

# Osceola Chain of Lakes Community Development District

## Board of Supervisors

Anthony Iorio, Chairman  
Jason Lonas, Vice Chairman  
Doug Beasley, Assistant Secretary  
Garison Clemens, Assistant Secretary  
Kimberly Locher, Assistant Secretary

## Staff

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

## Agenda

Wednesday, May 6, 2020 – 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 January 30, 2020, Continued Meeting**
5. **Presentation of Fiscal Year 2021 Budgets**
  - a. Fiscal Year 2021 Budgets
  - b. Resolution 2020-08, Approving the Proposed Budget for Fiscal Year 2021 and Setting a Public Hearing Date Thereon
6. **Business Matters**
  - a. Consideration of Resolution 2020-09, Ratifying Series 2020 Bonds
  - b. Consideration of Amended and Restated Disclosure of Public Financing
  - c. Consideration of Resolution 2020-10, Setting the Landowner's Election Date
  - d. Deed of Easement Standard with SFWMD
7. **District Manager's Report**
  - a. Financial Statements (*March 2020*)
  - b. Check Register
  - c. Reset the Public Hearing Date for Adoption of the Rules of Procedure
8. **Staff Reports**
  - a. Attorney
    - i. Consideration of Resolution 2020-04, Internal Control Policy
  - b. Engineer
9. **Public Comment Period**
10. **Other Business**
11. **Supervisors Requests**
12. **Adjournment**

**NOTE:** The next meeting is scheduled for Wednesday, July 1, 2020, 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 CONTINUED MEETING OSCEOLA CHAIN OF LAKES COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Osceola Chain of Lakes Community Development District held Wednesday, January 8, 2020, was continued to Thursday, January 30, 2020, at 10:00 a.m. at the District office, 313 Campus Street, Celebration, FL 34747.

Present and constituting a quorum were:

Anthony Iorio	Chairman
Jason Lonas	Vice Chairman
Douglas Beasley	Assistant Secretary
Garison Clemens	Assistant Secretary
Kimberly Locher	Assistant Secretary

Also present were:

Gary Moyer	Manager: Moyer Management Group
Sarah Sandy	Attorney: Hopping Green & Sams
Nicole Stalder ( <i>by phone</i> )	Engineer: Dewberry

## **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 the January 8, 2020, 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.

On MOTION by Mr. Lonas, seconded by Ms. Locher, with all in favor, unanimous approval was given to accept the minutes of the January 8, 2020, meeting, as presented.
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## **FIFTH ORDER OF BUSINESS**

### **Bond-Related Matters**

#### **A. Presentation of the 2020 Supplemental Engineer's Report**

Ms. Sandy stated we have reviewed the report with the Board previously, and there have not been too many changes. The Resolution the Board will consider will formally adopt the report as part of the methodology and approving the 2020 Project.

Ms. Stalder reviewed the infrastructure that is included in the total cost estimate.

- Stormwater areas have been included, as well as some costs that were moved forward from the first supplemental report related to stormwater into the numbers. That is one of the main differences from the last time we discussed this report.
- Roadways are included. They are all onsite, public roadways.
- Water, sewer, and reuse systems in these phases are included.
- Offsite improvements on Alligator Lake Road are included.
- Onsite conveyances include an addition to the master stormwater system, which is the large pond.
- Portions of the electrical underground system are also included.
- The total for the Series 2020 Project is \$9,153,882.

Ms. Sandy asked based on Ms. Stalder's professional experience, are the cost estimates reasonable and proper?

Ms. Stalder stated yes. We used contractor estimates to validate them.

Ms. Sandy asked are you aware of any reason the 2020 Project could not be completed by the District?

Ms. Stalder stated no, I am not.

### **B. Presentation of the 2020 Supplemental Assessment Report**

Mr. Moyer stated this is the second supplemental assessment report. The first supplemental assessment report was for the Series 2018 Bonds. The purpose of the second supplemental assessment report is to take the information that was provided by the underwriter as a result of the sale of the Series 2020 Bonds and make some adjustments to reflect the interest rate and maturities of that sale. The report follows the master assessment methodology, which was done in 2018. With the exception that the Phase 3 lots, which consist of 131 units, 84 of those have been targeted to remain at the same level as the Series 2018 Assessments. The balance is allocated based upon the information related to the bond issue to amortize the total amount of the debt, which resulted in a portion of the contribution of the capital improvement program (CIP) from the developer to cover that difference. What is important is that adjustment was made, but in total, it follows the master assessment methodology report that was adopted in 2018.

Ms. Sandy asked do the lands subject to these assessments receive special benefits from the 2020 Project?

Mr. Moyer stated yes.

Ms. Sandy asked are the special assessments reasonably apportioned among the lands that are subject to the assessments?

Mr. Moyer stated yes, they are.

Ms. Sandy asked is it reasonable, proper, and just to assess the costs of the 2020 Project against the lands in the District in accordance with the methodology that result in the assessments that are set forth in the supplemental assessment report?

Mr. Moyer stated yes.

**C. Consideration of Resolution 2020-06, Supplemental Assessment Resolution for the Series 2020 Bonds**

- i. Exhibit A: Master and 2020 Supplemental Engineer's Reports**
- ii. Exhibit B: 2020 Supplemental Assessment Report**
- iii. Exhibit C: Maturities and Coupon of Series 2020 Bonds**
- iv. Exhibit D: Sources and Uses of Funds for Series 2020 Bonds**
- v. Exhibit E: Annual Debt Service Payment Due on Series 2020 Bonds**

Mr. Moyer read Resolution 2020-06 into the record by title.

