

PALMA SOLA TRACE COMMUNITY DEVELOPMENT DISTRICT

DISTRICT OFFICE · 3434 COLWELL AVENUE · SUITE 200 · TAMPA, FLORIDA 33614

PALMA SOLA TRACE COMMUNITY DEVELOPMENT DISTRICT

**BOARD OF SUPERVISORS' MEETING
AUGUST 25, 2011**

**PALMA SOLA TRACE
COMMUNITY DEVELOPMENT DISTRICT
AGENDA
AUGUST 25, 2011 at 1:30 p.m.**

Palma Sola Trace Clubhouse
7408 Hamilton Road
Bradenton, FL 34209

District Board of Supervisors	John Asher Mac McCraw Michelle Campbell James Fleming Peter Gelman	Chairman Vice Chairman Assistant Secretary Assistant Secretary Assistant Secretary
District Manager	Greg Cox	Rizzetta & Company, Inc.
District Attorney	Jere Earlywine	Hopping Green & Sams, P.A.
District Engineer	Denise Greer	King Engineering Associates, Inc.

All Cellular phones and pagers must be turned off while in the meeting room.

The District Agenda is comprised of four different sections:

The meeting will begin promptly at **1:30 p.m.** with the first section which is called **Business Administration**. The Business Administration section contains items that require the review and approval of the District Board of Supervisors as a normal course of business. The second section is called **Business Items**. The business items section contains items for approval by the District Board of Supervisors that may require discussion, motion and votes on an item-by-item basis. If any member of the audience would like to speak on one of the business items, they will need to register with the District Manager prior to the presentation of that agenda item. Occasionally, certain items for decision within this section are required by Florida Statute to be held as a Public Hearing. During the Public Hearing portion of the agenda item, each member of the public will be permitted to provide one comment on the issue, prior to the Board of Supervisors' discussion, motion and vote. Agendas can be reviewed by contacting the Manager's office at (813) 933-5571 at least seven days in advance of the scheduled meeting. Requests to place items on the agenda must be submitted in writing with an explanation to the District Manager at least fourteen (14) days prior to the date of the meeting. The third section is called **Staff Reports**. This section allows the District Manager, Engineer, and Attorney to update the Board of Supervisors on any pending issues that are being researched for Board action. The final section is called **Supervisor Requests and Audience Comments**. This is the section in which the Supervisors may request Staff to prepare certain items in an effort to meet residential needs. The Audience Comment portion of the agenda is where individuals may comment on matters that concern the District. Each individual is limited to three **(3) minutes** for such comment. The Board of Supervisors or Staff is not obligated to provide a response until sufficient time for research or action is warranted. **IF THE COMMENT CONCERNS A MAINTENANCE RELATED ITEM, THE ITEM WILL NEED TO BE ADDRESSED BY THE DISTRICT MANAGER OUTSIDE THE CONTEXT OF THIS MEETING.**

Public workshops sessions may be advertised and held in an effort to provide informational services. These sessions allow staff or consultants to discuss a policy or business matter in a more informal manner and allow for lengthy presentations prior to scheduling the item for approval. Typically no motions or votes are made during these sessions.

Pursuant to provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this meeting is asked to advise the District Office at (813) 933-5571, at least 48 hours before the meeting. If you are hearing or speech impaired, please contact the Florida Relay Service at 1 (800) 955-8770, who can aid you in contacting the District Office.

Any person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that this same 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.

August 17, 2011

Board of Supervisors
Palma Sola Trace Community
Development District

AGENDA

Dear Board Members:

The regular meeting of the Board of Supervisors of Palma Sola Trace Community Development District will be held on Thursday, August 25, 2011 at 1:30 p.m. at the Palma Sola Trace Clubhouse located at 7408 Hamilton Road, Bradenton, FL 34209. Following is the agenda for this meeting:

- 1. CALL TO ORDER**
- 2. BUSINESS ADMINISTRATION**
 - A. Administration of Oath of Office for Newly Appointed Board MemberTab 1
 - B. Consideration of Resolution 2011-08, Re-Designating Officers of the BoardTab 2
 - C. Consideration of the Minutes of the Board of Supervisors' Meeting held on July 28, 2011Tab 3
 - D. Consideration of Operation & Maintenance Expenditures for July 2011Tab 4
- 3. BUSINESS ITEMS**
 - A. Consideration of Recommendations of Audit Review Committee
 - B. Update on Pond Bank Repair Project
 - C. Update on Irrigation and Landscape Project
 - D. Monthly Updates
 1. Street Light Update
 2. Pond Maintenance Update
 3. Creek Maintenance Update
- 4. STAFF REPORTS**
 - A. District Counsel
 - B. District Engineer
 - C. District Manager
- 5. SUPERVISOR REQUESTS AND AUDIENCE COMMENTS**
- 6. ADJOURNMENT**

I look forward to seeing you at the meeting. In the meantime, if you have any questions, please do not hesitate to contact me at (813) 933-5571.

Very truly yours,



Greg Cox
District Manager

Tab 1

**PALMA SOLA TRACE
COMMUNITY DEVELOPMENT DISTRICT
BOARD OF SUPERVISOR
OATH OF OFFICE**

I, _____, A CITIZEN OF THE STATE OF FLORIDA AND OF THE UNITED STATES OF AMERICA, AND BEING EMPLOYED BY OR AN OFFICER OF PALMA SOLA TRACE COMMUNITY DEVELOPMENT DISTRICT AND A RECIPIENT OF PUBLIC FUNDS AS SUCH EMPLOYEE OR OFFICER, DO HEREBY SOLEMNLY SWEAR OR AFFIRM THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES AND THE STATE OF FLORIDA.

SUPERVISOR SIGNATURE

ACKNOWLEDGMENT OF OATH BEING TAKEN

STATE OF FLORIDA
COUNTY OF MANATEE

On this ____ day of _____, 2011, before me, personally appeared _____ to me well known and known to me to be the person described in and who took the aforementioned oath as a Board Member of the Board of Supervisors of Palma Sola Trace Community Development District and acknowledged to and before me that they took said oath for the purposes therein expressed.

WITNESS my hand and official seal the date aforesaid.

Notary Public
STATE OF FLORIDA

My commission expires on: _____

Tab 2

RESOLUTION 2011-08

A RESOLUTION OF THE BOARD OF SUPERVISORS OF PALMA SOLA TRACE COMMUNITY DEVELOPMENT DISTRICT REDESIGNATING THE OFFICERS OF THE DISTRICT, AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, Palma Sola Trace Community Development District (hereinafter the "District") is a local unit of special-purpose government created and existing pursuant to Chapter 190, Florida Statutes, being situated entirely within the City of Bradenton, Manatee County, Florida; and

WHEREAS, the Board of Supervisors of the District desires to designate the Officers of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF PALMA SOLA TRACE COMMUNITY DEVELOPMENT DISTRICT:

Section 1. _____ is appointed Chairman.

Section 2. _____ is appointed Vice Chairman.

Section 3. _____ is appointed Assistant Secretary.
_____ is appointed Assistant Secretary.
_____ is appointed Assistant Secretary.
_____ is appointed Assistant Secretary.
_____ is appointed Assistant Secretary.

Section 4. This Resolution shall not supersede any appointments made by the Board other than those specified in Sections 1, 2, and 3.

Section 5. This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED THIS 25TH DAY OF AUGUST, 2011.

PALMA SOLA TRACE COMMUNITY DEVELOPMENT DISTRICT

CHAIRMAN

ATTEST:

SECRETARY

Tab 3

MINUTES OF MEETING

Each person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

**PALMA SOLA TRACE
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of Palma Sola Trace Community Development District was held on **Thursday, July 28, 2011 at 1:33 p.m.** at the **Palma Sola Trace Clubhouse** located at 7408 Hamilton Road, Bradenton, FL 34209.

Present and constituting a quorum:

Mac McCraw	Board Supervisor, Vice Chairman
Michelle Campbell	Board Supervisor, Assistant Secretary
James Fleming	Board Supervisor, Assistant Secretary

Also present were:

Greg Cox	Rizzetta & Company, Inc.
Jere Earlywine	District Counsel, Hopping Green & Sams, P.A.

