

We did not encounter any immaterial uncorrected misstatements during the course of our audit.

There are no disagreements with Management over the application of significant accounting principles, the basis for judgments made by Management on any significant matters, the scope of the audit or significant disclosures to be included in the financial statements.

We are not aware of any consultations Management had with other accountants about accounting or auditing matters.



Berger, Toombs, Elam,
Gaines & Frank
Certified Public Accountants PL

Board of Supervisors
Wiregrass II Community Development District
Page 2

There were no significant issues that were discussed during the course of the audit.

We did not encounter any difficulties in dealing with Management during the audit process.

Management has made certain written representations to us as part of the audit process. Please contact us if you would like a copy of those representations.

This letter is intended solely for the information and use of the Board of Supervisors and Management and is not intended to be and should not be used by anyone other than the intended parties. Please contact J. W. Gaines should you have any questions concerning this letter. We greatly appreciate the opportunity to be of service to the Wiregrass II Community Development District.

*Berger Toombs Elam
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

June 3, 2022

**Wiregrass II Community
Development District**

ANNUAL FINANCIAL REPORT

September 30, 2021

Wiregrass II Community Development District

ANNUAL FINANCIAL REPORT

September 30, 2021

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REPORT OF INDEPENDENT AUDITORS

To the Board of Supervisors
Wiregrass II Community Development District
Pasco County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of Wiregrass II Community Development District as of and for the year ended September 30, 2021, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Fort Pierce / Stuart

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To the Board of Supervisors
Wiregrass II Community Development District

Opinion

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, and each major fund of Wiregrass II Community Development District as of September 30, 2021, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Governmental Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis be presented to supplement the 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated June 3, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts.

The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Wiregrass II Community Development District's internal control over financial reporting and compliance.

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

June 3, 2022

**Wiregrass II Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

Management's discussion and analysis of Wiregrass II Community Development District's (the "District") financial performance provides an objective and easily readable analysis of the District's financial activities. The analysis provides summary financial information for the District and should be read in conjunction with the District's financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

The District's basic financial statements comprise three components; 1) *Government-wide financial statements*, 2) *Fund financial statements*, and 3) *Notes to financial statements*. The *Government-wide financial statements* present an overall picture of the District's financial position and results of operations. The *Fund financial statements* present financial information for the District's major funds. The *Notes to financial statements* provide additional information concerning the District's finances.

The *Government-wide financial statements* are the **statement of net position** and the **statement of activities**. These statements use accounting methods similar to those used by private-sector companies. Emphasis is placed on the net position of governmental activities and the change in net position. Governmental activities are primarily supported by developer contributions.

The **statement of net position** presents information on all assets and liabilities of the District, with the difference between assets and liabilities reported as net position. Assets, liabilities, and net position are reported for all Governmental activities.

The **statement of activities** presents information on all revenues and expenses of the District and the change in net position. Expenses are reported by major function and program revenues relating to those functions are reported, providing the net cost of all functions provided by the District. To assist in understanding the District's operations, expenses have been reported as governmental activities. Governmental activities financed by the District include general government, physical environment and debt service.

Fund financial statements present financial information for governmental funds. These statements provide financial information for the major funds of the District. Governmental fund financial statements provide information on the current assets and liabilities of the funds, changes in current financial resources (revenues and expenditures), and current available resources.

**Wiregrass II Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Fund financial statements include a **balance sheet** and a **statement of revenues, expenditures and changes in fund balances** for all governmental funds. A **statement of revenues, expenditures, and changes in fund balances – budget and actual** is provided for the District's General Fund. *Fund financial statements* provide more detailed information about the District's activities. Individual funds are established by the District to track revenues that are restricted to certain uses or to comply with legal requirements.

