

# Osceola Chain of Lakes Community Development District

## Board of Supervisors

Anthony Iorio, Chairman  
Ryan Kahn, Vice Chairman  
Kimberly Locher, Assistant Secretary  
Jason Lonas, Assistant Secretary

## Staff

Gary L. Moyer, District Manager  
Tucker Mackie, District Counsel  
Sarah Sandy, District Counsel  
Nicole Stalder, District Engineer

## Agenda **\*\* Revised \*\***

Wednesday, November 6, 2019 – 1:30 p.m.

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1. **Call to Order**
2. **Roll Call**
3. **Public Comment Period**
4. **Approval of Minutes of the August 21, 2019, Special Meeting**
5. **Bond-Related Matters**
  - a. Second Supplemental Engineering Report
  - b. Consideration of Financing Team Funding Agreement for Series 2020 Bonds
  - c. Consideration of Acquisition Agreement for Series 2020 Bonds
  - d. Consideration of Investment Banking Agreement for Series 2020 Bonds
6. **District Manager's Report**
  - a. Financial Statements (*September 2019*)
  - b. Check Register
  - c. Ratification of Funding Request #17 (*August 2019*)
  - d. Approval of Funding Request #18 (*September 2019*)
  - e. Consideration of Resolution 2020-01 Amending the General Fund Budget for Fiscal Year 2019
7. **Staff Reports**
  - a. Attorney
  - b. Engineer
8. **Public Comment Period**
9. **Other Business**
10. **Supervisors Requests**
11. **Adjournment**

*NOTE: The next meeting is scheduled for Wednesday, December 4, 2019, at 1:30 p.m.*

**District Office:**  
313 Campus Street  
Celebration, FL 34747  
407-566-1935

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

**Meeting Location:**  
District Office  
313 Campus Street  
Celebration, FL 34747

# **Section 4**

## **Minutes**

# **MINUTES OF SPECIAL MEETING OSCEOLA CHAIN OF LAKES COMMUNITY DEVELOPMENT DISTRICT**

A special meeting of the Board of Supervisors of the Osceola Chain of Lakes Community Development District was held Wednesday, August 21, 2019, at 10:00 a.m. at the District office, 313 Campus Street, Celebration, FL 34747.

Present and constituting a quorum were:

Anthony Iorio  
Kimberly Locher  
Jason Lonas

Chairman  
Assistant Secretary  
Assistant Secretary

Also present were:

Gary Moyer  
Sarah Sandy  
Nicole Stalder  
Brenda Burgess (*by phone*)

Manager: Moyer Management Group  
Attorney: Hopping Green & Sams  
Engineer: Dewberry  
Moyer Management Group

## **FIRST ORDER OF BUSINESS**

### **Call to Order**

Mr. Iorio called the meeting to order at 10:00 a.m.

## **SECOND ORDER OF BUSINESS**

### **Roll Call**

Mr. Iorio called the roll and stated a quorum was present for the meeting.

## **THIRD ORDER OF BUSINESS**

### **Public Comment Period**

There being none, the next order of business followed.

## **FOURTH ORDER OF BUSINESS**

### **Approval of June 5, 2019, Special Meeting Minutes**

Mr. Iorio reviewed the minutes, which are included in the agenda package and are available for public review in the District Office during normal business hours or on the website, and requested additions, corrections, or deletions.

Ms. Sandy stated I provided minor corrections to Ms. Burgess to be incorporated.

On MOTION by Ms. Locher, seconded by Mr. Lonas, with all in favor, unanimous approval was given to accept the minutes of the June 5, 2019, special meeting, as amended.

## **FIFTH ORDER OF BUSINESS**

### **Public Hearings to (1) Adopt the Budget for Fiscal Year 2020 and (2) Impose and Levy Operations and Maintenance Assessments for Fiscal Year 2020**

**A. Proposed Budget for Fiscal Year 2020**

Ms. Sandy stated we will have two separate public hearings, the first one being to adopt the fiscal year 2020 budget, and the second to impose and levy the operations and maintenance assessments for fiscal year 2020.

On MOTION by Ms. Locher, seconded by Mr. Lonas, with all in favor, unanimous approval was given to open the public hearing for adoption of the budget for fiscal year 2020.

The record will reflect there were no public comments.

On MOTION by Ms. Locher, seconded by Mr. Lonas, with all in favor, unanimous approval was given to close the public hearing for adoption of the budget for fiscal year 2020.

**B. Consideration of Resolution 2019-09 Adopting the Budget for Fiscal Year 2020**

Mr. Moyer read Resolution 2019-09 into the record by title.

Mr. Moyer stated the proposed budget for fiscal year 2020 generally identifies the operating and maintenance expenses of the District broken into two categories: administrative and field operations. The Board reviewed the preliminary budget some time ago that has been worked on by staff. The blanks will be filled in based on the adopted budget numbers.

Ms. Sandy reviewed sections of the Resolution, including how the budget is amended for unforeseen expenses in Section 3.

On MOTION by Mr. Lonas, seconded by Ms. Locher, with all in favor, unanimous approval was given to Resolution 2019-09 adopting the budget for fiscal year 2020.

**C. Consideration of Resolution 2019-10 Levying the Assessments for Fiscal Year 2020**

Ms. Sandy stated this will be the first year we levy operation and maintenance assessments to fund the budget. In past years, we have had a developer funding agreement where the developer funded the actual expenses. We will be going on the roll this year, meaning the special assessments for platted lots will be on the real estate tax

bill and collected by the tax collector. Special assessments for unplatted acreage will be directly collected by the District.

On MOTION by Ms. Locher, seconded by Mr. Lonas, with all in favor, unanimous approval was given to open the public hearing to levy assessments for fiscal year 2020.

The record will reflect there were no public comments.

On MOTION by Mr. Lonas, seconded by Ms. Locher, with all in favor, unanimous approval was given to close the public hearing to levy assessments for fiscal year 2020.

The record will reflect there were no public comments.

Mr. Moyer read Resolution 2019-10 into the record by title.

Mr. Moyer stated this is the document we will use to transmit the roll to the property appraiser, which roll is an exhibit to the Resolution.

Ms. Sandy stated this Resolution has two main goals: levies the operations and maintenance assessments, and provides for collection and enforcement of both operations and maintenance assessments and the debt service assessments. The debt service assessments were previously levied, and each year, we will certify their collection for the next fiscal year. Both rolls are exhibits to the Resolution: collected by the tax collector, and direct collected by the District.

On MOTION by Ms. Locher, seconded by Mr. Lonas, with all in favor, unanimous approval was given to Resolution 2019-10 levying the assessments for fiscal year 2020.

## **SIXTH ORDER OF BUSINESS**

### **District Manager Report**

#### **A. Financial Statements** *(July 2019)*

Mr. Moyer reviewed the financial statements, which are contained in the agenda package and available for public review on the website or at the District office during normal business hours.

Mr. Moyer stated the year-to-date budget for revenues is \$138,872, and actuals are \$101,465. Total expenses to date are \$82,095, resulting in excess revenues of \$19,370.

#### **B. Check Register**

Mr. Moyer reviewed the check register contained in the agenda package and available for public review on the website or at the District office during normal business hours.

On MOTION by Mr. Lonas, seconded by Ms. Locher, with all in favor, unanimous approval was given to the check register, as presented.

**C. Ratification of Requisition #7**

Mr. Moyer reviewed requisition #7 in the amount of \$2,221.64, as contained in the agenda package and available for public review on the website or at the District office during normal business hours.

Ms. Sandy stated these are work elements that are tracked and paid separately as project costs.

On MOTION by Mr. Lonas, seconded by Ms. Locher, with all in favor, unanimous approval was given to ratify requisition #7 in the amount of \$2,221.64, as presented

**D. Ratification of Funding Requests #15 and #16**

Mr. Moyer reviewed funding request #15 in the amount of \$22,118.37 and funding request #16 in the amount of \$16,816.16, as contained in the agenda package and available for public review on the website or at the District office during normal business hours.

On MOTION by Mr. Lonas, seconded by Ms. Locher, with all in favor, unanimous approval was given to ratify funding request #15 in the amount of \$22,118.37 and funding request #16 in the amount of \$16,816.16, as presented

**E. Consideration of Resolution 2019-11 Setting the Meeting Schedule for Fiscal Year 2020**

Mr. Moyer read Resolution 2019-11 into the record by title.

Mr. Moyer stated we anticipate having meetings November 6, 2019; January 8, 2020; March 4, 2020; May 6, 2020; July 1, 2020; and September 2, 2020. To the extent we do not have business for the Board to consider, we will cancel meetings. Otherwise, we will meet according to the schedule.

Ms. Sandy asked do we want to continue to meet every other month?

Mr. Iorio stated it might be productive to meet every month if we can, starting the first of calendar year 2020.

Ms. Sandy stated Mr. Iorio and I discussed this item prior to the meeting related to the upcoming bond issuance in the first quarter of 2020. We thought it would be helpful to meet monthly beginning January 2020.