Ms. Sandy stated I will discuss this Resolution a little more thoroughly than we might others because it is allocating the assessments that were previously levied to the lands based on the final bond pricing the District received. We priced the bonds. The bond purchase agreement was executed on January 24, 2020, pursuant to the authority the Board set forth in Resolution 2020-03 which was adopted at the last meeting. The final bond issuance amount was \$5,980,000, which resulted in construction proceeds of about \$5,400,000. After today's meeting, we will pre-close on the bonds, meaning we will execute all the documents. The final closing will be tomorrow, which is when the bonds will be funded. This Resolution does a couple things. It supplements previously adopted assessment Resolution 2018-33, which levied the master assessment lien for the District that each of these bonds have been issued under as various series. The Resolution in Section 2 specifically adopts the 2020 supplemental engineer's report. It also adopts the final supplemental assessment report for the Series 2020 Bonds. It confirms the lien of the 2020 assessment lien that is based on the \$5,980,000 bond pricing amount, as well as the final terms of those bonds. Exhibits to the Resolution include the debt service schedule and the various interest rates. The Resolution also allocates the special assessments in accordance with the previously adopted master methodology. It certifies

the Series 2020 Assessments for collection in future years. Collection will not actually start until fiscal year 2021 because there is capitalized interest through November 2020. It also provides for the calculation and collection of a true-up payment, and it directs the Secretary to record a Series 2020 Assessment in the District's improvement lien book as well as a notice of those Series 2020 Assessments in the official records. If someone purchases land or a home, that notice will show up in their search.

On MOTION by Mr. Lonas, seconded by Mr. Beasley, with all in favor, unanimous approval was given to Resolution 2020-06, supplemental assessment resolution for the Series 2020 Bonds, as presented.

#### **D. Ratification of Acquisition Agreement**

Ms. Sandy stated this acquisition agreement was provided to the Board in November 2019 because we were moving forward with some of the acquisitions for the Phase 3 improvements. At the time the Board approved the agreement, the engineer's report, which is an attachment to that agreement, was not yet finalized. We have now attached that report to the agreement. The date remains the date it was executed, which was November 6, 2019. I would like the Board to ratify this agreement with the final engineer's report attached to it.

On MOTION by Ms. Locher, seconded by Mr. Clemens, with all in favor, unanimous approval was given to ratify the acquisition agreement between the District and Hanover Lakes, LLC, with the updated engineer's report.

#### **E. Consideration of Completion Agreement**

Ms. Sandy stated the completion agreement obligates the developer to complete the remainder of the 2020 Project for any portion that is not funded through the Series 2020 bond proceeds. As we discussed with the engineer's report, the 2020 Project is a little more than \$9 million, and construction proceeds we received through the issuance of bonds is about \$5.4 million. The developer has said they will complete the balance of the project themselves, and the completion agreement obligates them to do so. It also acknowledges the developer's required contribution for 2020 Project infrastructure. We discussed this for the Series 2018 issuance as well, but because of the targeted assessments, there is a required contribution of infrastructure to lower those assessments. They would have been higher based on the methodology, but with lowering some of

them, that is also an infrastructure contribution by the developer, which is acknowledged in this agreement.

On MOTION by Mr. Lonas, seconded by Ms. Locher, with all in favor, unanimous approval was given to the completion agreement between the District and Hanover Lakes, LLC.

**F. Consideration of True-Up Agreement**

Ms. Sandy stated this agreement obligates the developer to make any true-up payments to the District in the event that fewer units than anticipated are developed. The assessments are based on a development plan. Nothing about that obligates the developer to develop that exact number. It does not prevent them from developing more or less, but if fewer units are developed, then a true-up payment must be paid in order to offset the assessments that are not otherwise allocated. Under the agreement, a true-up calculation is done at certain points, usually 25%, 50%, 75%, and 100% when units are platted. There is a threshold; if that is not hit, then no payment is due. As long as things move along as planned or more units are developed than planned, then no payment would be due.

On MOTION by Mr. Lonas, seconded by Mr. Clemens, with all in favor, unanimous approval was given to the true-up agreement between the District and Hanover Lakes, LLC.

**G. Consideration of Collateral Assignment and Assumption of Development and Contract Rights**

Ms. Sandy stated this agreement essentially obligates the developer to assign any development rights in the event of default. If the developer were to default on the 2020 Assessments, part of the District's rights would be to also receive the development rights to the property. If the District were to foreclose and receive the property, it would also receive the development rights in order to either develop it or sell it to another party to develop. The assignment is not triggered unless there is an event of default on the assessments, so it stays dormant until that point in time. Additionally, when parcels are sold to third parties, such as builders, that property is released from that assignment. The collateral assignment was not only reviewed by the developer but also by Regions Bank

as the mortgage holder of the property. They are not a party to the assignment, but they did review it and were comfortable with it.

On MOTION by Ms. Locher, seconded by Mr. Clemens, with all in favor, unanimous approval was given to the collateral assignment and assumption of development and contract rights from Hanover Lakes, LLC, Hanover Capital Partners, LLC, and Hanover Land Company, LLC in favor of the District.