The *government-wide financial statements* and the *fund financial statements* provide different pictures of the District. The *government-wide financial statements* provide an overall picture of the District's financial standing. These statements are comparable to private-sector companies and give a good understanding of the District's overall financial health and how the District paid for the various activities or functions provided by the District. All assets of the District are reported in the **statement of net position**. All liabilities, including principal outstanding on bonds, are included. The **statement of activities** includes depreciation on long-lived assets of the District, but transactions between the different functions of the District are eliminated in order to avoid "doubling up" the revenues and expenses. The *fund financial statements* provide a picture of the major funds of the District.

Notes to financial statements provide additional detail concerning the financial activities and financial balances of the District. Additional information about the accounting practices of the District is also included in the *notes to financial statements*.

Financial Highlights

The following are the highlights of financial activity for the year ended September 30, 2021:

- ◆ The District's total assets exceeded total liabilities by \$4,246,403. Net investment in capital assets was \$4,214,883 and restricted net position was \$31,520.
- ◆ Governmental activities revenues totaled \$2,674,843 while governmental activities expenses totaled \$950,072.

**Wiregrass II Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District

The following schedule provides a summary of the assets, liabilities and net position of the District and is presented by category for comparison purposes.

	Net Position	
	Governmental Activities	
	2021	2020
Current assets	\$ 26,808	\$ 47,509
Restricted assets	10,389,626	-
Capital assets, net	4,411,252	2,521,632
Total Assets	<u>14,827,686</u>	<u>2,569,141</u>
Current liabilities	416,633	47,509
Non-current liabilities	10,164,650	-
Total Liabilities	<u>10,581,283</u>	<u>47,509</u>
Net Position		
Net investment in capital assets	4,214,883	2,521,632
Restricted net position	31,520	-
Net Position	<u>\$ 4,246,403</u>	<u>\$ 2,521,632</u>

The change in capital assets and net investment in capital assets is mainly the result of the contribution of land in the current year.

The increase in restricted assets and total liabilities is mainly related to the issuance of new long-term debt in the current year.

**Wiregrass II Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

The following schedule provides a summary of the changes in net position of the District and is presented by category for comparison purposes.

Change In Net Position

	Governmental Activities	
	2021	2020
Program Revenues		
Charges for services	\$ 593,084	\$ -
Grants and contributions	2,081,348	2,943,063
Investment income	411	-
Total Revenues	<u>2,674,843</u>	<u>2,943,063</u>
Expenses		
General government	77,957	99,175
Physical environment	135,423	34,670
Interest and other charges	736,692	-
Total Expenses	<u>950,072</u>	<u>133,845</u>
Conveyance to other government	<u>-</u>	<u>287,586</u>
Change in Net Position	1,724,771	2,521,632
Net Position - Beginning of Year	<u>2,521,632</u>	<u>-</u>
Net Position - End of Year	<u>\$ 4,246,403</u>	<u>\$ 2,521,632</u>

The increase in charges for services is related to the initial debt service special assessments in the current year.

The decrease in grants and contributions is related to the decrease in developer capital contributions in the current year.

The increase in physical environment expenses is related to the increase in depreciation in the current year.

**Wiregrass II Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Capital Assets Activity

The following schedule provides a summary of the District's capital assets as of September 30, 2021 and 2020:

	Governmental Activities	
	2021	2020
Land	\$ 1,995,645	\$ -
Construction in progress	21,652	-
Infrastructure	2,553,552	2,553,552
Less: accumulated depreciation	<u>(159,597)</u>	<u>(31,920)</u>
Governmental Activities Capital Assets	<u><u>\$ 4,411,252</u></u>	<u><u>\$ 2,521,632</u></u>

The capital asset activity in the current year included additions to land of \$1,995,645 and construction in progress of \$21,652 and depreciation of \$127,677.

General Fund Budgetary Highlights

The final budget exceeded actual expenditures primarily because landscape maintenance and contingency expenditures were less than anticipated.

There were no amendments to the budget for the year ended September 30, 2021.