Audience

FIRST ORDER OF BUSINESS

Call to Order

Mr. Cox called the meeting to order and read the roll call.

SECOND ORDER OF BUSINESS

Acceptance of Resignation of John Asher

Mr. Cox presented an email from John Asher (**Exhibit A**) tendering his resignation to the Board for consideration.

On a Motion by Mr. Fleming, seconded by Ms. Campbell, with all in favor, the Board accepted the resignation of Board Member John Asher for the Palma Sola Trace Community Development District.

THIRD ORDER OF BUSINESS

**Nomination(s) for Replacement of Vacant
Seat**

There were two nominations for the Board to consider, Theodore "Dutch" Neuweiler III and Alan Ekiert. A vote by show of hands was taken for each nominee. On nominee Mr. Neuweiler,

Mr. McCraw and Ms. Campbell were in favor and Mr. Fleming opposed; on nominee Mr. Ekiert, Mr. Fleming was in favor and Mr. McCraw and Ms. Campbell opposed.

Upon Nomination by Mr. McCraw, seconded by Ms. Campbell, with Mr. Fleming opposed, the Board approved the appointment of Theodore C. "Dutch" Neuweiler III to fill the membership vacancy created by the resignation of Mr. Asher for Palma Sola Trace Community Development District.

FOURTH ORDER OF BUSINESS

Consideration of Minutes of the Board of Supervisors' Meeting Held on May 26, 2011

Mr. Cox presented the minutes of the Board of Supervisors' meeting held on May 26, 2011 to the Board for consideration.

On a Motion by Mr. Fleming, seconded by Mr. McCraw, with all in favor, the Board approved the Minutes of the Board of Supervisors' Meeting held on May 26, 2011 for the Palma Sola Trace Community Development District.

FIFTH ORDER OF BUSINESS

Consideration of Operation & Maintenance Expenditures for May 2011 and June 2011

Mr. Cox presented the Operation and Maintenance expenditures for May 2011 (\$10,025.19) and June 2011 (\$51,725.94) to the Board for consideration. Discussion ensued.

On a Motion by Mr. Fleming, seconded by Mr. McCraw, with all in favor, the Board approved the Operation and Maintenance expenditures for May 2011 (\$10,025.19) and June 2011 (\$51,725.94) for the Palma Sola Trace Community Development District.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2011-03, Redesignating the Location of District's Record of Proceedings

Mr. Cox presented Resolution 2011-03 to the Board for consideration and explained the requirements for records storage.

On a Motion by Mr. Fleming, seconded by Mr. McCraw, with all in favor, the Board adopted Resolution 2011-03, Redesignating the Location of District's Record of Proceedings, for the Palma Sola Trace Community Development District.

SEVENTH ORDER OF BUSINESS

**Consideration of Resolution 2011-04,
Appointing an Assistant Treasurer of the
District**

On a Motion by Mr. Fleming, seconded by Mr. McCraw, with all in favor, the Board adopted Resolution 2011-04, appointing Shawn Wildermuth as Assistant Treasurer for Palma Sola Trace Community Development District.

EIGHTH ORDER OF BUSINESS

**Public Hearing for Fiscal Year 2011/2012
Final Budget**

On a Motion by Ms. Campbell, seconded by Mr. Fleming, with all in favor, the Board of Supervisors opened the Public Hearing portion of the meeting for Palma Sola Trace Community Development District.

An audience member asked about lowering the assessments due to the reserves balance.

NINTH ORDER OF BUSINESS

**Consideration of Resolution 2011-05,
Adopting the Budget for Fiscal Year
2011/2012**

Mr. Cox presented the Approved Budget for Fiscal Year 2011/2012 to the Board for consideration and reviewed it with the Board. Discussion ensued.

On a Motion by Mr. McCraw, seconded by Mr. Fleming, with all in favor, the Board of Supervisors adopted Resolution 2011-05, Adopting the Budget for Fiscal Year 2011/2012, for Palma Sola Trace Community Development District.

On a Motion by Mr. Fleming, seconded by Mr. McCraw, with all in favor, the Board of Supervisors closed the Public Hearing portion of the meeting for Palma Sola Trace Community Development District.

TENTH ORDER OF BUSINESS

**Consideration of Resolution 2011-06,
Imposing Special Assessments**

Mr. Cox presented Resolution 2011-06 to the Board for consideration.

On a Motion by Mr. Fleming, seconded by Ms. Campbell, with all in favor, the Board of Supervisors adopted Resolution 2011-06, Imposing Special Assessments, for Palma Sola Trace Community Development District.

ELEVENTH ORDER OF BUSINESS

**Consideration of Resolution 2011-07,
Adopting the Annual Meeting Schedule
for Fiscal Year 2011/2012**

Mr. Cox presented Resolution 2011-07 to the Board for consideration. The Board agreed to adjust the schedule to allow for meetings to be held at 1:30 p.m. on the fourth Thursday of every other month beginning in October 2011.

On a Motion by Mr. McCraw, seconded by Mr. Fleming, with all in favor, the Board adopted Resolution 2011-07, Adopting the Annual Meeting Schedule for Fiscal Year 2011/2012 as amended, for Palma Sola Trace Community Development District.

TWELFTH ORDER OF BUSINESS

**Establishment of Audit Committee and
Authorization to Advertise for Audit
Committee Meeting**

Mr. Cox advised that normally the full Board would serve as the Audit Committee and recommended the Audit Committee meeting date be set for August 25, 2011.

On a Motion by Mr. McCraw, seconded by Mr. Fleming, with all in favor, the Board appointed the Board of Supervisors to serve as the Audit Committee and gave authorization to advertise for the next Audit Committee Meeting to be held on August 25, 2011 at 1:30 p.m. for Palma Sola Trace Community Development District.

THIRTEENTH ORDER OF BUSINESS

Update of Pond Bank Repair Project

Mr. Cox advised that the recent rains have helped the bank repair project take hold. He stated that West Bay Landscape has submitted a proposal for installation of trees on the berm and is willing to scope the price to \$5,700.00 or less, which is the Taylor Morrison budgeted amount.

On a Motion by Mr. McCraw, seconded by Mr. Fleming, with all in favor, the Board accepted the proposal for tree installation from West Bay Landscape in an amount not to exceed \$5,700.00 for Palma Sola Trace Community Development District.

FOURTEENTH ORDER OF BUSINESS

**Update of Irrigation and Installation
Project**

Mr. Cox advised that the irrigation is almost fully installed and should be up and running shortly, and the trees will be installed soon as well.

FIFTEENTH ORDER OF BUSINESS

Street Light Update

Mr. Cox updated the Board on the status of the street light repairs. Mr. Cox advised that there was a claim filed to cover replacement of the light damaged in a motor vehicle accident.

SIXTEENTH ORDER OF BUSINESS

Pond Maintenance Update

Mr. Cox stated that while he hasn't received complaints regarding the ponds, at this time of year there is a continual problem with algae bloom remediation.

SEVENTEENTH ORDER OF BUSINESS

Creek Maintenance Update

Mr. Cox provided a proposal for removal of the black walnut tree from John Carino in the amount of \$1,800.00 to the Board for consideration.

On a Motion by Mr. Fleming, seconded by Mr. McCraw, with all in favor, the Board approved the proposal for tree replacement from John Carino in the amount of \$1,800.00 for Palma Sola Trace Community Development District.

On suggestion by Mr. Fleming, Mr. Cox will also research an appropriate replacement tree for planting.

EIGHTEENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel
No report given.

B. District Engineer
Not present.

C. District Manager
Mr. Cox stated that the next regularly scheduled meeting will be held on August 25, 2011 at 1:30 p.m.

Mr. Cox also presented and reviewed under separate cover the District Audit Financial Report for the Fiscal Year Ended September 30, 2010 (**Exhibit B**).