#### **H. Consideration of Contribution Agreement**

Ms. Sandy stated the contribution agreement is the contribution obligation that was discussed as part of the completion agreement. The contribution agreement is specifically about that contribution obligation. The agreement outlines what that obligation is. It also talks about the time that the contribution would become due and recalculating it to make sure the number originally included in the supplemental assessment report is still the same number the developer is obligated to contribute. The agreement also discusses when the contribution would ultimately be due, which is eight years from now. We expect it will be satisfied before then, but there is an eight-year timeframe. The agreement also provides a mechanism for release once it has been satisfied. That contribution amount under the assessment report was calculated at about \$5.4 million. A portion of that has already been satisfied through the contribution that we recognized at the last meeting. The total will be less than that amount.

On MOTION by Mr. Beasley, seconded by Mr. Clemens, with all in favor, unanimous approval was given to the contribution agreement between the District and Hanover Lakes, LLC.

#### **I. Consideration of Tri-Party Agreement Relating to Consent to Jurisdiction, Imposition of Special Assessments, and Subordination of Interests**

Ms. Sandy stated this agreement is among the District, the developer, and Regions Bank, who is the mortgage holder on the property. There are various acknowledgements within this agreement. The developer acknowledges the validity of the existence of the District and the imposition of the assessments, as well as certain rights in regard to those assessments and certain future challenges they could make. Regions Bank also acknowledges the validity of the 2020 debt assessments, the lien that is put on the property, and the security of the mortgage lien that they have. It also provides that if



Regions Bank were to become the owner of the property, then the title Regions Bank is taking would be subject to the 2020 assessment lien. Regions Bank also acknowledges subordination of its interests in the development rights pursuant to the collateral assignment agreement the Board just approved.

On MOTION by Mr. Lonas, seconded by Ms. Locher, with all in favor, unanimous approval was given to the tri-party agreement with the District, Hanover Lakes, LLC, and Regions Bank relating to consent to jurisdiction, imposition of special assessments, and subordination of interests.

**J. Presentation of Mortgage Acknowledgement**

Ms. Sandy stated this does not need Board approval because it is executed by Regions Bank. It is an acknowledgement that the mortgage lien is subordinate to the assessment lien, and it will be recorded against the property. No action is required for this item.

**K. Presentation of Notice of Series 2020 Assessments**

Ms. Sandy stated as I mentioned for Resolution 2020-06, we will record a notice against the property that it is subject to the Series 2020 Assessments. We provided the form of notice in the agenda package for your information. No action is required because it was approved with the adoption of Resolution 2020-06.

**SIXTH ORDER OF BUSINESS**

**District Improvement Matters**

**A. Acquisition of Series 2020 Project Improvements–Update to Phase 3 Utilities**

Ms. Sandy stated in the agenda package is the same report we provided for the Board at the last meeting. Everything is the same except for the not-to-exceed amount for utilities. A certain cost was left out. The Board previously approved the not-to-exceed amounts for those improvements for Phase 3 water, sewer, and reclaimed as well as electrical systems. The previously approved amount was \$645,000, and the amount we are estimating is closer to \$1.1 million. I am asking the Board to revise the previous not-to-exceed amount to \$1.1 million.

On MOTION by Mr. Lonas, seconded by Mr. Clemens, with all in favor, unanimous approval was given to the acquisition of Phase 3 utilities and electrical in a revised amount not to exceed \$1.1 million.

**SEVENTH ORDER OF BUSINESS**

**Staff Reports**

**A. District Manager**

There being nothing to report, the next item followed.

**B. Attorney**

There being nothing to report, the next item followed.

**C. 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**

Ms. Sandy stated the next meeting is scheduled for February 5, 2020, and we scheduled a public hearing for rulemaking that has been advertised for that date. Other than that, I do not know of any other business. Would the Board want to reschedule that hearing for a later meeting date?

Mr. Iorio stated we can handle any requisitions needed outside of a meeting, so I do not see a need to meet February 5.

Mr. Moyer stated we can reschedule the public hearing for the March meeting.

Ms. Sandy stated I do not know how quickly we can get an ad in the newspaper for March 4. We do have an April 1 meeting scheduled, which might be a better date.

Mr. Iorio stated I do not have a problem with that.

On MOTION by Ms. Locher, seconded by Mr. Clemens, with all in favor, unanimous approval was given to reschedule the public hearing for rulemaking for adoption of the administrative rules of procedure to April 1, 2020, at 1:30 p.m.

**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 Wednesday, March 4, 2020, at 1:30 p.m.

On MOTION by Ms. Locher, seconded by Mr. Clemens, with all in favor, the meeting was adjourned at 10:25 a.m.

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Gary L. Moyer, Secretary

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Anthony Iorio, Chairman

# **Section 5**

## **Fiscal Year 2021 Budgets**

# **Subsection 5a**

## **Fiscal Year 2021 Budgets**

# **Subsection 5b**

**Resolution 2020-08**

## RESOLUTION 2020-08

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE OSCEOLA CHAIN OF LAKES COMMUNITY DEVELOPMENT DISTRICT APPROVING PROPOSED BUDGETS FOR FISCAL YEAR 2021 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW; ADDRESSING TRANSMITTAL, POSTING, AND PUBLICATION REQUIREMENTS; ADDRESSING SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the District Manager has heretofore prepared and submitted to the Board of Supervisors ("**Board**") of the Osceola Chain of Lakes Community Development District ("**District**") prior to June 15, 2020, proposed budgets ("**Proposed Budget**") for the fiscal year beginning October 1, 2020 and ending September 30, 2021 ("**Fiscal Year 2021**"); and

**WHEREAS**, the Board has considered the Proposed Budget and desires to set the required public hearing thereon.

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

1. **PROPOSED BUDGET APPROVED.** The Proposed Budget prepared by the District Manager for Fiscal Year 2021 attached hereto as **Exhibit A** is hereby approved as the basis for conducting a public hearing to adopt said Proposed Budget.