Debt Management

Governmental Activities debt includes the following:

- In November 2020, the District issued \$10,705,000 Series 2020 Capital Improvement Revenue Bonds. These bonds were issued to finance a portion of the cost of acquisition, construction, installation, and equipping of the Series 2020 Project. The balance outstanding on the Series 2020 Bonds at September 30, 2021 was \$10,480,000.

**Wiregrass II Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Economic Factors and Next Year's Budget

Wiregrass II Community Development District issued Series 2020 Capital Improvement Revenue Bonds in the year ended September 30, 2021, and the associated capital project will be in process during the year ended September 30, 2022. The district will issue a new bond series in the last quarter of the year ended September 30, 2022 for \$11,460,000.

Request for Information

The financial report is designed to provide a general overview of Wiregrass II Community Development District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Wiregrass II Community Development District's Accounting Department at 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614.

Wiregrass II Community Development District
STATEMENT OF NET POSITION
September 30, 2021

	Governmental Activities
Assets	
Current Assets	
Cash	\$ 21,295
Prepaid expenses	5,513
Total Current Assets	<u>26,808</u>
Non-Current Assets	
Restricted Assets	
Investments	10,389,626
Capital Assets, Not Being Depreciated	
Land	1,995,645
Construction in progress	21,652
Capital Assets Being Depreciated	
Infrastructure	2,553,552
Accumulated depreciation	<u>(159,597)</u>
Total Non-current Assets	<u>14,800,878</u>
Total Assets	<u>14,827,686</u>
Liabilities	
Current Liabilities	
Accounts payable and accrued expenses	13,346
Unearned revenues	25,761
Bonds payable	220,000
Accrued interest	<u>157,526</u>
Total Current Liabilities	<u>416,633</u>
Non-Current Liabilities	
Bonds payable, net	<u>10,164,650</u>
Total Liabilities	<u>10,581,283</u>
Net Position	
Net investment in capital assets	4,214,883
Restricted for debt service	<u>31,520</u>
Total Net Position	<u><u>\$ 4,246,403</u></u>

See accompanying notes to financial statements.

Wiregrass II Community Development District
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
General government	\$ (77,957)	\$ -	\$ 77,957	\$ -	\$ -
Physical environment	(135,423)	-	7,746	1,995,645	1,867,968
Interest and other charges	(736,692)	593,084	-	-	(143,608)
Total Governmental Activities	<u>\$ (950,072)</u>	<u>\$ 593,084</u>	<u>\$ 85,703</u>	<u>\$ 1,995,645</u>	<u>1,724,360</u>
General Revenues					
Investment income					<u>411</u>
Changes in Net Position					1,724,771
Net Position - Beginning of Year					<u>2,521,632</u>
Net Position - End of Year					<u>\$ 4,246,403</u>

See accompanying notes to financial statements.

Wiregrass II Community Development District
BALANCE SHEET –
GOVERNMENTAL FUNDS
September 30, 2021

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash	\$ 21,295	\$ -	\$ -	\$ 21,295
Prepaid expenses	5,513	-	-	5,513
Restricted assets				
Investments, at fair value	-	486,702	9,902,924	10,389,626
Total Assets	<u>\$ 26,808</u>	<u>\$486,702</u>	<u>\$ 9,902,924</u>	<u>\$ 10,416,434</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable and accrued expenses	\$ 1,047	\$ -	\$ 12,299	\$ 13,346
Unearned revenues	25,761	-	-	25,761
Total Liabilities	<u>26,808</u>	<u>-</u>	<u>12,299</u>	<u>39,107</u>
FUND BALANCES				
Nonspendable - prepaid expenses	5,513	-	-	5,513
Restricted:				
Debt service	-	486,702	-	486,702
Capital projects	-	-	9,890,625	9,890,625
Unassigned	(5,513)	-	-	(5,513)
Total Fund Balances	<u>-</u>	<u>486,702</u>	<u>9,890,625</u>	<u>10,377,327</u>
Total Liabilities and Fund Balances	<u>\$ 26,808</u>	<u>\$486,702</u>	<u>\$ 9,902,924</u>	<u>\$ 10,416,434</u>

See accompanying notes to financial statements.