Mr. Iorio stated yes, with the goal to have a bond offering in February.

Mr. Moyer stated we will add February to the meeting schedule, as well as April, to be held on the first Wednesday.

Mr. Iorio stated I will ask legal counsel and the engineer to begin to prepare for the next bond issuance, which will include phases 3 and 4, and to update the engineering methodology and work with counsel and the manager on documentation.

Ms. Sandy stated if we are going to look for a bond issuance in February, we will want to start it in November. Just in case, we might want to add a December meeting.

Mr. Iorio stated yes, that would be wise.

On MOTION by Ms. Locher, seconded by Mr. Lonas, with all in favor, unanimous approval was given to Resolution 2019-11 setting the meeting schedule for fiscal year 2020, with the addition of December, February, and April meetings on the first Wednesday.

## **SEVENTH ORDER OF BUSINESS**

### **Staff Reports**

#### **A. Attorney**

Ms. Sandy stated our office has updated rules of procedure for all our districts related to certain statutory updates that occurred over the past four or five years since we last updated them. We will start to roll those out for the revised rules to be adopted. We will need to hold a public hearing, which will require a couple newspaper notices. We will plan to provide those in November.

#### **B. Engineer**

There being nothing to report, the next order of business followed.

## **EIGHTH ORDER OF BUSINESS**

### **Public Comment Period**

There being none, the next order of business followed.

## **NINTH ORDER OF BUSINESS**

### **Other Business**

There being none, the next order of business followed.

## **TENTH ORDER OF BUSINESS**

### **Supervisor Requests**

There being none, the next order of business followed.

**ELEVENTH ORDER OF BUSINESS**

**Adjournment**

- The next meeting is scheduled for November 6, 2019, at 1:30 p.m.

On MOTION by Ms. Locher, seconded by Mr. Lonas, with all in favor, the meeting adjourned at 10:20 a.m.
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Gary L. Moyer, Secretary

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Anthony Iorio, Chairman



# **Section 5**

## **Bond-Related Matters**

# **Subsection 5a**

## **Engineer's Report**

(provided under  
separate cover)

# **Subsection 5b**

## **Financing Team Funding Agreement**

**BOND FINANCING TEAM FUNDING AGREEMENT BETWEEN THE OSCEOLA CHAIN OF LAKES  
COMMUNITY DEVELOPMENT DISTRICT AND HANOVER LAKES, LLC (SERIES 2020 BONDS)**

This Bond Financing Team Funding Agreement (the “Agreement”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2019, by and between:

**OSCEOLA CHAIN OF LAKES COMMUNITY DEVELOPMENT DISTRICT**, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, and located in Osceola County, Florida (the “District”), and

**HANOVER LAKES, LLC**, a Florida limited liability company and a landowner in the District with a mailing address of 605 Commonwealth Avenue, Orlando, Florida 32803 (the “Developer”).

**RECITALS**

**WHEREAS**, the District was established by ordinance adopted by the County Commission of Osceola County, Florida, effective as of October 3, 2017, as amended, for the purpose of planning, financing, constructing, operating and/or maintaining certain infrastructure; and

**WHEREAS**, the District presently expects to access the public bond market to provide for the financing of certain capital improvements, facilities, and services to benefit the lands located within the District; and

**WHEREAS**, the District and the Developer desire to enter into this Agreement to provide funds to enable the District to commence its financing program.

**NOW, THEREFORE**, based upon good and valuable consideration and the mutual covenants of the parties, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

**1. PROVISION OF FUNDS.** Developer agrees to make available to the District such monies as are necessary to proceed with the issuance of bonds or other indebtedness to fund the District’s improvements, facilities and services.

**A.** Developer agrees to provide to the District any such monies upon receipt of an invoice from the District requesting such funds. Such funds, and all future funds provided pursuant to this Agreement, may be supplied by check, cash, wire transfer or other form of payment deemed satisfactory in the sole discretion of the District as determined by the District Manager. The District agrees to authorize District staff, including the District Engineer, District Manager, and District Counsel to proceed with the work contemplated by this Agreement, and to retain a Bond Counsel and Methodology Consultant and other professional assistance as may be necessary to proceed with the work contemplated by this Agreement.

**B.** Developer and the District agree that all fees, costs or other expenses incurred by the District for the services of the District's Engineer, Counsel, Methodology Consultant or other professionals, for the work contemplated by this Agreement shall be paid solely from the funds provided by Developer pursuant to this Agreement. Such payments shall be made in accordance with the District's normal invoice and payment procedures. The District agrees that any funds provided by Developer pursuant to this Agreement shall be used solely for fees, costs, and expenses arising from or related to the work contemplated by this Agreement.

**C.** The District agrees to provide to Developer, on a monthly basis, copies of all invoices, requisitions, or other bills for which payment is to be made from the funds provided by Developer. The District agrees to provide to Developer, monthly, a statement from the District Manager showing funds on deposit prior to payment, payments made, and funds remaining on deposit with the District.

**D.** Developer agrees to provide funds within fifteen (15) days of receipt of written notification from the District Manager of the need for such funds.

**E.** In the event that Developer fails to provide any such funds pursuant to this Agreement, Developer and the District agree the work may be halted until such time as sufficient funds are provided by Developer to ensure payment of the costs, fees or expenses which may be incurred in the performance of such work.

**2. TERMINATION.** Developer and District agree that Developer may terminate this Agreement without cause by providing ten (10) days' written notice of termination to the District. Any such termination by Developer is contingent upon Developer's provision of sufficient funds to cover any and all fees, costs or expenses incurred by the District in connection with the work to be performed under this Agreement as of the date by when notice of termination is received. Developer and the District agree that the District may terminate this Agreement due to a failure of Developer to provide funds in accordance with Section 1 of this Agreement, by providing ten (10) days' written notice of termination to Developer; provided, however, that the Developer shall be provided a reasonable opportunity to cure any such failure.

**3. CAPITALIZATION.** The parties agree that all funds provided by Developer pursuant to this Agreement may be reimbursable from proceeds of District financing for capital improvements, and that within forty-five (45) days of receipt of the proceeds by the District of bonds or notes for the District's capital projects, the District shall reimburse Developer in full, exclusive of interest, for these advances; provided, however, that in the event Bond Counsel determines that any such monies are not properly reimbursable, such funds shall be deemed paid in lieu of taxes or assessments. In the event that District bonds are not issued within five (5) years of the date of this Agreement, all funds provided by Developer pursuant to this Agreement shall be deemed paid in lieu of taxes or assessments.

**4. DEFAULT.** A default by either party under this Agreement shall entitle the other to all remedies available at law or in equity, which may include, but not be limited to, the right of damages, injunctive relief and/or specific performance.

**5. ENFORCEMENT OF AGREEMENT.** In the event that either party is required to enforce this Agreement by court proceedings or otherwise, then the prevailing party shall be

entitled to recover all fees and costs incurred, including reasonable attorney's fees and costs for trial, alternative dispute resolution, or appellate proceedings.

**6. AGREEMENT.** This instrument shall constitute the final and complete expression of this Agreement between the parties relating to the subject matter of this Agreement.

**7. AMENDMENTS.** Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by both of the parties hereto.

**8. AUTHORIZATION.** The execution of this Agreement has been duly authorized by the appropriate body or official of all parties hereto, each party has complied with all the requirements of law, and each party has full power and authority to comply with the terms and provisions of this instrument.

**9. NOTICES.** All notices, requests, consents and other communications hereunder ("Notices") shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or overnight delivery service, to the parties, as follows:

**A. If to District:** Osceola Chain of Lakes Community Development  
District  
313 Campus Street  
Celebration, Florida 34747  
Attn: District Manager

**With a copy to:** Hopping Green & Sams, P.A.  
119 S. Monroe Street, Suite 300  
Tallahassee, Florida 32301  
Attn: District Counsel

**B. If to Developer:** Hanover Lakes, LLC  
605 Commonwealth Avenue  
Orlando, Florida 32803  
Attn: Andrew J. Orosz

Except as otherwise provided herein, any Notice shall be deemed received only upon actual delivery at the address set forth herein. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the parties may deliver Notice on behalf of the parties. Any party or other person to whom Notices are to be sent or copied may notify the other parties and addressees of any change in name or address to which Notices shall be sent by providing the same on five (5) days' written notice to the parties and addressees set forth herein.

**10. THIRD PARTY BENEFICIARIES.** This Agreement is solely for the benefit of the parties herein and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third party not a party hereto. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the parties hereto any right, remedy or claim under or by reason of this Agreement or any provisions or conditions hereof; and all of the provisions, representations, covenants and conditions herein contained shall inure to the sole benefit of and shall be binding upon the parties hereto and their respective representatives, successors and assigns.

**11. ASSIGNMENT.** Neither party may assign this Agreement or any monies to become due hereunder without the prior written approval of the other party.