2. **SETTING A PUBLIC HEARING.** A public hearing on said approved Proposed Budget is hereby declared and set as follows:

DATE: \_\_\_\_\_, 2020

HOUR: \_\_\_\_\_

The hearing may be conducted remotely, pursuant to communications media technology, Zoom Video Communications, and/or by telephone pursuant to Executive Orders 20-52 and 20-69 issued by Governor DeSantis on March 9, 2020, and March 20, 2020, as such orders may be extended, respectively, and pursuant to Section 120.54(5)(b)2., *Florida Statutes*. In the event that conditions allow the meeting to be held in person, it will be held at the following location:

LOCATION: District Office  
313 Campus Street  
Celebration, Florida 34747

3. **TRANSMITTAL OF PROPOSED BUDGET TO LOCAL GENERAL-PURPOSE GOVERNMENT.** The District Manager is hereby directed to submit a copy of the Proposed Budget to Osceola County and the City of St. Cloud at least 60 days prior to the hearing set above.

4. **POSTING OF PROPOSED BUDGET.** In accordance with Section 189.016, *Florida Statutes*, the District's Secretary is further directed to post the approved Proposed Budget on the District's website at least two days before the budget hearing date as set forth in Section 2 and shall remain on the website for at least 45 days.

5. **PUBLICATION OF NOTICE.** Notice of this public hearing shall be published in the manner prescribed in Florida law.

6. **SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

7. **EFFECTIVE DATE.** This Resolution shall take effect immediately upon adoption.

**PASSED AND ADOPTED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2020.**

ATTEST:

**OSCEOLA CHAIN OF LAKES  
COMMUNITY DEVELOPMENT  
DISTRICT**

\_\_\_\_\_  
Secretary

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

# **Section 6**

## **Business Matters**



# **Subsection 6a**

## **Resolution 2020-09**

## RESOLUTION 2020-09

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE OSCEOLA CHAIN OF LAKES COMMUNITY DEVELOPMENT DISTRICT RATIFYING, CONFIRMING, AND APPROVING THE SALE OF THE OSCEOLA CHAIN OF LAKES COMMUNITY DEVELOPMENT DISTRICT CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2020; RATIFYING, CONFIRMING, AND APPROVING THE ACTIONS OF THE CHAIRMAN, VICE CHAIRMAN, TREASURER, SECRETARY, ASSISTANT SECRETARIES, AND ALL DISTRICT STAFF REGARDING THE SALE AND CLOSING OF THE OSCEOLA CHAIN OF LAKES COMMUNITY DEVELOPMENT DISTRICT CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2020; AND DETERMINING SUCH ACTIONS AS BEING IN ACCORDANCE WITH THE AUTHORIZATION GRANTED BY THE BOARD; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

**WHEREAS**, the Osceola Chain of Lakes Community Development District (the “**District**”) is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, being situated in Osceola County, Florida; and

**WHEREAS**, pursuant to Chapter 190, *Florida Statutes*, the District is authorized to construct, install, operate and/or maintain systems and facilities for certain basic infrastructure, including, but not limited to, stormwater management systems, on-site and off-site roadway improvements, landscape, irrigation and hardscape improvements, potable water distribution systems, sanitary sewer collection systems, reclaimed water distribution systems, underground electrical service systems, and conservation mitigation and other infrastructure; and

**WHEREAS**, the District on January 24, 2020, executed a Bond Purchase Agreement (“**Bond Purchase Agreement**”) agreeing to the sale of its \$5,980,000 Osceola Chain of Lakes Community Development District (Osceola County, Florida) Capital Improvement Revenue Bonds, Series 2020 (the “**Series 2020 Bonds**”), at the terms and conditions provided therein; and

**WHEREAS**, the District has previously considered and adopted a number of resolutions relating to the issuance of the Series 2020 Bonds and the imposition of special assessments securing the Series 2020 Bonds, including, but not limited to, Resolutions 2018-25; 2018-26; 2018-27; 2018-33; 2020-03; and 2020-06; and

**WHEREAS**, the District, on January 31, 2020, closed on the sale of its Series 2020 Bonds; and

**WHEREAS**, as prerequisites to the issuance of the Series 2020 Bonds, the Chairman, Vice Chairman, Secretary, Treasurer, Assistant Secretaries, and District Staff, including the District Manager, Assessment Consultant, District Engineer, and District Counsel, were required to review, finalize, execute and deliver various documents including, but not limited to: Second Supplemental Trust Indenture; Bond Purchase Agreement; Preliminary Limited Offering Memorandum; Limited Offering Memorandum; Continuing Disclosure Agreement (“**CDA**”); Notice of Series 2020 Assessments; Agreements between the District and Hanover Lakes, LLC (the “**Developer**”), Regarding: the Completion of Certain Improvements Relating to the Series 2020 Project and Acknowledgement of Contribution Requirement (“**Completion Agreement**”), the Acquisition of Certain Work Product, Infrastructure and Real Property (“**Acquisition Agreement**”), the True-Up and Payment of the Series 2020 Assessments (“**True-Up**