On a Motion by Mr. Fleming, seconded by Ms. Campbell, with all in favor, the Board approved to receive and file the District Audit Financial Report for Fiscal Year Ended September 30, 2010 for Palma Sola Trace Community Development District.

NINETEENTH ORDER OF BUSINESS

Supervisor Requests and Audience Comments

Supervisor Requests:

There were no additional Supervisor requests made.

Audience Comments:

There were no additional comments from the Audience members.

TWENTIETH ORDER OF BUSINESS

Adjournment

On a Motion by Mr. Fleming, seconded by Mr. McCraw, with all in favor, the Board adjourned the Board of Supervisors' Meeting at 2:36 p.m. for the Palma Sola Trace Community Development District.

Secretary / Assistant Secretary

Chairman / Vice Chairman

Exhibit A

Gregory Cox

From: John Asher [JAsher@kitsonpartners.com]
Sent: Thursday, July 28, 2011 8:25 AM
To: Jere Earlywine; Gregory Cox
Subject: Asher Resignation - Palma Sola Trace CDD

To: Palma Sola Trace Community Development District Board of Directors

Please accept this email as my formal resignation from the Board of Directors of the Palma Sola Trace CDD. It has been a pleasure serving and I wish you the best of luck and success.

Also, Please let me know when the resignation is official so that I can submit the Form 1F. Thank you.

John Asher

Director of Land Development
Tuscany Reserve
16980 Livingston Rd.
Naples, FL 34110
Direct: (239) 449-5920
Cell: (239) 293-4220
www.kitsonpartners.com
www.tuscanyreserve.com

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Exhibit B

**PALMA SOLA TRACE
COMMUNITY DEVELOPMENT DISTRICT
CITY OF BRADENTON, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**PALMA SOLA TRACE COMMUNITY DEVELOPMENT DISTRICT
CITY OF BRADENTON, FLORIDA**

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	2-5
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Statement of Net Assets	6
Statement of Activities	7
Fund Financial Statements:	
Balance Sheet – Governmental Funds	8
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	9
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	10
Notes to the Financial Statements	11-18
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	19
Notes to Required Supplementary Information	20
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	21
MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550 OF THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA	22-24

INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Palma Sola Trace Community Development District
City of Bradenton, Florida

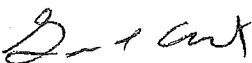
We have audited the accompanying financial statements of the governmental activities and each major fund of Palma Sola Trace Community Development District, City of Bradenton, Florida (the "District") as of and for the fiscal year ended September 30, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2010, and the respective changes in financial position thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 21, 2011, 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 and other matters. 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



July 21, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Palma Sola Trace Community Development District, City of Bradenton, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2010. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The liabilities of the District exceeded its assets at the close of the most recent fiscal year resulting in a net asset deficit balance of \$(2,749,990).
- The change in the District's total net assets in comparison with the prior year was (\$79,399), a decrease. The key components of the District's net assets and change in net assets are reflected in the table in the following section.
- At September 30, 2010, the District's governmental funds reported combined ending fund balances of \$682,067, an increase of \$85,336 in comparison with the prior year. A portion of fund balance is reserved for debt service, capital projects, and other items and the remainder is unreserved fund balance which is available for spending at the District's discretion.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as the introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all the District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements include all governmental activities that are principally supported by special assessment revenues. The District does not have any business-type activities. The governmental activities of the District include the general government (management) and maintenance functions.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has one fund category: governmental funds.

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflow of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of an entity's financial position. In the case of the District, liabilities exceeded assets at the close of the most recent fiscal year.

Key components of the District's net assets are reflected in the following table:

NET ASSETS		
SEPTEMBER 30,		
	2010	2009
Assets, excluding capital assets	\$ 852,466	\$ 775,753
Capital assets	1,214,081	1,268,829
Total assets	2,066,547	2,044,582
Liabilities, excluding long-term liabilities	111,460	115,173
Long-term liabilities	4,705,077	4,600,000
Total liabilities	4,816,537	4,715,173
Net assets		
Invested in capital assets, net of related debt	(3,287,493)	(3,136,309)
Restricted for debt service	187,287	197,557
Unrestricted	350,216	268,161
Total net assets (deficit)	\$ (2,749,990)	\$ (2,670,591)

The District's net assets reflects its investment in capital assets (e.g. land, land improvements, and infrastructure); less any related debt used to acquire those assets that is still outstanding. These assets are used to provide services to residents; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The restricted portion of the District's net assets represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets may be used to meet the District's other obligations.

The District's net assets decreased during the most recent fiscal year. The majority of the decrease is attributable to the recognition of certain accrued obligations during the current fiscal year.

Key elements of the change in net assets are reflected in the following table:

	2010	2009
Revenues:		
Program revenues	\$ 623,599	\$ 647,737
General revenues	1,018	(357)
Total revenues	<u>624,617</u>	<u>647,380</u>
Expenses:		
General government	84,271	82,950
Infrastructure and maintenance costs	155,258	155,945
Interest	269,410	273,842
Other project costs	195,077	-
Total expenses	<u>704,016</u>	<u>512,737</u>
Change in net assets	(79,399)	134,643
Net Assets (deficit) - beginning	(2,670,591)	(2,805,234)
Net Assets (deficit) - ending	<u>\$ (2,749,990)</u>	<u>\$ (2,670,591)</u>

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2010 was \$704,016. The costs of the District's activities were primarily funded by program revenues. Program revenues in the current and prior year were comprised primarily of assessment revenues.

GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2010.

The variance between budgeted and actual general fund revenues for the 2010 fiscal year was not considered significant. The actual general fund expenditures for the 2010 fiscal year were lower than budgeted amounts due primarily to anticipated costs which were not incurred in the current fiscal year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2010, the District had \$1,341,828 invested in stormwater system and street lights for its governmental activities. In the government-wide financial statements depreciation of \$127,747 has been taken, which resulted in a net book value of \$1,214,081. More detailed information about the District's capital assets is presented in the notes to the financial statements.

Capital Debt

At September 30, 2010, the District had \$4,510,000 in Bonds outstanding for its governmental activities. In addition, the District had a Due to the Developer of \$195,077 at September 30, 2010. More detailed information about the District's capital debt is presented in the notes to the financial statements.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, landowners, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact the Palma Sola Trace Community Development District's Finance Department at 3434 Colwell Avenue, Suite 200, Tampa, Florida, 33614.

FINANCIAL STATEMENTS

**PALMA SOLA TRACE COMMUNITY DEVELOPMENT DISTRICT
CITY OF BRADENTON, FLORIDA
STATEMENT OF NET ASSETS
SEPTEMBER 30, 2010**

	Governmental Activities
ASSETS	
Cash	\$ 338,803
Investments	2,602
Other receivables	60
Prepays	11,919
Restricted assets:	
Temporarily restricted	
Investments	331,851
Deferred charges	167,231
Capital assets:	
Depreciable, net	1,214,081
Total assets	2,066,547
LIABILITIES	
Accounts payable	3,168
Accrued interest payable	108,292
Non-current liabilities:	
Due within one year	85,000
Due in more than one year	4,620,077
Total liabilities	4,816,537
NET ASSETS	
Invested in capital assets, net of related debt	(3,287,493)
Restricted for debt service	187,287
Unrestricted	350,216
Total net assets (deficit)	\$ (2,749,990)

See notes to the financial statements

**PALMA SOLA TRACE COMMUNITY DEVELOPMENT DISTRICT
CITY OF BRADENTON, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

Functions/Programs Primary government:	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:				
General government	\$ 84,271	\$ -	\$ -	\$ -
Maintenance and operations	155,258	-	1	26,290
Interest on long-term debt	269,410	8	-	88,370
Other project costs	195,077	-	-	(195,077)
Total governmental activities	704,016	8	1	(80,417)

General revenues:

Unrestricted investment earnings (loss)	1,018
Total general revenues	1,018
Change in net assets	(79,399)
Net assets (deficit) - beginning	(2,670,591)
Net assets (deficit) - ending	\$ (2,749,990)

See notes to the financial statements

**PALMA SOLA TRACE COMMUNITY DEVELOPMENT DISTRICT
CITY OF BRADENTON, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2010**