**12. CONTROLLING LAW.** This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida. Venue shall be in Osceola County, Florida.

**13. EFFECTIVE DATE.** The Agreement shall be effective after execution by both parties hereto and shall remain in effect unless terminated by either of the parties hereto.

**14. PUBLIC RECORDS.** Developer understands and agrees that all documents of any kind provided to the District in connection with this Agreement may be public records, and, accordingly, Developer agrees to comply with all applicable provisions of Florida law in handling such records, including but not limited to section 119.0701, *Florida Statutes*. Developer acknowledges that the designated public records custodian for the District is **Gary Moyer** ("Public Records Custodian"). Among other requirements and to the extent applicable by law, the Developer shall 1) keep and maintain public records required by the District to perform the service; 2) upon request by the Public Records Custodian, provide the District with the requested public records or allow the records to be inspected or copied within a reasonable time period at a cost that does not exceed the cost provided in Chapter 119, *Florida Statutes*; 3) ensure that public records which are exempt or confidential, and exempt from public records disclosure requirements, are not disclosed except as authorized by law for the duration of the contract term and following the contract term if the Developer does not transfer the records to the Public Records Custodian of the District; and 4) upon completion of the contract, transfer to the District, at no cost, all public records in Developer's possession or, alternatively, keep, maintain and meet all applicable requirements for retaining public records pursuant to Florida laws. When such public records are transferred by the Developer, the Developer shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the District in a format that is compatible with Microsoft Word or Adobe PDF formats.

**IF THE DEVELOPER HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, *FLORIDA STATUTES*, TO THE DEVELOPER'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (321) 939-4301, ADMIN@OSCEOLACHAINOFLAKESCDD.ORG, OR 313 CAMPUS STREET, CELEBRATION, FLORIDA 34747.**

**IN WITNESS WHEREOF**, the parties execute this Agreement to be effective the day and year first written above.

**ATTEST:**

**OSCEOLA CHAIN OF LAKES  
COMMUNITY DEVELOPMENT  
DISTRICT**

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

\_\_\_\_\_  
Chairman, Board of Supervisors

**HANOVER LAKES, LLC**, a Florida  
limited liability company

By: Hanover Land Company, LLC,  
a Florida limited liability company,  
its Manager

**WITNESSES:**

\_\_\_\_\_  
Print Name: \_\_\_\_\_

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

\_\_\_\_\_  
Print Name: \_\_\_\_\_



# **Subsection 5c**

## **Acquisition Agreement**

**AGREEMENT BY AND BETWEEN THE OSCEOLA CHAIN OF LAKES COMMUNITY DEVELOPMENT DISTRICT AND HANOVER LAKES, LLC REGARDING THE ACQUISITION OF CERTAIN WORK PRODUCT, INFRASTRUCTURE AND REAL PROPERTY (PHASES 3, 4, AND 5)**

THIS AGREEMENT (“**Agreement**”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2019, by and between:

**Osceola Chain of Lakes Community Development District**, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, and located entirely within Osceola County, Florida (the “**District**”); and

**Hanover Lakes, LLC**, a Florida limited liability company, the primary owner of lands within the boundaries of the District, whose address is 605 Commonwealth Avenue, Orlando, Florida 32803 (the “**Landowner**,” together with the District, the “**Parties**”).

**RECITALS**

**WHEREAS**, the District was established by Ordinance 2017-78, as amended, adopted by the Board of County Commissioners in and for Osceola County, Florida, for the purpose of planning, financing, constructing, operating and/or maintaining certain infrastructure, including roadways, stormwater management systems, potable and reclaimed water and sewer systems and other infrastructure; and

**WHEREAS**, the Landowner is the owner of certain lands in Osceola County, Florida, located within the boundaries of the District (the “**Development**”); and

**WHEREAS**, the District presently intends to finance the planning, design, acquisition, construction, and/or installation of certain infrastructure improvements, facilities, and services as detailed in the [2020 Supplemental Engineer’s Report] dated [November 6, 2019] (the “**Supplemental Engineer’s Report**”), attached to this Agreement as **Exhibit A** (“**District Improvements**”), which Supplemental Engineer’s Report supplements the *Master Engineer’s Report* dated January 3, 2018 (the “**Master Engineer’s Report**” and together with the Supplemental Engineer’s Report, the “**Engineer’s Report**”), and the anticipated costs of the District Improvements described in the Supplemental Engineer’s Report are identified in [Exhibit F] of the Supplemental Engineer’s Report (the “**Series 2020 Project Costs**”); and

**WHEREAS**, the District does not have sufficient monies on hand to allow the District to contract directly for the preparation of the necessary surveys, reports, drawings, plans, permits, specifications, and related third-party development documents which would allow the timely commencement and completion of construction of the infrastructure improvements, facilities, and services within the Development (the “**Work Product**”); and

**WHEREAS**, the District will not have sufficient monies to proceed with either the preparation of the Work Product or the commencement of construction of the District Improvements described in **Exhibit A** until such time as the District has closed on the sale of its proposed Osceola Chain of Lakes Community Development District (Osceola County, Florida) Capital Improvement Revenue Bonds, Series 2020 (the “**Series 2020 Bonds**”), the proceeds of

which will be utilized as payment for the Work Product and the District Improvements contemplated by this Agreement; and

**WHEREAS**, in order to avoid a delay in the commencement of the construction of the District Improvements, which delay would also delay the Landowner from implementing its planned development program, the Landowner will advance, fund, commence, and complete and/or cause third parties to commence and complete certain work to enable the District to expeditiously provide the infrastructure; and

**WHEREAS**, as of each Acquisition Date (as hereinafter defined), Landowner desires to convey, or assign as applicable, to the extent permitted, and the District desires to acquire, or take assignment of as applicable, the Work Product, the District Improvements, and the real property sufficient to allow the District to own, operate, maintain, construct, or install the District Improvements described in **Exhibit A**, if any such conveyances are appropriate (the “**Real Property**”), upon the terms and conditions contained herein; and

**WHEREAS**, the District and the Landowner are entering into this Agreement to ensure the timely provision of the District Improvements and completion of the Development.

**NOW, THEREFORE**, based upon good and valuable consideration and the mutual covenants of the Parties, the receipt of which and sufficiency of which is hereby acknowledged, the District and the Landowner agree as follows:

**1. INCORPORATION OF RECITALS.** The recitals stated above are true and correct and by this reference are incorporated as a material part of this Agreement.

**2. ACQUISITION DATE.** The Parties agree to cooperate and use good faith and best efforts to undertake and complete the acquisition process contemplated by this Agreement on such date as the Parties may jointly agree upon (“**Acquisition Date**”). The Parties agree that separate or multiple Acquisition Dates may be established for any portion of the acquisitions contemplated by this Agreement.

**3. ACQUISITION OF WORK PRODUCT.** Subject to any applicable legal requirements (e.g., but not limited to, those laws governing the use of proceeds from tax exempt bonds), the availability of proceeds from the Series 2020 Bonds, and the requirements of this Agreement, the District agrees to pay the actual reasonable cost incurred by the Landowner in preparation of the Work Product in accordance with the provisions of this Agreement. The Landowner shall provide copies of any and all invoices, bills, receipts, or other evidence of costs incurred by the Landowner for the Work Product acquired with proceeds from the Series 2020 Bonds. The District Engineer shall review all evidence of cost and shall certify to the District’s Board of Supervisors (“**Board**”) the total actual amount of cost, which in the District Engineer’s sole opinion, is reasonable for the Work Product. The District Engineer’s opinion as to cost shall be set forth in an Engineer’s Certificate which shall accompany the requisition for the funds from the District’s trustee for the Series 2020 Bonds (“**Trustee**”). In the event that the Landowner disputes the District Engineer’s opinion as to cost, the District and the Landowner agree to use good faith efforts to resolve such dispute. If the Parties are unable to resolve any such dispute, the Parties agree to jointly select a third party engineer whose decision as to any such dispute shall be binding upon the Parties. Such a decision by a third-party engineer shall be set forth in

an Engineer's Affidavit which shall accompany the requisition for Series 2020 Bonds funds from the Trustee. The foregoing engineering review and certification process shall hereinafter be referred to as the "Review Process." The Parties acknowledge that the Work Product is being acquired for use by the District in connection with the construction of the District Improvements.