**Agreement**”), the Contribution Agreement (“**Contribution Agreement**”), the Collateral Assignment and Assumption of Development Rights (“**Collateral Assignment**”); a Tri-Party Agreement Relating to Consent to Jurisdiction, Imposition of Special Assessments, and Subordination of Interests between the District, the Developer, and Regions Bank (“**Tri-Party Agreement**”); a specimen of the Series 2020 Bonds; various certificates of the District; an Order to Authenticate and Deliver the Series 2020 Bonds; Certificate of the District Engineer; Certificate of the District Manager, Methodology Consultant, and Dissemination Agent; Master Engineer’s Report, dated January 3, 2018, as supplemented by the 2020 Supplemental Engineer’s Report, dated January 8, 2020; Master Assessment Report, dated January 3, 2018, as supplemented by the Second Supplemental Assessment Report, dated January 30, 2020; opinion of counsel to the District; and Internal Revenue Service Form 8038-G (collectively, the “**Closing Documents**”); and

**WHEREAS**, the District finds that the sale, closing, and issuance of the Series 2020 Bonds was in the best interests of the District, and the District desires to ratify, confirm, and approve all actions of the District Chairman, Vice Chairman, Secretary, Treasurer, Assistant Secretaries, and District Staff in closing the issuance of the Series 2020 Bonds; and

**WHEREAS**, the District has incurred or will incur certain expenses in finalizing the sale, closing, and issuance of the Series 2020 Bonds, the costs of which are reflected in **Exhibit A** attached hereto (the “**Costs of Issuance**”); and

**WHEREAS**, the District finds the expenses incurred in finalizing the closing and issuance of the Series 2020 Bonds to be reasonable and in the best interests of the District, and the District desires to ratify payments made in relation to the closing and issuance of the Series 2020 Bonds.

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

**SECTION 1.** The sale, issuance, and closing of the Series 2020 Bonds and the adoption of resolutions relating to the Series 2020 Bonds under the terms and conditions set forth in the Bond Purchase Agreement serve a public purpose and are in the best interests of the District and are hereby ratified, approved, and confirmed.

**SECTION 2.** The resolutions levying and imposing the special assessments securing the Series 2020 Bonds remain in full force and effect and are hereby ratified and confirmed in all respects.

**SECTION 3.** The actions of the Chairman, Vice Chairman, Secretary, Treasurer, Assistant Secretaries, and all District Staff in finalizing the closing and issuance of the Series 2020 Bonds, including the execution and delivery of the Closing Documents, and such other certifications or other documents required for the closing on January 31, 2020, are hereby ratified, approved, and confirmed in all respects. Copies of the CDA; Completion Agreement; Acquisition Agreement; True-Up Agreement; Contribution Agreement; Collateral Assignment; Tri-Party Agreement; specimen of the Series 2020 Bonds; and the Bond Purchase Agreement are attached hereto as **Composite Exhibit B**. Said documents are specifically ratified, confirmed, and approved in all respects.

**SECTION 4.** The Costs of Issuance listed in **Exhibit A** to this Resolution reflects reasonable costs that have been or will be incurred in finalizing the sale, closing, and issuance of the Series 2020 Bonds necessary for financing the installation and construction of District infrastructure. The costs reflected in **Exhibit A** are hereby ratified and approved.

**SECTION 5.** The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution or any part of this Resolution not held to be invalid or unenforceable.

**SECTION 6.** This Resolution shall become effective upon its passage.

**PASSED AND ADOPTED** this 6<sup>th</sup> day of May, 2020.

ATTEST:

**OSCEOLA CHAIN OF LAKES COMMUNITY  
DEVELOPMENT DISTRICT**

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

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

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

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

**Exhibit A:**

Costs of Issuance

**Composite Exhibit B:**

CDA;  
Completion Agreement;  
Acquisition Agreement;  
True-Up Agreement;  
Contribution Agreement;  
Collateral Assignment;  
Tri-Party Agreement;  
Specimen of the Series 2020 Bonds;  
Bond Purchase Agreement

## EXHIBIT A

**Osceola Chain of Lakes  
Community Development District  
Costs of Issuance Series 2020 Bonds**

<b><u>Item</u></b>	<b><u>Firm</u></b>	<b><u>Actual as of May 6, 2020</u></b>
Bond Counsel	Nabors Giblin Nickerson, P.A.	\$50,000
Underwriter's Counsel	Aponte & Associates Law Firm, P.L.L.C.	\$35,000
District Counsel	Hopping Green & Sams, P.A.	\$40,000
Trustee	U.S. Bank National Association	\$5,675
Trustee's Counsel	Rogers Towers, P.A.	\$6,000
District Engineer	Dewberry Engineers, Inc.	[\$12,600]
District Manager/ Assessment Consultant	Moyer Management Group, Inc.	\$12,500
Printing & Distribution	ImageMaster	\$1,500
<b>Total:</b>		<b>\$163,275</b>

## **COMPOSITE EXHIBIT B**

# **Subsection 6b**

## **Amended and Restated Disclosure of Public Financing**

**This Instrument Prepared by  
and returned to:**

**Osceola Chain of Lakes Community Development District  
c/o Hopping Green & Sams, P.A.  
119 South Monroe Street, Suite 300  
Tallahassee, Florida 32301**