Wiregrass II Community Development District
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2021

Total Governmental Fund Balances	\$ 10,377,327
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets, land, \$1,995,645, construction in progress, \$21,652, and infrastructure, \$2,553,552, net of accumulated depreciation, \$(159,597), used in governmental activities are not current financial resources and; therefore, are not reported at the fund level.	4,411,252
Long-term liabilities, bonds payable, \$(10,480,000), net of bond discount, \$95,350, are not due and payable in the current period, and therefore, are not reported at the fund level.	(10,384,650)
Accrued interest expense for long-term debt is not a current financial use, and therefore, is not reported at the fund level.	<u>(157,526)</u>
Net Position of Governmental Activities	<u><u>\$ 4,246,403</u></u>

See accompanying notes to financial statements.

Wiregrass II Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
For the Year Ended September 30, 2021

	General	Debt Service	Capital Projects	Total Governmental Funds
Revenues				
Special assessments	\$ -	\$ 593,084	\$ -	\$ 593,084
Developer contributions	85,703	-	-	85,703
Investment income	-	15	396	411
Total Revenues	<u>85,703</u>	<u>593,099</u>	<u>396</u>	<u>679,198</u>
Expenditures				
Current				
General government	77,957	-	-	77,957
Physical environment	7,746	-	-	7,746
Capital outlay	-	-	21,652	21,652
Debt service				
Principal	-	225,000	-	225,000
Interest	-	179,053	-	179,053
Other debt service costs	-	-	396,825	396,825
Total Expenditures	<u>85,703</u>	<u>404,053</u>	<u>418,477</u>	<u>908,233</u>
Total Revenues Over/(Under) Total Expenditures	<u>-</u>	<u>189,046</u>	<u>(418,081)</u>	<u>(229,035)</u>
Other Financing Sources/(Uses)				
Issuance of long-term debt	-	297,656	10,407,344	10,705,000
Bond discount	-	-	(98,638)	(98,638)
Total Other Financing Sources/(Uses)	<u>-</u>	<u>297,656</u>	<u>10,308,706</u>	<u>10,606,362</u>
Net Change in Fund Balances	-	486,702	9,890,625	10,377,327
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>\$ 486,702</u>	<u>\$ 9,890,625</u>	<u>\$10,377,327</u>

See accompanying notes to financial statements.

Wiregrass II Community Development District
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2021

Net Change in Fund Balances - Total Governmental Funds	\$ 10,377,327
--	---------------

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

The contribution of capital assets does not affect current financial resources and therefore is not reflected at the fund level. This is the amount of capital assets contributed in the current period.	1,995,645
--	-----------

Governmental funds report capital outlays as expenditures. However, at the government-wide level the costs of those assets is allocated over their estimated useful lives as depreciation. This is the amount that depreciation, \$(127,677), exceeded capital outlay, \$21,652 in the current year.	(106,025)
--	-----------

The issuance of long-term debt, \$(10,705,000), net of bond discount, \$98,638, is reflected as an other financing source at the fund level, however, at the government-wide level it increases liabilities.	(10,606,362)
--	--------------

Repayments of bond principal are expenditures at the fund level, but the repayment reduces long-term liabilities at the government-wide level.	225,000
--	---------

Bond discount is amortized over the life of the bonds as interest at the government-wide level. This is the amount of the current year amortization.	(3,288)
--	---------

At the government-wide level, interest is accrued on outstanding bonds; whereas at the fund level, interest expenditures are reported when due. This is the change in accrued interest in the current period.	(157,526)
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Change in Net Position of Governmental Activities	\$ 1,724,771
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See accompanying notes to financial statements.