- A. The Landowner agrees to convey to the District any and all of its right, title and interest in the Work Product (except as otherwise provided for in this Agreement) upon payment of the sums determined to be reasonable by the District Engineer, or a third party engineer selected pursuant to this Section, or prior to payment of such as provided for herein, and approved by the Board pursuant to and as set forth in this Agreement.
- B. Except as otherwise provided for in this Agreement, the Landowner agrees to release, or assign as applicable, to the District all transferrable right, title, and interest which the Landowner may have in and to the above described Work Product, as well as all common law, statutory, and other reserved rights of Landowner in and to the Work Product, including any and all copyrights in the Work Product and extensions and renewals thereof under United States law and throughout the world, and all publication rights and all subsidiary rights and other rights in and to the Work Product in all forms, mediums, and media, now known or hereinafter devised if owned by Landowner. To the extent determined necessary by the District, the Landowner shall use good faith efforts to obtain all releases from any professional providing services in connection with the Work Product acquired with the proceeds of the Series 2020 Bonds to enable the District to use and rely upon the Work Product. Such releases may include, but are not limited to, any architectural, engineering, or other professional services.
- C. Notwithstanding anything to the contrary contained herein: (i) Landowner's conveyance or assignment of the Work Product is made without representation or warranty whatsoever, and Landowner shall not be held liable for the Work Product or any defect therein and (ii) Landowner reserves a license to use the Work Product as set forth below, including reliance upon and enforcement thereof. The District agrees to seek recovery for any loss with respect to the Work Product from any person or entity who created the Work Product or who has provided an applicable warranty that has been assigned to the District pursuant to Section 3.D. of this Agreement.
- D. The Landowner agrees to provide or cause to be provided to the District, either by assignment or directly from such third parties as may be necessary and desirable to the mutual satisfaction of the Parties hereto, any transferable warranty for the person or entity who created the Work Product which is in favor of Landowner that the Work Product is fit for the purposes to which it will be put by the District, as contemplated by the Engineer's Report.

- E. The District hereby grants to Landowner, and Landowner hereby reserves, access to and the right to use the Work Product, without the payment of any fee by the Landowner. However, to the extent the Landowner's access to and use of the Work Product causes the District to incur any de minimis cost, such as copying costs, the Landowner agrees to pay such cost or expense.

**4. ACQUISITION OF DISTRICT IMPROVEMENTS.** Subject to any applicable legal requirements (e.g., but not limited to, those laws governing the use of proceeds from tax exempt bonds), the availability of proceeds from the Series 2020 Bonds, and the requirements of this Agreement, the District agrees to acquire completed District Improvements. When a portion of the District Improvements are completed and ready for conveyance by the Landowner to the District, the Landowner shall notify the District in writing, describing the nature of the improvement, its general location, and its estimated cost. Landowner agrees to provide, at or prior to each Acquisition Date, the following: (i) documentation of actual costs paid, (ii) instruments of conveyance such as special warranty bills of sale or such other instruments necessary to convey such portion of the District Improvements as may be reasonably requested by the District in accordance (but not in conflict) with this Agreement, and (iii) any other reasonable releases or documentation as may be reasonably requested by the District or Landowner in accordance (but not in conflict) with this Agreement. Any real property interests necessary for the functioning of the District Improvements to be acquired under this paragraph shall be reviewed and conveyed in accordance with the provisions of Section 5. The District Engineer in consultation with Counsel shall determine in writing whether or not the infrastructure to be conveyed is a part of the District Improvements contemplated by the Engineer's Report, and if so, shall provide Landowner with a list of items necessary to complete the acquisition. Each such acquisition shall also be subject to the Review Process described in Section 3 above. The District's Manager (the "**District Manager**") shall determine, in writing, whether the District has, based on the Landowner's estimate of cost, sufficient unencumbered funds to acquire the improvement.

- A. All documentation of any acquisition (e.g., bills of sale, receipts, maintenance bonds, as-builts, evidence of costs, deeds or easements, etc.) shall be to the reasonable satisfaction of the District. If any item acquired is to be conveyed to a third-party governmental body, then the Landowner agrees to cooperate and provide such certifications or documents as may reasonably be required by that governmental body, if any.
- B. The District Engineer shall certify as to the actual cost of any District Improvement. Subject to any applicable legal requirements (e.g., but not limited to, those laws governing the use of proceeds from tax-exempt bonds), the availability of proceeds from the Series 2020 Bonds, and the requirements of this Agreement, the District shall pay no more than the actual cost incurred, as determined by the District Engineer.
- C. The Landowner agrees to cooperate fully in the transfer of any permits to the District or any governmental entity with maintenance obligations for any District Improvements conveyed pursuant to this Agreement.

**5. CONVEYANCE OF REAL PROPERTY.**

- A. Conveyance. The Landowner agrees that it will convey, or cause to be conveyed, to the District, at or prior to each Acquisition Date as reasonably determined by the District and Landowner, by a special warranty deed (or, if less than a fee estate, by easement or other instrument) reasonably acceptable to the Board together with a metes and bounds or other description, the lands (or less interest therein) upon which the District Improvements are constructed or which are necessary for the operation and maintenance of, and access to the District Improvements. The parties agree that all Real Property shall be provided to the District at no cost unless the costs for the Real Property are expressly included as part of the Series 2020 Project Costs. The District may determine in its reasonable discretion that fee title is not necessary and in such cases shall accept such other interest in the lands upon which the District Improvements are constructed as the District deems acceptable. Such special warranty deed (or, if less than fee estate, other instrument) shall be subject to a reservation by Landowner of its right and privilege to use the area conveyed and/or grant to third parties the right to construct the District Improvements and any future improvements to such area for any related purposes (including, but not limited to, construction traffic relating to the construction of the Development) not inconsistent with the District's use, occupation or enjoyment thereof. The Landowner shall pay all required closing costs (i.e., documentary stamps) if any, for the conveyance of the lands upon which the District Improvements are constructed. The Landowner shall be responsible for all taxes and assessments levied on the lands upon which the District Improvements are constructed until such time as the Landowner conveys all said lands to the District. At the time of conveyance, and if desired by the District, the Landowner shall provide, at its expense, an owner's title insurance policy or obtain an opinion of title in a form satisfactory to the District.
- B. Boundary or Other Adjustments. Landowner and the District agree that reasonable future boundary adjustments may be made as deemed necessary by both Parties in order to accurately describe lands conveyed to the District and lands which remain in Landowner's ownership. The Parties agree that any land transfers made to accommodate such adjustments shall be accomplished by donation. However, the Party requesting such adjustment shall pay any third-party transaction costs resulting from the adjustment, including but not limited to taxes, title insurance, recording fees, or other third-party transfer costs.

**6. TAXES, ASSESSMENTS, AND COSTS.**

- A. Taxes, assessments and costs resulting from Agreement. The Landowner agrees to indemnify the District from and make payment for any and all taxes (ad valorem, personal property, intangibles, or otherwise), non-ad valorem assessments, which may be imposed upon the District, or which

the District is legally obligated to pay, as a result of the Parties entering into this Agreement, if any, whether such taxes or assessments are imposed upon the District's property or property interest, or the Landowner's property or property interest. As to any parcel of Real Property conveyed by Landowner pursuant to this Agreement, the potential obligations of the Landowner to pay such taxes and assessments that may be incurred as a result of the Parties entering into this Agreement shall terminate one (1) year after conveyance of such parcel of Real Property. Notwithstanding the foregoing, the Parties represent to each other that they are not aware of any such taxes or assessments imposed upon the District as of the Effective Date of this Agreement

B. Taxes and assessments on property being acquired. The District is an exempt governmental unit acquiring property pursuant to this Agreement for use exclusively for public purposes. Accordingly, in accordance with Florida law, the Landowner agrees to reserve an amount equal to the current ad valorem taxes and non-ad valorem assessments (with the exception of those ad valorem taxes and non-ad valorem assessments levied by the District) prorated to the date of transfer of title, based upon the expected assessment and millage rates giving effect to the greatest discount available for early payment.

1. If and only to the extent the property acquired by the District is subject to ad valorem taxes or non-ad valorem assessments, the Landowner agrees to reimburse the District for payment, or pay on its behalf, the prorated portion of any and all ad valorem taxes and non-ad valorem assessments imposed during the calendar year in which each parcel of property is conveyed. For example, if the District acquires property in October 2020, the Landowner shall escrow the pro rata amount of taxes due for the tax bill payable in November 2020. If any additional taxes are imposed on the District's property in 2020 for a period which property was owned by Landowner, then the Landowner agrees to reimburse the District for that additional amount.

2. Nothing in this Agreement shall prevent the District from asserting any rights to challenge any taxes or assessments imposed, if any, on any property of the District.

C. Notice. The Parties agree to provide notice to the other within ten (10) calendar days of receipt of any notice of potential or actual taxes, assessments, or costs, as a result of any transaction pursuant to this Agreement, or notice of any other taxes assessments or costs imposed on the property acquired by the District as described in subsection B above. The Landowner covenants to make any payments due hereunder in a timely manner in accordance with Florida law. In the event that the Landowner fails to make timely payment of any such taxes or costs, the Landowner acknowledges the District's right to make such payment. If

the District makes such payment, the Landowner agrees to reimburse the District within thirty (30) calendar days of receiving notice of such payment, and to include in such reimbursement any fees, costs, penalties, or other expenses which accrued to the District as a result of making such a payment, including interest at the maximum rate allowed by law from the date of the payment made by the District.