**AMENDED AND RESTATED DISCLOSURE OF PUBLIC FINANCING AND  
MAINTENANCE OF IMPROVEMENTS TO REAL PROPERTY**

*THIS AMENDED AND RESTATED DISCLOSURE OF PUBLIC FINANCING AND MAINTENANCE OF  
IMPROVEMENTS TO REAL PROPERTY AMENDS THE OSCEOLA CHAIN OF LAKES COMMUNITY  
DEVELOPMENT DISTRICT'S DISCLOSURE OF PUBLIC FINANCING RECORDED IN THE OSCEOLA COUNTY  
OFFICIAL RECORDS BOOK 5421, PAGE 2215.*

**Board of Supervisors<sup>1</sup>  
Osceola Chain of Lakes Community Development District**

**Anthony Iorio**  
Chairman

**Garison Clemens**  
Assistant Secretary

**Jason Lonas**  
Vice Chairman

**Kimberly Locher**  
Assistant Secretary

**Doug Beasley**  
Assistant Secretary

**Moyer Management Group, Inc.**  
District Manager  
313 Campus Street  
Celebration, Florida 34747  
Ph: (321) 939-4301

District records are on file at the offices of the District Manager and are available for public inspection upon request during normal business hours.

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<sup>1</sup> This list reflects the composition of the Board of Supervisors as of May 6, 2020. For a current list of Board Members, please contact the District Manager.



## TABLE OF CONTENTS

Introduction .....	1
What is the District and how is it governed? .....	1
What infrastructure improvements does the District provide and how are the improvements paid for? .....	2
Master Stormwater Management System.....	3
Master Public Roadway Systems Onsite and OffSite.....	3
Water Distribution, Sanitary Sewer Collection and Reuse Water Distribution Systems .....	4
Landscaping, Irrigation and Entry Features.....	5
Electrical Service Systems (Underground).....	5
Conservation and Mitigation.....	6
Assessments, Fees and Charges .....	6
Method of Collection .....	7

# OSCEOLA CHAIN OF LAKES COMMUNITY DEVELOPMENT DISTRICT

## Introduction

On behalf of the Board of Supervisors of the Osceola Chain of Lakes Community Development District (“District”), the following information is provided to give you a description of the District’s services and the assessments that have been levied within the District to pay for certain community infrastructure, and the manner in which the District is operated. The District is a local unit of special-purpose government created pursuant to and existing under the provisions of Chapter 190, *Florida Statutes*. Unlike city and county governments, the District has only certain limited powers and responsibilities. These powers and responsibilities include, for example, financing and managing the acquisition, construction, reconstruction, installation and/or equipping of stormwater management systems, onsite and offsite roadway improvements, landscape, irrigation and hardscape improvements, potable water distribution systems, sanitary sewer collection systems, reclaimed water distribution systems, underground electrical service systems, and conservation mitigation, and other infrastructure improvements.

Under Florida law, community development districts are required to take affirmative steps to provide for the full disclosure of information relating to the public financing and maintenance of improvements to real property undertaken by such districts. The law specifically provides that this information shall be made available to all persons currently residing within the District and to all prospective District residents. The following information describing the Osceola Chain of Lakes Community Development District and the assessments, fees and charges that have been levied within the District to pay for certain community infrastructure is provided to fulfill this statutory requirement.

## What is the District and how is it governed?

The District is an independent local unit of special-purpose government, created pursuant to and existing under the provisions of Chapter 190, *Florida Statutes* (the “Act”), and established by Ordinance No. 2017-78 enacted by the Board of County Commissioners of Osceola County, Florida, which was effective on October 3, 2017. The District’s name was amended by Ordinance No. 2017-93, which was effective November 15, 2017. The District currently encompasses approximately 177.038 acres of land located entirely within unincorporated Osceola County, Florida (the “County”). The legal description of the District’s boundaries is attached hereto as **Exhibit A**. As a local unit of special-purpose government, the District provides an alternative means for planning, financing, constructing, operating and maintaining various public improvements and community facilities within its jurisdiction.

The District is governed by a five-member Board of Supervisors, the initial members of which must be residents of the State of Florida and citizens of the United States. Initially, the Supervisors were appointed pursuant to the petition seeking establishment of the District. Within ninety (90) days thereafter, the Supervisors were required to be elected on an at-large basis by the owners of the property within the District, each landowner being entitled to one (1) vote for each acre of land owned with fractions thereof rounded upward to the nearest whole number. The two (2) Supervisor candidates receiving the highest number of votes were elected to four (4) year terms, with the three (3) Supervisor candidates receiving the next-largest number of votes receiving two-

(2) year terms. Thereafter, every two (2) years as terms expire, Supervisors are elected by landowners within the District.

Commencing six (6) years after the initial appointment of Supervisors and once the District attains a minimum of two hundred and fifty (250) qualified electors, the positions of two (2) Supervisors whose terms are expiring are filled by qualified electors of the District, and are elected by the qualified electors of the District for four- (4) year terms. A “qualified elector” in this instance is a registered voter who is a resident of the District and the State and a citizen of the United States. The remaining Supervisor whose term is expiring will be elected for a four- (4) year term by the landowners within the District and is not required to be a qualified elector. Thereafter, as terms expire, all Supervisors must be qualified electors and will be elected by qualified electors and serve four- (4) year terms with staggered expiration dates.