Wiregrass II Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND
For the Year Ended September 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Developer contributions	<u>\$ 180,225</u>	<u>\$ 180,225</u>	<u>\$ 85,703</u>	<u>\$ (94,522)</u>
Expenditures				
Current				
General government	85,225	85,225	77,957	7,268
Physical environment	<u>95,000</u>	<u>95,000</u>	<u>7,746</u>	<u>87,254</u>
Total Expenditures	<u>180,225</u>	<u>180,225</u>	<u>85,703</u>	<u>94,522</u>
Net Change in Fund Balances	-	-	-	-
Fund Balances - Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See accompanying notes to financial statements.

Wiregrass II Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District's more significant accounting policies are described below.

1. Reporting Entity

The District was established on January 22, 2019, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), by Pasco County Ordinance No. 19-03 as a Community Development District. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of the infrastructure necessary for community development within its jurisdiction. The District is authorized to issue bonds for the purpose, among others, of financing, funding, planning, establishing, acquiring, constructing district roads, landscaping, and other basic infrastructure projects within or outside the boundaries of the Wiregrass II Community Development District. The District is governed by a five-member Board of Supervisors. The District operates within the criteria established by Chapter 190, Florida Statutes.

As required by GAAP, these financial statements present the Wiregrass II Community Development District (the primary government) as a stand-alone government. The reporting entity for the District includes all functions of government in which the District's Board exercises oversight responsibility including, but not limited to, financial interdependency, selection of governing authority, designation of management, significant ability to influence operations and accountability for fiscal matters.

Based upon the application of the above-mentioned criteria as set forth by the Governmental Accounting Standards Board, the District has identified no component units.

2. Measurement Focus and Basis of Accounting

The basic financial statements of the District are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to financial statements

Wiregrass II Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

a. Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Government-wide financial statements report all non-fiduciary information about the reporting government as a whole. These statements include all the governmental activities of the primary government. The effect of interfund activity has been removed from these statements.

Governmental activities are supported by developer contributions. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets, rather than reported as an expenditure. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as an other financing source.

Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

b. Fund Financial Statements

The underlying accounting system of the District is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the District's governmental funds are presented after the government-wide financial statements. These statements display information about major funds individually.

Wiregrass II Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds

The District classifies fund balance according to Governmental Accounting Standards Board Statement 54 – Fund Balance Reporting and Governmental Fund Type Definitions. The Statement requires the fund balance for governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

The District has various policies governing the fund balance classifications.

Nonspendable Fund Balance – This classification consists of amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

Restricted Fund Balance – This classification includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Assigned Fund Balance – This classification consists of the Board of Supervisors' intent to be used for specific purposes, but are neither restricted nor committed. The assigned fund balances can also be assigned by the District's management company. Assignments are often temporary and normally the same formal action need not be taken to remove the assignment.

Unassigned Fund Balance – This classification is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. Unassigned fund balance is considered to be utilized first when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Fund Balance Spending Hierarchy – For all governmental funds except special revenue funds, when restricted, committed, assigned, and unassigned fund balances are combined in a fund, qualified expenditures are paid first from restricted or committed fund balance, as appropriate, then assigned and finally unassigned fund balances.

Wiregrass II Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collected within the current period or soon thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Interest associated with the current fiscal period is considered to be an accrual item and so has been recognized as revenue of the current fiscal period.

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of “available spendable resources”.

Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources are expended, rather than as fund assets. The proceeds of long-term debt are recorded as an other financing source rather than as a fund liability.

Debt service expenditures are recorded only when payment is due. No debt service assessments have been levied in the District.

3. Basis of Presentation

a. Governmental Major Funds

General Fund – The General Fund is the District’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Wiregrass II Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Basis of Presentation (Continued)

a. Governmental Major Funds (Continued)

Debt Service Fund – Accounts for debt service requirements to retire the capital improvement bonds which were used to finance the construction of District infrastructure improvements.

Capital Projects Fund – The Capital Projects Funds account for construction of infrastructure improvements within the boundaries of the District.

b. Non-current Governmental Assets/Liabilities

GASB Statement 34 requires that non-current governmental assets, such as infrastructure, and non-current governmental liabilities, such as general obligation bonds be reported in the governmental activities column in the government-wide Statement of Net Position.