- D. Tax liability not created. Nothing herein is intended to create or shall create any new or additional tax liability on behalf of the Landowner or the District. Furthermore, the Parties reserve all respective rights to challenge, pay under protest, contest or litigate the imposition of any tax, assessment, or cost in good faith they believe is unlawfully or inequitably imposed and agree to cooperate in good faith in the challenge of any such imposition.

**7. ACQUISITION IN ADVANCE OF RECEIPT OF PROCEEDS.** The District and Landowner hereby agree that an acquisition pursuant to this Agreement (“**Acquisition**”) by the District may be completed prior to the District obtaining proceeds from the Series 2020 Bonds. The District agrees to pursue the issuance of the Series 2020 Bonds in good faith; provided however, nothing herein shall cause or be construed to require the District to issue additional bonds or indebtedness to provide funds for any unfunded Acquisition. In the event that the District issues the Series 2020 Bonds and has bond proceeds available to pay for any portion of the Acquisitions acquired by the District, and subject to the terms of the applicable documents relating to the Series 2020 Bonds, then the District shall promptly make payment for any such acquired Work Product, District Improvements or Real Property pursuant to the terms of this Agreement; provided, however, that no such obligation shall exist where the Landowner is in default on the payment of any debt service assessments due on any property owned by the Landowner, or, further, in the event the District’s bond counsel determines that any such Acquisitions are not properly compensable for any reason, including, but not limited to federal tax restrictions imposed on tax-exempt financing, the District shall not be obligated to make payment for such Acquisitions. Interest shall not accrue on the amounts owed for any prior Acquisitions. In the event the District does not or cannot issue the sufficient bonds within six (6) years from the date of this Agreement to pay for all Acquisitions hereunder, and, thus does not make payment to the Landowner for any unfunded Acquisitions, then the Parties agree that the District shall have no reimbursement obligation whatsoever for those unfunded Acquisitions. The Landowner acknowledges that the District intends to convey some or all of the District Improvements in the Engineer’s Report to Osceola County, Florida, the City of St. Cloud, and/or Orlando Utilities Commission and consents to the District’s conveyance of such improvements prior to payment for any Prior Acquisitions.

**8. DEFAULT.** A default by either Party under this Agreement, which continues for a period of thirty (30) days after notice of such default, shall entitle the other Party to all remedies available at law or in equity, which may include, but not be limited to, the right of actual damages and/or, if applicable, specific performance.

**9. ENFORCEMENT OF AGREEMENT.** In the event that either of the Parties is required to enforce this Agreement by court proceedings or otherwise, then the Parties agree that the prevailing Party shall be entitled to recover from the other Party, in addition to all other relief granted or awarded, all fees and costs incurred, including reasonable attorneys’ fees and costs for



trial, alternative dispute resolution, appellate proceedings and post-judgment collection proceedings.

**10. AGREEMENT.** This instrument shall constitute the final and complete expression of this Agreement between the District and the Landowner relating to the subject matter of this Agreement.

**11. AMENDMENTS.** Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by all Parties hereto.

**12. AUTHORIZATION.** The execution of this Agreement has been duly authorized by the appropriate body or official of the District and the Landowner. The District and the Landowner have complied with all the requirements of law. The District and the Landowner have full power and authority to comply with the terms and provisions of this instrument.

**13. NOTICES.** All notices, requests, consents and other communications under this Agreement (“**Notices**”) shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or overnight delivery service, to the Parties, as follows:

A. If to the Landowner: Hanover Lakes, LLC  
605 Commonwealth Avenue  
Orlando, Florida 32803  
Attn: Andrew J. Orosz

B. If to District: Osceola Chain of Lakes Community Development  
District  
313 Campus Street  
Celebration, Florida 34747  
Attn: District Manager

With a copy to: Hopping Green & Sams, P.A.  
119 South Monroe Street, Suite 300  
Post Office Box 6526  
Tallahassee, Florida 32314  
Attn: Sarah R. Sandy

Except as otherwise provided in this Agreement, any Notice shall be deemed received only upon actual delivery at the address set forth above. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the District and counsel for the Landowner may deliver Notice on behalf of the District and the Landowner. Any Parties or other person to whom Notices are to be sent or copied may notify the other Parties and addressees of any change in name or address to which Notices shall be sent by providing the same on five (5) days’ written notice to the Parties and addressees set forth in this Agreement.

**14. ARM'S-LENGTH TRANSACTION.** This Agreement has been negotiated fully between the District and the Landowner as an arm's-length transaction. All Parties participated fully in the preparation of this Agreement and received the advice of counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, all Parties are deemed to have drafted, chosen, and selected the language, and the doubtful language will not be interpreted or construed against any Party hereto.

**15. THIRD-PARTY BENEFICIARIES.** This Agreement is solely for the benefit of the District and the Landowner and no right or cause of action shall accrue upon or by reason, to or for the benefit of any third party not a formal party to this Agreement. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or entity other than the District and the Landowner any right, remedy, or claim under or by reason of this Agreement or any of the provisions or conditions of this Agreement; and all of the provisions, representations, covenants, and conditions contained in this Agreement shall inure to the sole benefit of and shall be binding upon the District and the Landowner and their respective representatives, successors, and assigns.

**16. ASSIGNMENT.** This Agreement may be assigned, in whole or in part, by either Parties only upon the written consent of the other, which consent shall not be unreasonably withheld.

**17. APPLICABLE LAW AND VENUE.** This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida. Each Party consents that the venue for any litigation arising out of or related to this Agreement shall be in Osceola County, Florida.

**18. EFFECTIVE DATE.** This Agreement shall be effective upon the later of the execution by the District and the Landowner.

**19. TERMINATION.** This Agreement may be terminated by the District or the Landowner without penalty in the event that the District does not issue its proposed Series 2020 Bonds.

**20. PUBLIC RECORDS.** The Landowner understands and agrees that all documents of any kind provided to the District in connection with this Agreement may be public records and will be treated as such in accordance with Florida law.

**21. SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any part of this Agreement not held to be invalid or unenforceable.

**22. LIMITATIONS ON GOVERNMENTAL LIABILITY.** Nothing in this Agreement shall be deemed as a waiver of immunity or limits of liability of the District beyond any statutory limited waiver of immunity or limits of liability which may have been adopted by the Florida Legislature in Section 768.28, *Florida Statutes*, or other statute, and nothing in this Agreement shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred under the Doctrine of Sovereign Immunity or by operation of law.

**23. HEADINGS FOR CONVENIENCE ONLY.** The descriptive headings in this Agreement are for convenience only and shall not control nor affect the meaning or construction of any of the provisions of this Agreement.

**24. COUNTERPARTS.** This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original; however, all such counterparts together shall constitute but one and the same instrument. Signature and acknowledgment pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document.

[REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK.]

**IN WITNESS WHEREOF**, the Parties hereto have executed this Agreement the day and year first written above.

Attest:

**OSCEOLA CHAIN OF LAKES  
COMMUNITY DEVELOPMENT  
DISTRICT**

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

By: \_\_\_\_\_  
Name: Anthony J. Iorio  
Its: Chairman

**HANOVER LAKES, LLC,**  
a Florida limited liability company

By: Hanover Land Company, LLC, a  
Florida limited liability company, Its  
Manager

\_\_\_\_\_  
Witness

By: \_\_\_\_\_  
Name: Andrew Orosz  
Title: Vice President

**Exhibit A:** [2020 Supplemental Engineer's Report (dated November 6, 2019)]

# **Subsection 5d**

## **Investment Banking Agreement**



## **MBS CAPITAL MARKETS, LLC**

### **SUPPLEMENT TO INVESTMENT BANKING AGREEMENT DATED NOVEMBER 1, 2017 REGARDING BOND ISSUANCES BY OSCEOLA CHAIN OF LAKES COMMUNITY DEVELOPMENT DISTRICT**

November 6, 2019

Board of Supervisors  
Osceola Chain of Lakes Community Development District

Dear Supervisors:

MBS Capital Markets, LLC (“Underwriter”) and the Board of Supervisors of the Osceola Chain of Lakes Community Development District (“District”) entered into an Investment Banking Agreement effective November 1, 2017 (“Agreement”) wherein the District engaged the Underwriter to provide investment banking services for the District. The purpose of this letter is to supplement the Agreement by specifying the particular planned transaction currently being contemplated by the District for which such investment banking services are to be provided by the Underwriter.

The District is proposing to issue one series of capital improvement revenue bonds in 2020 for the purpose of acquiring/constructing additional improvements included within the District’s adopted Capital Improvement Program. It is the District’s intent to engage the Underwriter to provide investment banking services for these transactions.

The scope of services to be provided in a non-fiduciary capacity by the Underwriter for these transactions will include those listed below.