	Major Funds			Total Governmental Funds
	General	Debt Service	Capital Projects	
ASSETS				
Cash	\$ 338,803	\$ -	\$ -	\$ 338,803
Investments	2,602	295,579	36,272	334,453
Other receivables	60	-	-	60
Prepays	11,919	-	-	11,919
Total assets	<u>\$ 353,384</u>	<u>\$ 295,579</u>	<u>\$ 36,272</u>	<u>\$ 685,235</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 3,168	\$ -	\$ -	\$ 3,168
Total liabilities	<u>3,168</u>	<u>-</u>	<u>-</u>	<u>3,168</u>
Fund balances:				
Reserved for:				
Debt service	-	295,579	-	295,579
Capital projects	-	-	36,272	36,272
Other	11,919	-	-	11,919
Unreserved, designated for:				
Capital reserves	89,384	-	-	89,384
Unreserved, reported in:				
General fund	248,913	-	-	248,913
Total fund balances	<u>350,216</u>	<u>295,579</u>	<u>36,272</u>	<u>682,067</u>
Total liabilities and fund balances	<u>\$ 353,384</u>	<u>\$ 295,579</u>	<u>\$ 36,272</u>	<u>\$ 685,235</u>

Amounts reported for governmental activities in the statement of net assets are different because:

Fund balance - governmental funds \$ 682,067

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The statement of net assets includes those capital assets in the net assets of the government as a whole.

Cost of capital assets	1,341,828	
Accumulated depreciation	<u>(127,747)</u>	1,214,081

Bond issue costs are not financial resources and, therefore, are not reported as assets in the governmental funds. The statements of net assets includes these costs, net of amortization.

Bond issue costs	204,774	
Less: accumulated amortization	<u>(37,543)</u>	167,231

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

Accrued interest	(108,292)	
Bonds payable	(4,510,000)	
Due to Developer	<u>(195,077)</u>	(4,813,369)
Net assets of governmental activities		<u>\$ (2,749,990)</u>

See notes to the financial statements

**PALMA SOLA TRACE COMMUNITY DEVELOPMENT DISTRICT
CITY OF BRADENTON, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

	Major Funds			Total Governmental Funds
	General	Debt Service	Capital Projects	
REVENUES				
Assessments	\$ 265,818	\$ 357,772	\$ -	\$ 623,590
Interest income (loss)	1,018	8	1	1,027
Total revenues	<u>266,836</u>	<u>357,780</u>	<u>1</u>	<u>624,617</u>
EXPENDITURES				
Current:				
General government	84,271	-	-	84,271
Maintenance and operations	100,510	-	-	100,510
Debt service:				
Principal	-	90,000	-	90,000
Interest	-	264,500	-	264,500
Total expenditures	<u>184,781</u>	<u>354,500</u>	<u>-</u>	<u>539,281</u>
Excess (deficiency) of revenues over (under) expenditures	82,055	3,280	1	85,336
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	-	(15,466)	15,466	-
Total other financing sources (uses)	<u>-</u>	<u>(15,466)</u>	<u>15,466</u>	<u>-</u>
Net change in fund balances	82,055	(12,186)	15,467	85,336
Fund balances - beginning	<u>268,161</u>	<u>307,765</u>	<u>20,805</u>	<u>596,731</u>
Fund balances - ending	<u>\$ 350,216</u>	<u>\$ 295,579</u>	<u>\$ 36,272</u>	<u>\$ 682,067</u>

See notes to the financial statements

**PALMA SOLA TRACE COMMUNITY DEVELOPMENT DISTRICT
CITY OF BRADENTON, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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

Net change in fund balances - total governmental funds	\$ 85,336
Depreciation of capital assets is not recognized in the governmental fund statements but is reported as an expense in the statement of activities.	(54,748)
Amortization of deferred charges is not recognized in the governmental fund statements but is reported as an expense in the statement of activities.	(6,826)
Repayment of long-term liabilities are reported as expenditures in the governmental fund statement but such repayments reduce liabilities in the statement of net assets.	90,000
Certain accrued obligations not normally expected to be liquidated with expendable available financial resources unless they are due for payment in the current period are not reported in the fund financial statements but are recognized in the government-wide financial statements.	(195,077)
The change in accrued interest on long-term liabilities between the current and prior fiscal year is recorded in the statement of activities but not in the fund financial statements.	1,916
Change in net assets of governmental activities	<u>\$ (79,399)</u>

See notes to the financial statements

**PALMA SOLA TRACE COMMUNITY DEVELOPMENT DISTRICT
CITY OF BRADENTON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

Palma Sola Trace Community Development District (the "District") was established by City of Bradenton Ordinance 2763 enacted on October 4, 2004 pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes. The Act provides, among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District.

The District is governed by the Board of Supervisors ("Board"), which is composed of five members. At present, the Supervisors are elected on an at large basis by the owners of the property within the District. Ownership of land within the District entitles the owner to one vote per acre. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes. Three Board members are associated with Taylor Woodrow Homes-Central Florida Division, LLC ("Developer") at September 30, 2010.

The Board has the final responsibility for, among other things:

1. Assessing and levying assessments.
2. Approving budgets.
3. Exercising control over facilities and properties.
4. Controlling the use of funds generated by the District.
5. Approving the hiring and firing of key personnel.
6. Financing improvements.

The financial statements were prepared in accordance with Governmental Accounting Standards Board ("GASB") Statement 14, and Statement 39, an amendment of GASB Statement 14. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the District Board of Supervisors is considered to be financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment. Operating-type special assessments for maintenance and debt service are treated as charges for services, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not included among program revenues are reported instead as *general revenues*.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Assessments are recognized as revenues in the year for which they are levied. Grants and similar items are to be recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Assessments

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

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

The District reports the following major governmental funds:

General Fund

The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund

The debt service fund is used to account for the accumulation of resources for the annual payment of principal and interest on long-term debt.

Capital Projects Fund

This fund accounts for the financial resources to be used for the acquisition or construction of major infrastructure within the District.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first for qualifying expenditures, then unrestricted resources as they are needed.

Restricted Assets

These assets represent cash and investments set aside pursuant to Bond covenants or other contractual restrictions.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Assets or Equity

Deposits and Investments

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

The District has adopted a written investment policy, which complies with the requirements of Section 218.415 Florida Statutes. All investments comply with the requirements of the written investment policy. The District may invest any surplus public funds in the following:

- a) The Local Government Surplus Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act;
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
- c) Interest bearing time deposits or savings accounts in qualified public depositories;
- d) Direct obligations of the U.S. Treasury;
- e) Short-term Bond Funds.

In addition, surplus funds may be deposited into certificates of deposits which are insured. Any unspent proceeds are required to be held in investments as specified in the Bond Indenture.

The District records all interest revenue related to investment activities in the respective funds and reports investments at fair value.

Inventories and Prepaid Items

Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets, which include property, plant and equipment, and infrastructure assets (e.g., roads, sidewalks and similar items) are reported in the government activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Stormwater system	25
Street lights	20

In the governmental fund financial statements, amounts incurred for the acquisition of capital assets are reported as fund expenditures. Depreciation expense is not reported in the governmental fund financial statements.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Assets or Equity (Continued)

Deferred Charges

In a prior year, in connection with the issuance of certain debt, the District incurred costs totaling \$204,774. In the government-wide financial statements that amount has been capitalized and amortized over the estimated life of the Bonds. At September 30, 2010 the District reported accumulated amortization of \$37,543.

Deferred Revenue

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight line method, which does not result in a material difference from the effective interest method. Bonds payable are reported net of applicable premiums or discounts.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund Equity/Net Assets

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Net assets in the government-wide financial statements are categorized as invested in capital assets, net of related debt, restricted or unrestricted. Invested in capital assets, net of related debt represents net assets related to infrastructure and property, plant and equipment, net of any related debt. Restricted net assets represent the assets restricted by the District's Bond covenants or other contractual restrictions.