4. Assets, Liabilities, and Net Position or Equity

a. Cash and Investments

Florida Statutes require state and local governmental units to deposit monies with financial institutions classified as "Qualified Public Depositories," a multiple financial institution pool whereby groups of securities pledged by the various financial institutions provide common collateral from their deposits of public funds. This pool is provided as additional insurance to the federal depository insurance and allows for additional assessments against the member institutions, providing full insurance for public deposits.

The District is authorized to invest in those financial instruments as established by Section 218.415, Florida Statutes. The authorized investments consist of:

1. Direct obligations of the United States Treasury;
2. The Local Government Surplus Funds Trust or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperative Act of 1969;
3. Interest-bearing time deposits or savings accounts in authorized qualified public depositories;
4. Securities and Exchange Commission, registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

Wiregrass II Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Assets, Liabilities, and Net Position or Equity (Continued)

b. Net Position

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

c. Capital Assets

Capital assets, which include land, construction in progress and infrastructure, are reported in the governmental activities column.

The District defines capital assets as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of two years. The valuation basis for all assets is historical cost.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation is computed utilizing the straight-line method over the estimated useful lives of the assets. The estimated useful lives of the various classes of depreciable capital assets are as follows;

Infrastructure	20 years
----------------	----------

d. Budgets

Budgets are prepared and adopted after public hearings for the governmental funds, pursuant to Chapter 190, Florida Statutes. The District utilizes the same basis of accounting for budgets as it does for revenues and expenditures in its various funds. The legal level of budgetary control is at the fund level. All budgeted appropriations lapse at year end. A formal budget is adopted for the general fund. As a result, deficits in the budget columns of the accompanying financial statements may occur.

e. Unamortized Bond Discounts

Bond discounts associated with the issuance of revenue bonds are amortized according to the straight-line method of accounting. For financial reporting, unamortized bond discounts are netted against the applicable long-term debt.

Wiregrass II Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE B – CASH AND INVESTMENTS

All deposits are held in qualified public depositories and are included on the accompanying balance sheet as cash and investments.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk, however, they follow the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2021, the District's bank balance was \$22,307 and the carrying value was \$21,295. Exposure to custodial credit risk was as follows: The District maintains all deposits in a qualified public depository in accordance with the provisions of Chapter 280, Florida Statutes, which means that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes.

As of September 30, 2021, the District had the following investments and maturities:

<u>Investment</u>	<u>Maturity</u>	<u>Market Value</u>
US Bank Managed Money Market	N/A	<u>\$ 10,389,626</u>

*Maturity is a weight average maturity

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

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

The managed money market fund is considered a mutual fund asset type for applying the criteria noted in the paragraph above and is considered a level 1 asset.

Interest Rate Risk

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

The District has no investment policy that would further limit its investment choices. As of September 30, 2021 the District's investment in US Bank Managed Money Market was unrated.

Wiregrass II Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE B – CASH AND INVESTMENTS (CONTINUED)

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one fund. The investments in US Bank Managed Money Market make up 100% of the District's total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2021 were typical of these items during the fiscal year then ended. The District considers any decline in fair value for certain investments to be temporary.

NOTE C – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2021 was as follows:

	Balance October 1, 2020	Additions	Deletions	Balance September 30, 2021
<u>Governmental Activities:</u>				
Capital assets, not being depreciated				
Land	\$ -	\$ 1,995,645	\$ -	\$ 1,995,645
Infrastructure under construction	-	21,652	-	21,652
Capital assets, not being depreciated	-	2,017,297	-	2,017,297
Capital assets, being depreciated:				
Infrastructure	2,553,552	-	-	2,553,552
Less accumulated depreciation for:				
Infrastructure	(31,920)	(127,677)		(159,597)
Capital assets being depreciated, net	2,521,632	(127,677)	-	2,393,955
Total Capital Assets, net	<u>\$ 2,521,632</u>	<u>\$ 1,889,620</u>	<u>\$ -</u>	<u>\$ 4,411,252</u>

Depreciation was charged to physical environment, \$127,677.