- Advice regarding the structure, timing, terms, and other similar matters concerning the particular municipal securities described above.
- Preparation of rating strategies and presentations related to the issue being underwritten.
- Preparations for and assistance with investor “road shows,” if any, and investor discussions related to the issue being underwritten.
- Advice regarding retail order periods and institutional marketing if the District decides to engage in a negotiated sale.
- Assistance in the preparation of the Preliminary Official Statement, if any, and the final Official Statement.
- Assistance with the closing of the issue, including negotiation and discussion with respect to all documents, certificates, and opinions needed for the closing.
- Coordination with respect to obtaining CUSIP numbers and the registration with the Depository Trust Company.
- Preparation of post-sale reports for the issue, if any.
- Structuring of refunding escrow cash flow requirements, but not the recommendation of and brokerage of particular municipal escrow investments.

---

4890 WEST KENNEDY BLVD. SUITE 940  
TAMPA, FLORIDA 33609  
PHONE: 813.281.2700

152 LINCOLN AVENUE  
WINTER PARK, FLORIDA 32789  
PHONE: 407.622.0130

1005 BRADFORD WAY  
KINGSTON, TENNESSEE 37763  
PHONE: 865.717.0303



## MBS CAPITAL MARKETS, LLC

All other terms of the Agreement shall remain in effect, including specifically the Disclosures Concerning the Underwriter's Role Required by MSRB Rule G-17 which is again being provided in Exhibit A hereto. By execution of this supplement to the Agreement you are acknowledging receipt of the same.

This supplement to the Agreement shall be effective upon your acceptance and shall remain in effect until such time as the financing transactions described herein have been completed or the Agreement is terminated as provided in Section 3 of the Agreement.

Sincerely,  
**MBS Capital Markets, LLC**

A handwritten signature in blue ink, appearing to read "B. Sealy", is positioned above a horizontal line.

---

Brett Sealy  
Managing Partner

Approved and Accepted By: \_\_\_\_\_

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

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



# MBS CAPITAL MARKETS, LLC

## EXHIBIT A

### **Disclosures Concerning the Underwriter's Role**

- (i) Municipal Securities Rulemaking Board Rule G-17 requires an underwriter to deal fairly at all times with both municipal issuers and investors;
- (ii) The Underwriter's primary role is to purchase securities with a view to distribution in an arm's-length commercial transaction with the District and it has financial and other interests that differ from those of the District;
- (iii) Unlike a municipal advisor, the Underwriter does not have a fiduciary duty to the District under the federal securities laws and is, therefore, not required by federal law to act in the best interests of the District without regard to its own financial or other interests;
- (iv) The Underwriter has a duty to purchase securities from the District at a fair and reasonable price, but must balance that duty with its duty to sell municipal securities to investors at prices that are fair and reasonable; and
- (v) The Underwriter will review the official statement for the District's securities in accordance with, and as part of, its responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of the transaction.

### **Disclosure Concerning the Underwriter's Compensation**

Underwriter's compensation that is contingent on the closing of a transaction or the size of a transaction presents a conflict of interest, because it may cause the Underwriter to recommend a transaction that it is unnecessary or to recommend that the size of the transaction be larger than is necessary.

### **Conflicts of Interest**

**Payments to or from Third Parties.** There are no undisclosed payments, values, or credits to be received by the Underwriter in connection with its underwriting of this new issue from parties other than the District, and there are no undisclosed payments to be made by the Underwriter in connection with this new issue to parties other than the District (in either case including payments, values, or credits that relate directly or indirectly to collateral transactions integrally related to the issue being underwritten). In addition, there are no third-party arrangements for the marketing of the District's securities.

**Profit-Sharing with Investors.** There are no arrangements between the Underwriter and an investor purchasing new issue securities from the Underwriter (including purchases that are contingent upon the delivery by the District to the Underwriter of the securities) according to which profits realized from the resale by such investor of the securities are directly or indirectly split or otherwise shared with the Underwriter.

**Credit Default Swaps.** There will be no issuance or purchase by the Underwriter of credit default swaps for which the reference is the District for which the Underwriter is serving as underwriter, or an obligation of that District.





## **MBS CAPITAL MARKETS, LLC**

**Retail Order Periods.** For new issues in which there is a retail order period, the Underwriter will honor such agreement to provide the retail order period. No allocation of securities in a manner that is inconsistent with a District's requirements will be made without the District's consent. In addition, when the Underwriter has agreed to underwrite a transaction with a retail order period, it will take reasonable measures to ensure that retail clients are bona fide.

**Dealer Payments to District Personnel.** Reimbursements, if any, made to personnel of the District will be made in compliance with MSRB Rule G-20, on gifts, gratuities, and non-cash compensation, and Rule G-17, in connection with certain payments made to, and expenses reimbursed for, District personnel during the municipal bond issuance process.

# **Section 6**

## **District Manager Report**

# **Subsection 6a**

## **Financials**



## Moyer Management Group

313 Campus Street  
Celebration, FL 34747

Phone: 321-939-4301  
Email: Brenda@Moyer-Group.com

# Notes to Financial Statements

## September 30, 2019

**DATE:** October 30, 2019  
**TO:** Osceola Chain of Lakes CDD Board of Supervisors  
**FROM:** Brenda Burgess  
**RE:** Notes to explain overages or outstanding balances

### Balance Sheet

- Accounts Receivable — Due from Developer: funding request #17 is being presented for ratification, and funding request #18 is being presented for approval at the November 6 meeting; funding is anticipated shortly thereafter. Funding request #19 will be presented at a future meeting once all invoices for fiscal year 2019 are received.
- Accounts Payable: upon receipt of funding requests, checks will be issued for outstanding payables

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

#### Administrative Expenses

Account Name	YTD Budget	YTD Actual	% of Budget	Explanation
Prof Fees — Dissemination Agent	\$ 0.00	\$ 1,000.00	1,000%	Fees were anticipated in the debt service budget instead of the general fund budget  <i>Overage will be addressed through a budget amendment</i>
Professional Fees — Trustee	\$ 0.00	\$ 3,717.38	1,000%	Trustee fees were anticipated in the capital projects budget instead of the general fund budget  <i>Overage will be addressed through a budget amendment</i>
Website	\$ 0.00	\$ 1,465.99	1,000%	Expenses were previously coded to Contingency but will now be coded to its own line item.  <i>Overage will be addressed through a budget amendment</i>

**Osceola Chain of Lakes CDD**  
**Balance Sheet**  
**All Governmental Funds**  
**Fiscal Year 2019**  
**September 30, 2019**

	General Funds	Debt Service Funds	Capital Projects Funds	Total
<b>ASSETS</b>				
Cash -- Checking Account	\$ 5,809.62			\$ 5,809.62
Accounts Receivable -- Due from Developer	\$ 27,030.23			\$ 27,030.23
Other Current Assets -- Prepaid Insurance (for FY2020)	\$ 5,000.00			\$ 5,000.00
Investments:				
Revenue Fund #5000		\$ 0.26		\$ 0.26
Interest Fund #5001		\$ -		\$ -
Sinking Fund #5002		\$ -		\$ -
Prepayment Fund #5003		\$ -		\$ -
Debt Service Reserve Fund #5004		\$ 73,553.13		\$ 73,553.13
Capitalized Interest Fund #5005		\$ 604.05		\$ 604.05
Acquisition and Construction Fund #5006			\$ 1,409.07	\$ 1,409.07
Cost of Issuance #5007 (closed)	\$ -	\$ -	\$ -	\$ -
Fixed Assets:				
District Acquisitions	\$ -	\$ -	\$ 1,821,109.35	\$ 1,821,109.35
<b>Total Assets</b>	<b>\$ 37,839.85</b>	<b>\$ 74,157.44</b>	<b>\$ 1,822,518.42</b>	<b>\$ 1,934,515.71</b>
<b>LIABILITIES</b>				
Current Liabilities				
Accounts Payable	\$ 19,930.53	\$ -	\$ -	\$ 19,930.53
Payroll Liabilities Payable	\$ 153.00	\$ -	\$ -	\$ 153.00
Long-Term Liabilities				
Bonds Payable		\$ 117,786.90	\$ 2,052,213.10	\$ 2,170,000.00
Discount on Bonds Payable (contra liability)	\$ -	\$ (640.30)	\$ (8,934.34)	\$ (9,574.64)
<b>Total Liabilities</b>	<b>\$ 20,083.53</b>	<b>\$ 117,146.60</b>	<b>\$ 2,043,278.76</b>	<b>\$ 2,180,508.89</b>
<b>Excess Liabilities over Assets</b>	<b>\$ 17,756.32</b>	<b>\$ (42,989.16)</b>	<b>\$ (220,760.34)</b>	<b>\$ (245,993.18)</b>

**Notes for the general fund balance sheet:**

Accounts Receivable consists of the following:

Due from Developer, Auditor's adjusting journal entry #3	\$ 2,578.00
Due from Developer, Funding Request #17	\$ 13,627.12
Due from Developer, Funding Request #18	\$ 10,825.11
<b>Total Accounts Payable:</b>	<b>\$ 27,030.23</b>

Accounts Payable consists of the following:

Dewberry (fees for June and August)	\$ 1,934.19
Down to Earth (pond bank mowing for September)	\$ 2,650.00
Grau & Associates (duplicate payment made for final billing)	\$ (2,100.00)
Hopping Green & Sams (fees March, July, and August)	\$ 4,501.01
Moyer Management Group (fees for Q4 + dissemination agent)	\$ 13,000.00
Osceola News Gazette (credit on account)	\$ (54.67)
<b>Total Accounts Payable:</b>	<b>\$ 19,930.53</b>

# Osceola Chain of Lakes CDD

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

### GENERAL FUND

Fiscal Year 2019

September 30, 2019

	Annual Fiscal Year 2019 Budget	Year-To-Date Budget	Year-To-Date Actual	Variance Favorable/ (Unfavorable)
<b>REVENUES</b>				
Developer Contributions	\$ 166,647.00	\$ 166,647.00	\$ 135,339.69	\$ 31,307.31
Other Funding Sources	\$ -	\$ -	\$ -	\$ -
<b>Total Revenues</b>	<b>\$ 166,647.00</b>	<b>\$ 166,647.00</b>	<b>\$ 135,339.69</b>	<b>\$ 31,307.31</b>
<b>EXPENDITURES</b>				
<i>Administrative</i>				
Annual Audit	\$ 5,000.00	\$ 5,000.00	\$ 3,600.00	\$ 1,400.00
Capital Outlay	\$ 250.00	\$ 250.00	\$ -	\$ 250.00
Contingency	\$ 500.00	\$ 500.00	\$ 177.99	\$ 322.01
Dues, Licenses, and Subscriptions	\$ 175.00	\$ 175.00	\$ 175.00	\$ -
FICA expense	\$ 372.00	\$ 372.00	\$ 76.50	\$ 295.50
Insurance	\$ 5,000.00	\$ 5,000.00	\$ 1,671.00	\$ 3,329.00
Legal Advertising	\$ 3,200.00	\$ 3,200.00	\$ 3,082.88	\$ 117.12
Office Supplies	\$ 150.00	\$ 150.00	\$ -	\$ 150.00
Other Current Charges	\$ 250.00	\$ 250.00	\$ 56.00	\$ 194.00
Postage	\$ 200.00	\$ 200.00	\$ 41.26	\$ 158.74
Printing and Binding	\$ 200.00	\$ 200.00	\$ -	\$ 200.00
Professional Fees -- Attorney	\$ 35,000.00	\$ 35,000.00	\$ 16,941.74	\$ 18,058.26
Professional Fees -- Dissemination Agent	\$ -	\$ -	\$ 1,000.00	\$ (1,000.00)
Professional Fees -- Engineer	\$ 12,000.00	\$ 12,000.00	\$ 3,761.69	\$ 8,238.31
Professional Fees -- Manager	\$ 48,000.00	\$ 48,000.00	\$ 48,000.00	\$ -
Professional Fees -- Trustee	\$ -	\$ -	\$ 3,717.38	\$ (3,717.38)
Supervisor Fees	\$ 6,000.00	\$ 6,000.00	\$ 1,000.00	\$ 5,000.00
Telephone	\$ 150.00	\$ 150.00	\$ -	\$ 150.00
Travel and Per Diem	\$ 200.00	\$ 200.00	\$ -	\$ 200.00
Website	\$ -	\$ -	\$ 1,465.99	\$ (1,465.99)
<i>Total Administrative Expenditures</i>	<b>\$ 116,647.00</b>	<b>\$ 116,647.00</b>	<b>\$ 84,767.43</b>	<b>\$ 31,879.57</b>
<i>Field</i>				
General Field and Landscape	\$ 50,000.00	\$ 50,000.00	\$ 20,787.75	\$ 29,212.25
<i>Total Field Expenditures</i>	<b>\$ 50,000.00</b>	<b>\$ 50,000.00</b>	<b>\$ 20,787.75</b>	<b>\$ 29,212.25</b>
<b>Total Expenditures</b>	<b>\$ 166,647.00</b>	<b>\$ 166,647.00</b>	<b>\$ 105,555.18</b>	<b>\$ 61,091.82</b>
<b>Excess Revenues (Expenditures)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 29,784.51</b>	<b>\$ (29,784.51)</b>

# Osceola Chain of Lakes CDD

## Combined Debt Service Funds

Fiscal Year 2019 through July 31, 2019

	Actual October 1, 2018, Through July 31, 2019	Actual August 1 through September 30	Total Fiscal Year 2019
<b>REVENUES</b>			
Interest -- Investments	\$ 1,381.22	\$ 233.61	\$ 1,614.83
Special Assessments -- District Collected	\$ -	\$ -	\$ -
Other Miscellaneous Revenues/Contributions	\$ 86,332.50	\$ -	\$ 86,332.50

<b>TOTAL REVENUES</b>	<b>\$ 87,713.72</b>	<b>\$ 233.61</b>	<b>\$ 87,947.33</b>
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### EXPENDITURES

#### Administrative

Distributions	\$ -	\$ -	\$ -
Miscellaneous Collection Costs	\$ -	\$ -	\$ -
<i>Total Administrative</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>

#### Debt Service

Principal Debt Retirement	\$ 30,000.00	\$ -	\$ 30,000.00
Interest Expense (November and May payments)	\$ 130,652.64	\$ -	\$ 130,652.64
Amortization of Bond Discount (Interest Expense)	\$ 11.04	\$ 11.04	\$ 22.08
<i>Total Debt Service</i>	<i>\$ 160,663.68</i>	<i>\$ 11.04</i>	<i>\$ 160,674.72</i>

<b>TOTAL EXPENDITURES</b>	<b>\$ 160,663.68</b>	<b>\$ 11.04</b>	<b>\$ 160,674.72</b>
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Excess (Deficiencies) of Revenues Over (Under) Expenditures	\$ (72,949.96)	\$ 222.57	\$ (72,727.39)
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### OTHER FINANCING SOURCES

Interfund Transfer In (Out)	\$ (1,373.24)	\$ -	\$ (1,373.24)
Contribution to (use of) fund balance	\$ -	\$ -	\$ -

<b>TOTAL OTHER FINANCING SOURCES</b>	<b>\$ (1,373.24)</b>	<b>\$ -</b>	<b>\$ (1,373.24)</b>
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Net Change in Fund Balance	\$ (74,089.59)
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<b>Beginning Fund Balance, October 1, 2018</b>	<b>\$ 148,247.03</b>
<b>Ending Fund Balance, July 31, 2019</b>	<b>\$ 74,157.44</b>

# Osceola Chain of Lakes CDD

## Combined Capital Projects Funds

Fiscal Year 2019 through September 30, 2019

	Actual October 1 Through July 31	Actual August 1 through September 30	Total Fiscal Year 2019
<b>REVENUES</b>			
Interest -- Investments	\$ 22.44	\$ 4.44	\$ 26.88
Contributions	\$ 1,384.28	\$ -	\$ 1,384.28
<b>TOTAL REVENUES</b>	<b>\$ 1,406.72</b>	<b>\$ 4.44</b>	<b>\$ 1,411.16</b>
<b>EXPENDITURES</b>			
<i>Administrative</i>			
Attorney	\$ 2,221.64	\$ -	\$ 2,221.64
Distributions	\$ -	\$ -	\$ -
Miscellaneous Costs	\$ -	\$ -	\$ -
<i>Total Administrative</i>	<b>\$ 2,221.64</b>	<b>\$ -</b>	<b>\$ 2,221.64</b>
<i>Debt Service</i>			
Principal Payments	\$ -	\$ -	\$ -
Interest Expense (amortization of bond discount)	\$ 308.08	\$ -	\$ 308.08
<i>Total Debt Service</i>	<b>\$ 308.08</b>	<b>\$ -</b>	<b>\$ 308.08</b>
<i>Acquisitions/Construction</i>			
Residual interest paid with requisition #4	\$ 1,693.49	\$ -	\$ 1,693.49
Description	\$ -	\$ -	\$ -
<i>Total Debt Service</i>	<b>\$ 1,693.49</b>	<b>\$ -</b>	<b>\$ 1,693.49</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 4,223.21</b>	<b>\$ -</b>	<b>\$ 4,223.21</b>
Excess (Deficiencies) of Revenues Over (Under) Expenditures	\$ (2,816.49)	\$ 4.44	\$ (2,812.05)
<b>OTHER FINANCING SOURCES</b>			
Interfund Transfer In (Out)	\$ 2,529.72	\$ -	\$ 2,529.72
Contribution to (Use of) Fund Balance	\$ -	\$ -	\$ -
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>\$ 2,529.72</b>	<b>\$ -</b>	<b>\$ 2,529.72</b>
<b>Net Change in Fund Balance</b>	<b>\$ (282.33)</b>		
<b>Beginning Fund Balance, October 1, 2018</b>	<b>\$ 1,691.40</b>		
<b>Ending Fund Balance, July 31, 2019</b>	<b>\$ 1,409.07</b>		