Other Disclosures

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 3 – BUDGETARY INFORMATION

The District is required to establish a budgetary system and an approved Annual Budget. Annual Budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. All annual appropriations lapse at fiscal year end.

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

- a) Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- b) Public hearings are conducted to obtain public comments.
- c) Prior to October 1, the budget is legally adopted by the District Board.
- d) All budget changes must be approved by the District Board.
- e) The budgets are adopted on a basis consistent with generally accepted accounting principles.
- f) Unused appropriation for annually budgeted funds lapse at the end of the year.

NOTE 4 – DEPOSITS AND INVESTMENTS

Deposits

The District's cash balances were entirely covered by federal depository insurance or by a collateral pool pledged to the State Treasurer. Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", requires all qualified depositories to deposit with the Treasurer or another banking institution eligible collateral equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. Governmental and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

Investments

The District's investments were held as follows at September 30, 2010:

	Fair Value	Credit Risk	Maturities
First American Treasury Obligations Fund Class Z	\$ 331,851	S&P AAAm	Weighted average of the fund portfolio 42 days
Investment in Local Government Surplus Funds Trust Fund (Florida PRIME)	1,157	S&P AAAm	Weighted average of the fund portfolio 52 days
Local Government Surplus Funds Trust Fund B	1,445	Not rated	Weighted average life of the fund: 7.49 years
Total	<u>\$ 334,453</u>		

Custodial risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The District has no formal policy for custodial risk. The District's investments are not evidenced by securities that exist in physical or book entry form.

Credit risk – For investments, credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investment ratings by investment type are included in the preceding summary of investments.

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

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

The Bond indenture limits the type of investments held using unspent Bond proceeds.

NOTE 5 – INTERFUND TRANSFERS

Interfund transfers for the fiscal year ended September 30, 2010 were as follows:

	Transfer in	Transfer Out
Debt service fund	\$ -	\$ 15,466
Capital projects fund	15,466	-
Total	<u>\$ 15,466</u>	<u>\$ 15,466</u>

Transfers were to move excess amounts in the revenue and reserve accounts in the debt service fund to the deferred cost account in the capital projects fund in accordance with the Bond Indenture.

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2010 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
<u>Governmental activities</u>				
Capital assets, being depreciated				
Stormwater system	\$ 1,234,283	\$ -	\$ -	\$ 1,234,283
Street lights	107,545	-	-	107,545
Total capital assets, being depreciated	<u>1,341,828</u>	<u>-</u>	<u>-</u>	<u>1,341,828</u>
Less accumulated depreciation for:				
Stormwater system	65,828	49,371	-	115,199
Street lights	7,170	5,377	-	12,547
Total accumulated depreciation	<u>72,999</u>	<u>54,748</u>	<u>-</u>	<u>127,747</u>
Total capital assets, being depreciated, net	<u>1,268,829</u>	<u>(54,748)</u>	<u>-</u>	<u>1,214,081</u>
Governmental activities capital assets, net	<u>\$ 1,268,829</u>	<u>\$ (54,748)</u>	<u>\$ -</u>	<u>\$ 1,214,081</u>

In connection with the 2005 project, the project has been certified complete and the District established a deferred cost account reported in the capital projects fund. In the event there are excess 2005 reserves or excess amounts on deposit in the Revenue trust account, they are to be transferred from the debt service to the capital projects fund and used to repay funds advanced for the project or for the purchase of additional components. At September 30, 2010, there is a balance of \$36,272 in the deferred cost account. No amounts were remitted to the Developer in the current fiscal year for deferred costs. The District has determined that the Developer is owed \$991,065; since the repayment of this amount is contingent on there being excess monies only a portion of this amount has been accrued on the financial statements herein. See Note 7 for more information.

NOTE 7 – LONG TERM LIABILITIES

Series 2005

On April 7, 2005, the District issued \$4,885,000 of Capital Improvement Revenue Bonds, Series 2005 Bonds due on May 1, 2035 with a fixed interest rate of 5.75%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. Interest is payable semiannually on each May 1 and November 1. Principal on the Series 2005 Bonds is to be paid serially commencing May 1, 2006 through May 1, 2035.

The Series 2005 Bonds are subject to redemption at the option of the District prior to their maturity. The Bonds are subject to extraordinary mandatory redemption prior to their selected maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture.

NOTE 7 – LONG TERM LIABILITIES (Continued)

Series 2005 (Continued)

This occurred during the current fiscal year as the District collected assessments from lot closings and prepaid \$10,000 of the Series 2005 Bonds.

The Bond Indenture established a debt service reserve requirement as well as other restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District was in compliance with the requirements at September 30, 2010.

Developer Advances

For the capital projects fund, there is an agreement between the District and the Developer whereby the Developer advanced certain funds to the District for construction. In accordance with the agreement, the advances are subject to reimbursement and are intended to be reimbursed when and if funds become available from the Bonds, in accordance with the Bond Indenture. The balance accrued at September 30, 2010 of \$195,077 is not included in the maturity schedule below. See Note 6 for more information.

Changes in long-term liability activity for the fiscal year ended September 30, 2010 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Bonds payable:					
Series 2005	\$ 4,600,000	\$ -	\$ 90,000	\$ 4,510,000	\$ 85,000
Due to Developer		195,077		195,077	
Total	<u>\$ 4,600,000</u>	<u>\$ 195,077</u>	<u>\$ 90,000</u>	<u>\$ 4,705,077</u>	<u>\$ 85,000</u>

At September 30, 2010, the scheduled debt service requirements on the long - term debt were as follows:

Year ending September 30:	Governmental Activities		
	Principal	Interest	Total
2011	\$ 85,000	\$ 259,900	\$ 344,900
2012	90,000	255,013	345,013
2013	95,000	249,838	344,838
2014	100,000	244,375	344,375
2015	105,000	238,625	343,625
2016-2020	625,000	1,095,088	1,720,088
2021-2025	830,000	892,975	1,722,975
2026-2030	1,110,000	624,738	1,734,738
2031-2035	1,470,000	264,500	1,734,500
Total	<u>\$ 4,510,000</u>	<u>\$ 4,125,051</u>	<u>\$ 8,635,051</u>

NOTE 8 – NET ASSET (DEFICIT)

The District has a government-wide net asset deficit of \$(2,749,990) as of September 30, 2010. There is no such deficit reflected in the governmental fund financial statements. The deficit in the government-wide statement of net assets primarily relates to the excess of the amount of long-term debt outstanding over the amount of capital assets. In a prior year, various infrastructure improvements necessary to complete the District were financed through the issuance of long-term debt but were conveyed to other entities. Those capital assets are not included in the assets of the District; however, the long-term debt associated with those assets remains a liability of the District.

NOTE 9 – DEVELOPER TRANSACTIONS

The Developer owns a portion of land within the District; therefore, assessment revenues in the general and debt service funds include the assessments levied on those lots owned by the Developer. See Note 13 – Subsequent Event for additional Developer information.

NOTE 10 – CONCENTRATION

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

NOTE 11 – MANAGEMENT COMPANY

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

NOTE 12 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. Settled claims from these risks have not exceeded commercial insurance coverage over the past three years.

NOTE 13 – SUBSEQUENT EVENT

Developer Reimbursement

In February 2011, the Developer agreed to reimburse \$37,505 to the District for repairs to various streetlights throughout the District.

**PALMA SOLA TRACE COMMUNITY DEVELOPMENT DISTRICT
CITY OF BRADENTON, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

	Budgeted Amount Original & Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Assessments	\$ 261,339	\$ 265,818	\$ 4,479
Interest income (loss)	-	1,018	1,018
Total revenues	<u>261,339</u>	<u>266,836</u>	<u>5,497</u>
EXPENDITURES			
Current:			
General government	91,963	84,271	7,692
Maintenance and operations	169,376	100,510	68,866
Total expenditures	<u>261,339</u>	<u>184,781</u>	<u>76,558</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	82,055	<u>\$ 82,055</u>
Fund balance - beginning		<u>268,161</u>	
Fund balance - ending		<u>\$ 350,216</u>	

See notes to required supplementary information

**PALMA SOLA TRACE COMMUNITY DEVELOPMENT DISTRICT
CITY OF BRADENTON, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

The District is required to establish a budgetary system and an approved Annual Budget for the general fund. The District's budgeting process is based on estimates of cash receipts and cash expenditures which are approved by the Board. The budget approximates a basis consistent with accounting principles generally accepted in the United States of America (generally accepted accounting principles).