NOTE D – LONG-TERM DEBT

The following is a summary of activity for long-term debt of the District for the year ended September 30, 2021:

Long-term debt at October 1, 2020	\$ -
Issuance of long-term debt	10,705,000
Principal payments	<u>(225,000)</u>
Long-term debt at September 30, 2021	10,480,000
Bond discount, net	<u>(95,350)</u>
Bonds Payable, Net at September 30, 2021	<u>\$ 10,384,650</u>

Wiregrass II Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE D – LONG-TERM DEBT (CONTINUED)

In November 2020, the District issued \$10,705,000 Series 2020 Capital Improvement Revenue Bonds, due in annual principal installments beginning May 2021, maturing May 2050. Interest is due semi-annually on May 1 and November 1, beginning May 2021, at a rate of 2.5% on the \$1,135,000 bonds, with a maturity of May 1, 2025, 3.125% on the \$1,285,000 bonds, with a maturity of May 1, 2030, 3.7% on the \$3,365,000 bonds, with a maturity of May 1, 2040, and 3.875% on the \$4,920,000 bonds, with a maturity of May 1, 2050. Current portion is \$220,000.

\$ 10,480,000

The annual requirements to amortize the principal and interest of bonded debt outstanding as of September 30, 2021 are as follows:

Year Ending September 30,	Principal	Interest	Total
2022	\$ 220,000	\$ 378,061	\$ 598,061
2023	225,000	372,561	597,561
2024	230,000	366,936	596,936
2025	235,000	361,186	596,186
2026	240,000	355,311	595,311
2027-2031	1,330,000	1,658,744	2,988,744
2032-2036	1,585,000	1,410,015	2,995,015
2037-2041	1,905,000	1,094,035	2,999,035
2042-2046	2,310,000	701,957	3,011,957
2047-2050	2,200,000	217,000	2,417,000
Totals	<u>\$ 10,480,000</u>	<u>\$ 6,915,806</u>	<u>\$ 17,395,806</u>

Significant Bond Provisions

The Series 2020 Bonds are subject to optional redemption prior to maturity at the option of the District, in whole or in part, on any day on or after May 1, 2030 at the redemption price of the principal amount of the Series 2020 Bonds or portions thereof to be redeemed together with accrued interest at the redemption date. The Series 2020 Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Trust Indenture.

Wiregrass II Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE D – LONG-TERM DEBT (CONTINUED)

Significant Bond Provisions (Continued)

The Trust Indenture established certain amounts be maintained in a reserve account. In addition, the Trust Indenture has certain restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements.

Depository Funds

The bond resolution establishes certain funds and determines the order in which revenues are to be deposited into these funds. A description of the significant funds, including their purposes, is as follows:

1. Reserve Fund – The 2020 Reserve Account is funded from the proceeds of the Series Bonds in an amount equal to 50% of the Maximum Annual Debt Service Requirement for all Outstanding Series 2020 Bonds. Monies held in the reserve accounts will be used only for the purposes established in the Trust Indenture.

	Reserve Balance	Reserve Requirement
Series 2020 Capital Improvement Revenues Bonds	\$ 297,656	\$ 297,656

NOTE E – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The District has not filed any claims under this commercial coverage during the last three years.

NOTE F – PROMISSORY NOTE

The District executed a series of promissory notes payable to the Developer totaling \$2,841,108 with interest accruing at a rate of 5.16%. The District has promised to pay the Developer in a single installment, which is due and payable when and if the District, in its sole discretion, issues a future series of bonds or other indebtedness, and the proceeds of which are legally available for the payment of such principal and interest under terms of the indenture and the law. These notes are given to finance the purchase price for certain improvements described in the promissory notes. The District is under no obligation to issue such Bonds at any time and the Developer shall have no right to compel the District to issue such Bonds or to pay principal or interest from any other source of funds.