# **Subsection 6b**

## **Check Register**

# Osceola Chain of Lakes CDD

## Check Register

For the period beginning August 1, 2019, through September 30, 2019

Sorted by Check Number

Check #	Date	Payable to	Invoice #	Description	Budget Line Item	Amount
<b>GENERAL FUND</b>						
1048	09/25/19	Egis Insurance & Risk Advisors	1000119415	FY2020 insurance premium	Insurance	\$ 5,000.00
1049	09/30/19	Hopping Green & Sams	104312, 105141, 107559, 108383, 109106	Oct and Dec project fees, April - June general counsel	Professional Fees -- Attorney	\$ 8,013.76
1050	09/30/19	Down to Earth	37221, 37652, 40817, 43505	Pond bank mowing May - August	Pond Bank Mowing	\$ 10,600.00
1051	09/30/19	Osceola News Gazette	27675, 28415	Advertise special meeting and budget hearing	Legal Advertising	\$ 2,952.63
1052	09/30/19	Grau & Associates	18467	Auditing services, final billing (duplicate, paid in error)	Annual Audit	\$ 2,100.00
1053	void	void	void	void	void	void
1054	void	void	void	void	void	void
1055	09/30/19	Kimberly Locher	August 8	Attendance at August 8 meeting	Supervisor Fees	\$ 184.70
1056	09/30/19	Moyer Management Group	FY2019 Q3	Management fees for FY2019 Q3	split: Professional Fees -- Manager	\$ 12,000.00
		total check: \$12,339.78	Sept. 5, 2018	FY2019 website hosting (annual fee)	split: Website	\$ 161.79
			June 1, 2019	Annual payroll and accounting software (1/5th the total)	split: Contingency	\$ 177.99

# **Subsection 6c**

## **Funding Request #17**

**Osceola Chain of Lakes CDD**  
**Funding Request #17**  
August 31, 2019

Description	Amount	Ratification or Approval	Comments
<b>Dewberry</b>			
Fees for June	<u>\$ 1,290.00</u>	\$ 1,290.00	A for approval
<b>Down to Earth</b>			
Monthly maintenance of pond banks, September	<u>\$ 2,650.00</u>	\$ 2,650.00	A for approval
<b>Egis Insurance &amp; Risk Advisors</b>			
Insurance for fiscal year 2020	<u>\$ 5,000.00</u>	\$ 5,000.00	R for ratification
<b>Hopping Green &amp; Sams</b>			
Fees for July	<u>\$ 687.12</u>	\$ 687.12	A for approval
<b>Moyer Management Group</b>			
Fees for August	<u>\$ 4,000.00</u>	\$ 4,000.00	A for approval
<b>Total Funding Request</b>		<u><u>\$ 13,627.12</u></u>	sent 09-25-19

# **Subsection 6d**

## **Funding Request #18**

**Osceola Chain of Lakes CDD**  
**Funding Request #18**  
September 30, 2019

Description		Amount	Ratification or Approval	Comments
<b>Dewberry</b>				
Fees for August	\$ 1,290.00	\$ 1,290.00	A	for approval
<b>Hopping Green &amp; Sams</b>				
Fees for August	\$ 3,458.94			
Fees for September	\$ 1,076.17	\$ 4,535.11	A	for approval
<b>Moyer Management Group</b>				
Fees for September	\$ 4,000.00		A	for approval
Dissemination Agent fees for FY2019	\$ 1,000.00	\$ 5,000.00	A	for approval
<b>Total Funding Request</b>		<b>\$ 10,825.11</b>		presented at November 6, 2019, meeting

# **Subsection 6e**

## **Resolution 2020-01**

## **RESOLUTION 2020-01**

### **A RESOLUTION AMENDING THE GENERAL FUND BUDGET FOR FISCAL YEAR 2019 FOR THE OSCEOLA CHAIN OF LAKES COMMUNITY DEVELOPMENT DISTRICT**

**WHEREAS**, the Board of Supervisors (“Board”) of the Osceola Chain of Lakes Community Development District (“District”) adopted a general fund budget for fiscal year 2019, which commenced October 1, 2018, and concluded September 30, 2019 (“Fiscal Year”); and

**WHEREAS**, the Board desires to allocate funds budgeted to reappropriate revenues and expenses approved during the Fiscal Year

### **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE OSCEOLA CHAIN OF LAKES COMMUNITY DEVELOPMENT DISTRICT:**

1. The general fund budget is hereby amended in accordance with Exhibit A, attached.
2. This Resolution shall become effective this 5<sup>th</sup> day of November, 2019, and shall be reflected in the Fiscal Year financial statements on September 30, 2019, and the audited financial statements for the District.

PASSED AND ADOPTED THIS, 6<sup>th</sup> day of November, 2019.

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Chairman

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Secretary



**OSCEOLA CHAIN OF LAKES COMMUNITY DEVELOPMENT DISTRICT**  
**Exhibit A**

**GENERAL FUND**  
**Fiscal Year 2019**

	Annual Fiscal Year 2019 Budget	Year-To-Date Budget	Year-To-Date Actual	Budget Changes	Amended Fiscal Year 2019 Budget
<b>REVENUES</b>					
Developer Contributions	\$ 166,647.00	\$ 166,647.00	\$ 135,339.69	\$ -	\$ 166,647.00
Other Funding Sources	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Revenues</b>	<b>\$ 166,647.00</b>	<b>\$ 166,647.00</b>	<b>\$ 135,339.69</b>	<b>\$ -</b>	<b>\$ 166,647.00</b>
<b>EXPENDITURES</b>					
<i>Administrative</i>					
Annual Audit	\$ 5,000.00	\$ 5,000.00	\$ 3,600.00	\$ (1,000.00)	\$ 4,000.00
Capital Outlay	\$ 250.00	\$ 250.00	\$ -	\$ -	\$ 250.00
Contingency	\$ 500.00	\$ 500.00	\$ 177.99	\$ (100.00)	\$ 400.00
Dues, Licenses & Subscriptions	\$ 175.00	\$ 175.00	\$ 175.00	\$ -	\$ 175.00
FICA expense	\$ 372.00	\$ 372.00	\$ 76.50	\$ (200.00)	\$ 172.00
Insurance	\$ 5,000.00	\$ 5,000.00	\$ 1,671.00	\$ (3,000.00)	\$ 2,000.00
Legal Advertising	\$ 3,200.00	\$ 3,200.00	\$ 3,082.88	\$ -	\$ 3,200.00
Office Supplies	\$ 150.00	\$ 150.00	\$ -	\$ -	\$ 150.00
Other Current Charges	\$ 250.00	\$ 250.00	\$ 56.00	\$ -	\$ 250.00
Postage	\$ 200.00	\$ 200.00	\$ 41.26	\$ -	\$ 200.00
Printing and Binding	\$ 200.00	\$ 200.00	\$ -	\$ -	\$ 200.00
Prof Fees -- Attorney	\$ 35,000.00	\$ 35,000.00	\$ 16,941.74	\$ -	\$ 35,000.00
Prof Fees -- Dissemination Agent	\$ -	\$ -	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Prof Fees -- Engineer	\$ 12,000.00	\$ 12,000.00	\$ 3,761.69	\$ -	\$ 12,000.00
Prof Fees -- Manager	\$ 48,000.00	\$ 48,000.00	\$ 48,000.00	\$ -	\$ 48,000.00
Prof Fees -- Trustee	\$ -	\$ -	\$ 3,717.38	\$ 3,800.00	\$ 3,800.00
Supervisor Fees	\$ 6,000.00	\$ 6,000.00	\$ 1,000.00	\$ (2,000.00)	\$ 4,000.00
Telephone	\$ 150.00	\$ 150.00	\$ -	\$ -	\$ 150.00
Travel and Per Diem	\$ 200.00	\$ 200.00	\$ -	\$ -	\$ 200.00
Website	\$ -	\$ -	\$ 1,465.99	\$ 1,500.00	\$ 1,500.00
<i>Total Administrative Expenditures</i>	<b>\$ 116,647.00</b>	<b>\$ 116,647.00</b>	<b>\$ 84,767.43</b>	<b>\$ -</b>	<b>\$ 116,647.00</b>
<i>Field</i>					
General Field and Landscape	\$ 50,000.00	\$ 50,000.00	\$ 20,787.75	\$ -	\$ 50,000.00
<i>Total Field Expenditures</i>	<b>\$ 50,000.00</b>	<b>\$ 50,000.00</b>	<b>\$ 20,787.75</b>	<b>\$ -</b>	<b>\$ 50,000.00</b>
<b>Total Expenditures</b>	<b>\$ 166,647.00</b>	<b>\$ 166,647.00</b>	<b>\$ 105,555.18</b>	<b>\$ -</b>	<b>\$ 166,647.00</b>
<b>Excess Revenues (Expenditures)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 29,784.51</b>	<b>\$ -</b>	<b>\$ -</b>