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2010.

The variance between budgeted and actual general fund revenues for the 2010 fiscal year was not considered significant. The actual general fund expenditures for the 2010 fiscal year were lower than budgeted amounts due primarily to anticipated costs which were not incurred in the current fiscal year.

**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
Palma Sola Trace Community Development District
City of Bradenton, Florida

We have audited the financial statements of the governmental activities and each major fund of Palma Sola Trace Community Development District, City of Bradenton, Florida ("District") as of and for the fiscal year ended September 30, 2010, which collectively comprise the District's basic financial statements and have issued our report thereon dated July 21, 2011. We conducted our audit in accordance with 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

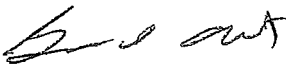
A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

This report is intended for the information of the management, Board of Supervisors of the District, City of Bradenton, Florida and the Auditor General of the State of Florida and is not intended to be and should not be used by anyone other than these specified parties.


July 21, 2011

**MANAGEMENT LETTER PURSUANT TO THE RULES OF
THE AUDITOR GENERAL FOR THE STATE OF FLORIDA**

To the Board of Supervisors
Palma Sola Trace Community Development District
City of Bradenton, Florida

We have audited the accompanying basic financial statements of Palma Sola Trace Community Development District ("District") as of and for the fiscal year ended September 30, 2010, and have issued our report thereon dated July 21, 2011.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

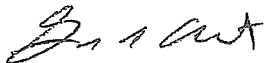
In addition, we have issued our Report on Internal Control over Financial Reporting and Compliance and Other Matters dated July 21, 2011. Disclosures in that report should be considered in conjunction with this management letter.

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General for the State of Florida. Accordingly, in connection with our audit of the financial statements of the District, as described in the first paragraph, we report the following:

- I. Current year findings and recommendations.**
- II. Status of prior year findings and recommendations.**
- III. Compliance with the Provisions of the Auditor General of the State of Florida.**

This report is intended for the information of the management, Board of Supervisors of the District, City of Bradenton, Florida and the Auditor General of the State of Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank the District and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements and the courtesies extended to us.



July 21, 2011

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

None

III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2009.

2. A statement as to whether or not the local governmental entity complied with Section 218.415, Florida Statutes, regarding the investment of public funds.

The District complied with Section 218.415, Florida Statutes, regarding the investment of public funds.

3. Any recommendations to improve the local governmental entity's financial management.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2010.

4. Violations of 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 more than inconsequential.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2010.

5. For matters that have an inconsequential effect on the financial statements, considering both quantitative and qualitative factors, the following may be reported based on professional judgment:

- a. Violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse.

- b. Deficiencies in internal control that are not significant deficiencies.

There were no such matters discovered by, or that came to the attention of, the auditor, that, in our judgment, are required to be reported, for the fiscal year ended September 30, 2010.

6. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.
7. The financial report filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes agrees with the September 30, 2010 financial audit report.

REPORT TO MANAGEMENT (Continued)

8. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.
9. We applied financial condition assessment procedures pursuant to Rule 10.556(7) and no deteriorating financial conditions were noted. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Tab 4

PALMA SOLA TRACE COMMUNITY DEVELOPMENT DISTRICT

DISTRICT OFFICE · 3434 COLWELL AVENUE · SUITE 200 · TAMPA, FLORIDA 33614

Operation and Maintenance Expenditures July 2011 For Board Approval

Attached please find the check register listing the Operation and Maintenance expenditures paid from July 1, 2011 through July 31, 2011. This does not include expenditures previously approved by the Board.

The total items being presented: **\$15,243.71**

Approval of Expenditures:

_____ Chairman

_____ Vice Chairman

_____ Assistant Secretary

Palma Sola Trace Community Development District

Paid Operation & Maintenance Expenses

July 1, 2011 Through July 31, 2011

10101 - Cash-Operating Account

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Aquagenix	1941	1138326	Aquatic Service 07/11	\$ 850.00
Bellmore Electric Inc.	1939	5371	Street Light Repairs	\$ 500.00
Florida Power & Light Company	1937	21937-71157 06/11	3724 Summerwind Cir # GATE 06/11	\$ 9.53
Florida Power & Light Company	1937	75654-55537 06/11	3807 75th St W # ST LTS 06/11	\$ 817.35
Florida Power & Light Company	1940	84373-03152 07/11	4095 Overture Cir # GATE 07/11	\$ 24.94
Grau & Associates	1942	7538	Audit Services for FY ended 9/30/10	\$ 6,300.00
Hopping Green & Sams	1935	59676	General/Monthly Legal Services 05/11	\$ 1,870.23
King Engineering Associates, Inc.	1936	K49497	Engineering Services 05/11	\$ 525.00
Rizzetta & Company, Inc.	1938	12932	District Management Fees 07/11	\$ 3,666.66
West Bay Landscape, Inc.	1943	23493	Monthly Lawn Service Contract	\$ 680.00
Report Total				<u>\$ 15,243.71</u>



Remit To:
100 N Conahan Drive
Hazleton, PA 18201
904-262-2001 FAX 904-262-0010
www.dbiservices.com/aquagenix

Invoice

Number
1138326

Date
01-JUL-11

Please include our Invoice Number on your check

Customer PO

Cust # 13801

Palma Sola Trace CDD
c/o Rizzetta & Company, Inc.
3434 Colwell Ave
Tampa FL 33614

Referral.
Palma Sola Trace
CDD

Quantity	Description	Unit Price	Amount
1	Aquatics Service	850.00	\$850.00
	<p>Date Rec'd Rizzetta & Co., Inc. <u>7/13/11</u></p> <p>D/M approval <u>fr</u> Date <u>7/14/11</u></p> <p>Date entered <u>JUL 13 2011</u></p> <p>Fund <u>001</u> GL <u>53800</u> CC <u>4610</u></p> <p>Check # _____</p>		
		Subtotal	\$850.00
		Tax	\$0.00
TERMS -NET30: A Service Charge of 1 1/2% Per Month is Charged on Past Due Accounts (Annual Rate 18%)		Total	\$850.00

Central Florida Branch Office
St. Cloud, FL
(407) 892-0136

Southeast Florida Branch Office
Fort Lauderdale, FL
(954) 943-5118

West Central Florida Branch
Office
Sarasota, FL
(941) 371-8081

Southwest Florida Branch Office
Ft. Myers, FL
(239) 561-1420

West Palm/Treasure Coast Office
West Palm Beach, FL
(561) 881-1291

Tampa Bay Area Branch Office
Tampa, FL
(813) 627-8710

North Florida Branch Office
Jacksonville, FL
(904) 262-2001

Carolinas Branch Office
Myrtle Beach, SC
(843) 651-9220

LAKE MANAGEMENT ~ AQUATIC SERVICES ~ ENVIROMENTAL PLANNING

Bellmore Electric Inc.
 4557 abacos Pl.
 Bradenton Fl. 34203
 (941) 779-6148
 Fax (941) 727-1958
 EC13004201

Invoice

Date	Invoice #
7/18/2011	5371

Bill To
 Palma Sola Trace CDD
 3434 COLWELL AVE, SUITE 200
 TAMPA, FL. 33614

Project	Terms
STREET LIGHTS	Due on receipt

Description	Amount	Quantity	Total
REPLACE BALLAST, BULB AND PHOTO EYE 250 WATT M/H # 48 # 80 Date Rec'd Rizzetta & Co., Inc. _____ D/M approval <u>aw</u> Date <u>7/20/11</u> Date entered: <u>JUL 20 2011</u> Fund <u>001</u> <u>GL54100</u> <u>OC 4613</u> Check # _____	250.00	2	500.00
Thank you for your business.	Total		\$500.00

Florida Power & Light Company
 PO Box 025576
 Miami, FL 33102

/ 27

520521937711579359000000

Please request changes on the back.
 Notes on the front will not be detected.