Wiregrass II Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE G – ECONOMIC DEPENDENCY

The Developer owns a significant portion of land located within the District's boundaries. A significant portion of the District's activity is dependent upon continued involvement of the Developer, the loss which could have a material adverse effect on the District's operations.

NOTE H – RELATED PARTIES

All voting members of the Board of Supervisors are employed by the Developer or a related entity. The District received \$85,703 in operating contributions, off-roll assessments of \$593,084, and \$1,995,645 in capital contributions from the Developer during the year ended September 30, 2021.



Berger, Toombs, Elam, Gaines & Frank

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

To the Board of Supervisors
Wiregrass II Community Development District
Pasco County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Wiregrass II Community Development District, as of and for the year ended September 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated June 3, 2022.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



Board of Supervisors
Wiregrass II Community Development District

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Wiregrass II Community Development District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

June 3, 2022



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

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MANAGEMENT LETTER

To the Board of Supervisors
Wiregrass II Community Development District
Pasco County, Florida

Report on the Financial Statements

We have audited the financial statements of the Wiregrass II Community Development District as of and for the year ended September 30, 2021, and have issued our report thereon dated June 3, 2022.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Florida Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and our Independent Auditor's Report on an examination conducted in accordance with *AICPA Professionals Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 3, 2022, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings or recommendations in the preceding financial audit report.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not Wiregrass II Community Development District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that Wiregrass II Community Development District did not meet any of the conditions described in Section 218.503(1) Florida Statutes.



To the Board of Supervisors
Wiregrass II Community Development District

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for Wiregrass II Community Development District. It is management's responsibility to monitor the Wiregrass II Community Development District's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same as of September 30, 2021.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Specific Information

The information provided below was provided by management and has not been audited; therefore, we do not express an opinion or provide any assurance on the information.

As required by Section 218.39(3)(c) and Section 218.32(1)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Wiregrass II Community Development District reported:

- 1) The total number of district employees compensated in the last pay period of the District's fiscal year: 0
- 2) The total number of independent contractors to whom nonemployee compensation, defined as individuals or entities that receive 1099s, was paid in the last month of the District's fiscal year: 2
- 3) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: N/A
- 4) All compensation earned by or awarded to nonemployee independent contractors, defined as entities or individuals that receive 1099s, whether paid or accrued, regardless of contingency: \$54,475
- 5) Each construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1, 2020, together with the total expenditures for such project: The District had no construction projects during the year.
- 6) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes: There were no amendments to the FY 2021 budget.

As required by Section 218.39(3)(c) and Section 218.32(1)(c), Florida Statutes, and Section 10.554(1)(i)8, Rules of the Auditor General, the Wiregrass II Community Development District reported:

- 7) The rate or rates of non-ad valorem special assessments imposed by the District: No rates for the current fiscal year.
- 8) The amount of special assessments collected by or on behalf of the District: \$593,084
- 9) The total amount of outstanding bonds issued by the District and the terms of such bonds: \$10,480,000 Series 2020 maturing May 2050.



Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

To the Board of Supervisors
Wiregrass II Community Development District

Additional Matters

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

Purpose of this Letter

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

*Berger Toombs Elam
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

June 3, 2021



**Berger, Toombs, Elam,
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**INDEPENDENT ACCOUNTANTS' REPORT/COMPLIANCE WITH
SECTION 218.415, FLORIDA STATUTES**

To the Board of Supervisors
Wiregrass II Community Development District
Pasco County, Florida

We have examined Wiregrass II Community Development District's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2021. Management is responsible for Wiregrass II Community Development District's compliance with those requirements. Our responsibility is to express an opinion on Wiregrass II Community Development District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about Wiregrass II Community Development District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on Wiregrass II Community Development District's compliance with the specified requirements.

In our opinion, Wiregrass II Community Development District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2021.

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

June 3, 2022