Notwithstanding the foregoing, if at any time the Board proposes to exercise its ad valorem taxing power, prior to the exercise of such power, it shall call an election at which all members of the Board shall be elected by qualified electors of the District. Elections subsequent to such decision shall be held in a manner such that the Supervisors will serve four- (4) year terms with staggered expiration dates in the manner set forth in the Act.

Board meetings are noticed in the local newspaper and are conducted in a public forum in which public participation is permitted. Consistent with Florida’s public records laws, the records of the District are available for public inspection during normal business hours. Elected members of the Board are similarly bound by the State’s open meetings law and are subject to the same disclosure requirements as other elected officials under the State’s ethics laws.

### **What infrastructure improvements does the District provide and how are the improvements paid for?**

The District is comprised of approximately 177.038 acres originally within unincorporated Osceola County (“County”), which has subsequently been annexed into the City of St. Cloud (“City”). The public infrastructure necessary to support the District development program includes master infrastructure improvements consisting of, but not limited to, the following: stormwater management systems, on-site and off-site roadway improvements, landscape, irrigation and hardscape improvements, potable water distribution systems, sanitary sewer collection systems, reclaimed water distribution systems, underground electrical service systems, and conservation mitigation. Each of these infrastructure improvements is more fully detailed below.

To plan the infrastructure improvements necessary for the District, the District adopted a Master Engineer’s Report, dated January 3, 2018, as supplemented by the 2018 Supplemental Engineer’s Report dated February 14, 2018, and the 2020 Supplemental Engineer’s Report, dated January 8, 2020 (collectively, the “Engineer’s Report”), which details the improvements contemplated for completion by the District (the “Improvement Plan”). Copies of the Engineer’s Report are available for review in the District’s public records.

These public infrastructure improvements have been and will be funded in part by the District’s sale of bonds. On February 5, 2018, the Ninth Judicial Circuit Court of Florida, in and for Osceola County, entered a Final Judgment Validating Bonds validating the District’s ability to issue not to exceed \$21,000,000 in Capital Improvement Revenue Bonds for infrastructure needs of the District.

On March 9, 2018, the District issued its \$2,200,000 Capital Improvement Revenue Bonds, Series 2018 (the “Series 2018 Bonds”), for the purpose of financing a portion of the construction and/or acquisition of infrastructure improvements for the Improvement Plan (the “Series 2018 Project”). Proceeds of the Series 2018 Bonds were used to finance a portion of the cost to acquire, construct, reconstruct, install and/or equip the Series 2018 Project.

On January 31, 2020, the District its \$5,980,000 Capital Improvement Revenue Bonds, Series 2020 (the “Series 2020 Bonds,” and together with the Series 2018 Bonds, the “Bonds”), for the purpose of financing a portion of the construction and/or acquisition of infrastructure improvements for the Improvement Plan (the “Series 2020 Project”). Proceeds of the Series 2020 Bonds are being used to finance a portion of the cost to acquire, construct, reconstruct, install and/or equip the Series 2020 Project.

### **Stormwater Management System**

In accordance with the Improvement Plan, the District presently intends to provide funding for a portion of the Master Stormwater Management System for the overall District, which provides for the treatment and attenuation of stormwater runoff, which will be collected in pipes, curbs and surfaces and carried out through the use of man-made detention systems. These systems discharge to the large pond within the District, a large portion of which is being constructed with the Series 2018 Project and Series 2020 Project. The Series 2018 Project encompassed Master Stormwater Management System improvements located in Phase 1 and Phase 2, and the Series 2020 Project will encompass Master Stormwater Management System improvements in Phases 2, 3, 4, and 5 of the development.

The Master Stormwater Management System will discharge through the large pond to the existing lake adjacent to the District. The Master Stormwater Management System improvements for the Series 2020 Project will adhere to the design criteria of the County and South Florida Water Management District (“SFWMD”), which require that drainage systems be designed to attenuate a 10-year, 72-hour rainfall event to pre-development discharges and which require that all building finished floor elevations be constructed above the anticipated flood elevation for the 100-year, 72-hour storm event. The treatment of stormwater runoff will be provided in accordance with the design for retention/detention systems as mandated by the County and the SFWMD. Stormwater runoff will be collected by curbs and stormwater conveyance surfaces with drainage inlets and an underground storm sewer pipe system conveyed to the retention/detention areas. The Master Stormwater Management System for the Series 2020 Project consists of a large pond that collect runoff from the developed property. All of these improvements may be owned and maintained by the District.

### **Public Roadway Systems On and Off-Site**

The majority of the onsite roadway improvements will be developed and funded by the District and later turned over to the County of City for ownership and operation, with the exception of Tract C, which will be owned and maintained by the District. The roadway improvements consist of a looped system with two- (2) lane roads and a minimum of 22-foot pavement sections with curbs. The internal roadways will be public and will be funded by the District. The roadways will serve the various land uses within the District. Construction of the roadways will consist of

an asphaltic concrete surface, sidewalks, signing and striping, landscaping, lighting and landscaped hardscape features.

The Series 2018 Project included both onsite and off-site roadways in Phases 1 and 2 and the Series 2020 Project will include both onsite and offsite roadways in Phases 3, 4, and 5. The Improvement Plan also provides for portions of off-site roadway improvements at the intersection of Alligator Lake Road and Olympia Drive. The intersection improvements will include turn lane expansions for the benefit of the District.