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AUTO **CO 1459
 1 148489

PALMA SOLA
 TRACE CDD
 3434 COLWELL AVE STE 200
 TAMPA FL 33614-8390

Make check payable to FPL in U.S. funds
 and mail along with this coupon to:

FPL
 GENERAL MAIL FACILITY
 MIAMI FL 33188-0001



Account number	Total amount you owe	New charges due by	Amount enclosed
21937-71157	\$9.53	Jul 29 2011	\$

Your electric statement

Account number: 21937-71157

For: Jun 07 2011 to Jul 08 2011 (31 days)

Customer name: PALMA SOLA
 Service address: 3724 SUMMERWIND CIR # GATE

Statement date: Jul 08 2011
 Next meter reading: Aug 05 2011

Amount of your last bill	Payments (-)	Additional activity (+ or -)	Balance before new charges (=)	New charges (+)	Total amount you owe (=)	New charges due by
7.44	7.44 CR	0.00	0.00	9.53	\$9.53	Jul 29 2011

Meter reading - Meter 7C83032

Current reading 00595	Amount of your last bill	7.44
Previous reading - 00576	Payment received - Thank you	7.44 CR
kWh used 19	Balance before new charges	\$0.00

Energy usage

	Last Year	This Year
kWh this month	10	19
Service days	30	31
kWh per day	0	1

New charges (Rate: GS-1 GENERAL SVC NON-DEMAND / BUSINESS)

Electric service amount	8.75**
Storm charge	0.02
Gross receipts tax	0.22
Franchise charge	0.54
Total new charges	\$9.53

****The electric service amount includes the following charges:**

Customer charge:	\$6.89
Fuel:	\$0.79
(\$0.041530 per kWh)	
Non-fuel:	\$1.07
(\$0.055810 per kWh)	

Total amount you owe \$9.53

- Payment received after **September 29, 2011** is considered **LATE**; a late payment charge of 1% will apply.

Date Rec'd Rizzetta & Co., Inc. 7/13/2011
 D/M approval he Date 7/14/11
 Date entered JUL 12 2011
 Fund 001 GL 53100 OC 4301
 Check # _____

Please have your account number ready when contacting FPL.
 Customer service: 1-800-375-2434
 Outside Florida: 1-800-226-3545
 To report power outages: 1-800-4OUTAGE (468-8243)
 Hearing/speech impaired: 711 (Relay Service)
 Online at: www.FPL.com

Florida Power & Light Company
 PO Box 025576
 Miami, FL 33102



Please request changes on the back.
 Notes on the front will not be detected.

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5202 1



AUTO **CO 1459
 1 162033

PALMA SOLA TRACE COMM DEV
 DISTRICT
 3434 COLWELL AVE STE 200
 TAMPA FL 33614-8390

Make check payable to FPL in U.S. funds
 and mail along with this coupon to:

FPL
 GENERAL MAIL FACILITY
 MIAMI FL 33188-0001



Account number	Total amount you owe	New charges due by	Amount enclosed
75654-55537	\$817.35	Jul 26 2011	\$ 817.35

Your electric statement

Account number: 75654-55537

For: Jun 02 2011 to Jul 05 2011 (33 days)

Customer name: PALMA SOLA TRACE COMM DEV
 Service address: 3807 75TH ST W # ST LTS

Statement date: Jul 05 2011
 Next bill date: Aug 02 2011

Amount of your last bill	Payments (-)	Additional activity (+ or -)	Balance before new charges (=)	New charges (+)	Total amount you owe (=)	New charges due by
817.35	817.35 CR	0.00	0.00	817.35	\$817.35	Jul 26 2011

Total kWh used 9991

Energy usage

	Last Year	This Year
kWh this month	9991	9991
Service days	29	33
kWh per day	345	303

Amount of your last bill	817.35
Payment received - Thank you	817.35 CR
Balance before new charges	\$0.00
New charges (Rate: SL-1 STREET LIGHTING SERVICE)	
Electric service amount	721.89**
Storm charge	75.03
Gross receipts tax	20.43
Total new charges	\$817.35

**The electric service amount includes the following charges:

Non-fuel energy charge: \$0.032170 per kWh
 Fuel charge: \$0.040090 per kWh

Total amount you owe \$817.35

- Payment received after **September 23, 2011** is considered **LATE**; a late payment charge of **1%** will apply.
- Charges and energy usage are based on the facilities contracted. Facility, energy and fuel costs are available upon request.

Date Rec'd Rizzetta & Co., Inc. JUL - 8 2011
 D/M approval [Signature] Date 7/14/11
 Date entered JUL 13 2011
 Fund 001 GL 53100 OC 4307
 Check # _____

Florida Power & Light Company
 PO Box 025576
 Miami, FL 33102

2 162033

Detail of Rate Schedule Charges for
 Street Lights

5202 000352

PALMA SOLA TRACE COMM DEV
 DISTRICT
 3434 COLWELL AVE STE 200
 TAMPA FL 33614-8390

Account Number: 75654-55537
 Service From: 06-02-2011
 Service To: 07-05-2011
 Service Days: 33
 KWH/Day: 303

Service Address: 3807 75TH ST W # ST LTS, BRADENTON FL 34209

COMPONENT CODE	WATTS	LUMENS	* OWNER/ MAINT	QUANTITY	RATE/ UNIT	KWH USED	AMOUNT	
103 KWH Energy			E	97	2.800000	9,991	271.60	
Energy sub total							271.60	
Sub total							9,991	271.60
Energy conservation cost recovery							14.39	
Capacity payment recovery charge							29.17	
Environmental cost recovery charge							6.19	
Storm charge							75.03	
Fuel charge							400.54	
Electric service amount							796.92	
Gross receipts tax							20.43	
Total							9,991	817.35

* F - FPL OWNS & MAINTAINS E - CUSTOMER OWNS & MAINTAINS R - CUSTOMER OWNS, FPL RELAMPS

Florida Power & Light Company
 PO Box 025576
 Miami, FL 33102

RFMS43AA.201107

Print Date: July 05, 2011

Page 1



Florida Power & Light Company
PO Box 025576
Miami, FL 33102

2 148489

/ 27

2245 520584373031524494200000

Please request changes on the back.
Notes on the front will not be detected.

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PALMA SOLA
TRACE CDD
3434 COLWELL AVE STE 200
TAMPA FL 33614-8390

Make check payable to FPL in U.S. funds
and mail along with this coupon to:

FPL
GENERAL MAIL FACILITY
MIAMI FL 33188-0001

Account number	Total amount you owe	New charges due by	Amount enclosed
84373-03152	\$24.94	Jul 29 2011	\$

Your electric statement

Account number: 84373-03152

For: Jun 07 2011 to Jul 08 2011 (31 days)

Customer name: PALMA SOLA

Statement date: Jul 08 2011

Service address: 4095 OVERTURE CIR # GATE

Next meter reading: Aug 05 2011

Amount of your last bill	Payments (-)	Additional activity (+ or -)	Balance before new charges (=)	New charges (+)	Total amount you owe (=)	New charges due by
23.59	23.59 CR	0.00	0.00	24.94	\$24.94	Jul 29 2011

Meter reading - Meter 7C83024

Current reading 04447
Previous reading - 04284
kWh used 163

Energy usage

	Last Year	This Year
kWh this month	86	163
Service days	30	31
kWh per day	3	5

****The electric service amount includes the following charges:**

Customer charge: \$6.89
Fuel: \$6.77
(\$0.041530 per kWh)
Non-fuel: \$9.10
(\$0.055810 per kWh)

Auto-enroll now in Budget Bill by paying \$22.45 in 1 payment by the due date instead of \$24.94
Your bill will be about the same each month and stabilized year-round. Learn more details at www.FPL.com/busbb.

Amount of your last bill	23.59
Payment received - Thank you	23.59 CR
Balance before new charges	\$0.00
New charges (Rate: GS-1 GENERAL SVC NON-DEMAND / BUSINESS)	
Electric service amount	22.76**
Storm charge	0.18
Gross receipts tax	0.59
Franchise charge	1.41
Total new charges	\$24.94

Total amount you owe \$24.94

- Payment received after **September 29, 2011** is considered **LATE**; a late payment charge of 1% will apply.

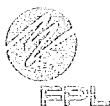
Date Rec'd Rizzotta & Co., Inc. _____

D/M approval hpl Date 7/20/11

Date entered JUL 20 2011

Fund 001 GL 53100 OC 4301

Check # _____



Florida Power & Light Company
PO Box 025576
Miami, FL 33102

Please have your account number ready when contacting FPL.
Customer service: 1-800-375-2434
Outside Florida: 1-800-226-3545
To report power outages: 1-800-4OUTAGE (468-8243)
Hearing/speech impaired: 711 (Relay Service)
Online at: www.FPL.com

Grau and Associates

2700 N. Military Trail, Suite 350
Boca Raton, FL 33431-

graucpa.com

Phone: 561-994-9299

Fax: 561-994-5823

Palma Sola Community Development District
3800 Colonial Avenue, Suite 103
Ft. Myers FL 33966

Invoice #: 7538
Date: 5/2/2011
Client ID: Palma Sola Community Development
District

For Professional Services Rendered:

Audit for fiscal year ended September 30, 2010

New Charges: \$6,300.00

Outstanding Balance: \$0.00

New Balance: \$6,300.00

This invoice is due upon receipt

Date Rec'd Rizzetta & Co., Inc. MAY 06 2011

D/M approval gpe Date 7/28/11

Date entered JUL 27 2011

Fund 001 GL 51300 003202

Check # _____

Hopping Green & Sams

Attorneys and Counselors

119 S. Monroe Street, Ste. 300
 P.O. Box 6526
 Tallahassee, FL 32314
 850.222.7500

===== STATEMENT =====

June 21, 2011

Palma Sola Trace Community Development District
 c/o Accounts Payable
 3800 Colonial Blvd., Ste. 103
 Fort Myers, FL 33966

Bill Number 59676
 Billed through 05/31/2011

Date Rec'd Dist Office JUL 05
 Date Approved ye Date 7/2/11
 Date Entered JUL 06 2011
 Fund 001 GL 51400.00 3107
 Check # _____

5/11

General Counsel/Monthly Meeting
PALMA 00001 JLE

FOR PROFESSIONAL SERVICES RENDERED

05/09/11	KSB	Prepare budget notice; prepare assessment resolution; prepare appropriations resolution.	1.60 hrs
05/11/11	JSA	Review response to auditor letter.	0.40 hrs
05/11/11	JLE	Review and comment on draft audit; confer with Haskins regarding the same.	0.60 hrs
05/11/11	MEL	Prepare and coordinate response to auditor letter; forward same to auditor.	0.70 hrs
05/25/11	JLE	Review correspondence regarding irrigation agreement; confer with working group regarding the same; review agenda package and budget; prepare for board meeting.	0.40 hrs
05/26/11	JLE	Prepare for and attend board meeting.	3.70 hrs.
Total fees for this matter			\$1,710.00

DISBURSEMENTS

Copying Charges	2.00
Postage	0.44
Travel	157.79
Total disbursements for this matter	\$160.23

MATTER SUMMARY

Earlywine, Jere L.	4.70 hrs	250 /hr	\$1,175.00
Alves, James	0.40 hrs	345 /hr	\$138.00
Buchanan, Katie S.	1.60 hrs	200 /hr	\$320.00
Goodson, Melanie - Legal Asst	0.70 hrs	110 /hr	\$77.00

TOTAL FEES \$1,710.00
 TOTAL DISBURSEMENTS \$160.23

TOTAL CHARGES FOR THIS MATTER \$1,870.23



2930 University Parkway
Sarasota, Florida 34243
phone 941.358.6500
fax 941.358.6540

Date: 06/07/2011

Invoice # K49497
Through 05/28/2011

Accounts Payable
Palma Sola Trace CDD
3800 Colonial Blvd
Suite 103
Fort Myers, FL 33966

Re: Palma Sola Trace CDD
King Project No. 8509-000-000


<u>Hourly Services</u>		<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
R30303 Engineering Consulting Services	Principal	3.00	\$175.00	\$525.00
Hourly Sub Total:		3.00		\$525.00

Date Rec'd Dist Office: JUL 28 2011
 DM Approval: hc Date: 7/2/11
 Date Entered: JUL 06 2011
 Fund: 001 of 51300 ac 3103
 Check # _____

TOTAL CHARGES DUE THIS INVOICE

\$525.00

This invoice is due and payable upon receipt.


 O. Denise Greer, P.E.
 Vice President

King Engineering Associates, Inc.
Current Period Labor Transactions

Current Period: 5/1/2011 To 5/28/2011

[Back To Labor Summary](#)

Manager: Denise Greer
Client: 000509 Palma Sola Trace CDD
Activity: 8509-000-000 R30303 Engineering Consulting
Services
Class Code: 538 Principal

Name	Entry Date	Hours	Hourly Rate	Billable
Denise Greer follow up with FDEP on SSL	5/16/2011	0.50	\$175.00	\$87.50
Denise Greer Disc letter and SSL with FDEP and report to Jere	5/18/2011	0.50	\$175.00	\$87.50
Denise Greer follow up with dep	5/23/2011	1.00	\$175.00	\$175.00
Denise Greer follow up in email to taylor Morrison regarding SS lands	5/26/2011	1.00	\$175.00	\$175.00
		3.00		\$525.00

RIZZETTA & COMPANY, INC.

3434 Colwell Avenue

Suite 200

Tampa, FL 33614

Invoice

DATE	INVOICE NO.
7/1/2011	12932

BILL TO
PALMA SOLA TRACE COMMUNITY DEVELOPMENT DISTRICT 3434 Colwell Avenue, Suite 200 Tampa, Florida 33614

TERMS	PROJECT
Due Upon Rec't	390 - CDD

ITEM	DESCRIPTION	QTY	RATE	AMOUNT	
	PROFESSIONAL FEES:				
DM	District Management Services		1,562.50	1,562.50	3101
ADMIN	Administrative Services		520.83	520.83	3100
ACTG	Accounting Services		1,250.00	1,250.00	3201
FC	Financial Consulting Services		333.33	333.33	3111
	Services for the period July 1 through July 31, 2011				
<p style="text-align: right;">JUL 07 2011</p> <p>Date Rec'd Pizzetta & Co., Inc. _____</p> <p>D/M approval <u>gpc</u> Date <u>7/14/11</u></p> <p>Date entered <u>JUL 13 2011</u></p> <p>Fund <u>001</u> GL <u>51300</u> 00</p>					
			Total	\$3,666.66	

WEST BAY LANDSCAPE, INC.

6009 15th St. E.
 Bradenton, FL 34203
 941-753-8225

INVOICE NO.
 23493

INVOICE

ACCT. NO: C-PALM247-003
 SOLD TO: Palma Sola Trace C.D.D.
 3434 Colwell Avenue St#200
 Tampa, FL 33614

SHIP TO:

SALES NO.	PURCHASE ORDER NO.	SHIP VIA	COL	PPD	DATE SHIPPED	TERMS	INVOICE DATE
Ron					7/1/2011		7/1/2011

QTY ORDERED	QTY SHIPPED	BACK ORDERED	ITEM NO.	DESCRIPTION	UNIT PRICE	EXTENDED PRICE
1			Monthly Lawn Service Contract	Monthly Service	680.00	680.00

RECEIVED
 Date Rec'd Rizzetta & Co., Inc. JUN 29 2011
 D/M approval gc Date 7/2/11
 Date entered JUL 06 2011
 Fund 001 GL 53800 OC 46002
 Check # _____

Thank You

SALE AMOUNT	
TAXABLE TOTAL	
SALES TAX	
FREIGHT	
TOTAL	\$680.00