The roadways and off-site master public roadway improvements will be designed and constructed in accordance with the applicable County and Florida Department of Transportation standards. The roadway improvements for both the Series 2018 Project and Series 2020 Project include utilities that will run within the road right-of-way. The utilities within the roadways and any landscaping/hardscaping related to the roadways will be developed as part of the respective Series 2018 Project and Series 2020 Project. The District may finance the onsite and offsite roadways and convey all, except Tract C, to the County and/or City upon completion.

### **Water Distribution, Sanitary Sewer Collection and Reuse Water Distribution Systems**

The Series 2018 Project and Series 2020 Project includes utilities within the right-of-way of the proposed community infrastructure and internal streets. The major trunk lines, collection systems and transmission mains to serve the District are to be constructed or acquired by the District as part of the Improvement Plan. The overall water distribution system, sanitary sewer collection and reuse water lines for both the Series 2018 Project and Series 2020 Project will be conveyed to the City for ownership and maintenance. The City will provide reuse water, potable water and wastewater services for the District.

The potable water facilities will include both transmission and distribution mains along with necessary valving, fire hydrants and water services to individual lots and development parcels within Phases 1 and 2 with regard to the Series 2018 Project and Phases 3, 4, and 5 with regard to the Series 2020 Project.

The Series 2018 Project and Series 2020 Project wastewater facilities include gravity collection sewer lines and forcemains. Two (2) sanitary sewer lift stations will be located within the District and will service the District, one of which is located within the Series 2018 Project and the other within the Series 2020 Project. These new lift stations will tie into the existing forcemain located on Hickory Tree Road and through the roadways within the District.

Design of the wastewater collection system, reuse water system and the water distribution system for potable water and fire protection is in accordance with the criteria and guidelines of the County and the Florida Department of Environmental Protection (“FDEP”). Utility extensions within Hickory Tree Road were included as part of the Series 2018 Project and utility extensions within Alligator Lake Road will be included as part of the infrastructure improvements for the Series 2020 Project.

### **Landscaping, Irrigation and Entry Features**

The Improvement Plan will include landscaping, irrigation, entry features and walls at the entrances and along the outside boundary of the District. The irrigation system will use reuse water

as provided by the City. It is anticipated that the master reuse watermain to the various phases of development will be constructed or acquired and funded by the District and subsequently turned over to the City. Landscaping for the Improvement Plan will consist of sod, annual flowers, shrubs, ground cover and trees for the offsite intersection improvements for Hickory Tree Road, Alligator Lake Road, and the onsite roadways. Perimeter walls will be provided at the site entrances and perimeters. These improvements were anticipated to be owned and maintained by the District, however, are now anticipated to be funded by the Developer and owned and maintained by the HOA.

### **Electrical Service Systems (Underground)**

The Improvement Plan provides underground electrical service within the District. The service also includes underground electrical service within the Hickory Tree Road right-of-way to service the lift station as well as the primary service for Phases 1 – 5. Within each phase, the underground electrical conduit is provided for street lighting as well as electrical service within the project area's right-of-way.

Upon completion, the underground electrical service system infrastructure will be conveyed to the Orlando Utilities Commission ("OUC") for ownership and maintenance. OUC will provide the underground electrical service to the District. The service will include the primary and secondary systems to serve the various land uses and street lighting.

### **Conservation and Mitigation**

The development of the District will require mitigation of wetland communities for any impacts to the existing wetlands within the District and as part of the approvals for the Master Stormwater Management System. The permitting and approvals will require any mitigation be secured and payment of the costs of mitigation, which will be done through Regional Mitigation Banks. The District may fund the mitigation.

### **Assessments, Fees and Charges**

A portion of the master infrastructure improvements identified in the District's Improvement Plan have been financed by the District through the sale of its Bonds. The amortization schedules for the Bonds are available in the District's public records. The annual debt service obligations of the District must be defrayed by annual assessments on benefited property. Copies of the District's Master Assessment Report, dated January 3, 2018, as supplemented by the First Supplemental Assessment Report, dated March 7, 2018, and as supplemented by the Second Supplemental Assessment Report, dated January 30, 2020 (collectively, the "Assessment Methodology"), are available for review in the District's public records.

The Bonds and associated interest are payable solely from and secured by non-ad valorem special assessments levied against those lands within the District that benefit from the design, construction and/or acquisition of the District's Series 2018 Project and Series 2020 Project, respectively, as described in the Engineer's Report ("Debt Assessments"). The Debt Assessments are typically billed in the same manner as are county ad valorem taxes but may be billed directly by the District. The Debt Assessments are levied in accordance with the District's Assessment

Methodology and represent an allocation of the costs of the Improvement Plan to those lands within the District benefiting from the Improvement Plan.

The assessment allocation for the Series 2018 Bonds (the “Series 2018 Assessments”) is as follow:

<b>Product Type</b>	<b>Gross Annual Series 2018 Assessment Per Unit</b>
50-ft interior	\$720
50-ft lakeside	\$1,080
60-ft lakeside	\$1,080

The assessment allocation for the Series 2020 Bonds (the “Series 2020 Assessments”) is as follows:

<b>Product Type</b>	<b>Gross Annual Series 2020 Assessment Per Unit – Level 1</b>	<b>Gross Annual Series 2020 Assessment Per Unit – Level 2</b>
50-ft interior	\$720	\$810
50-ft lakeside	\$720	\$1,164
60-ft lakeside	\$1,080	\$1,164

Note: In order to achieve certain market-level end user assessment levels, the Developer shall contribute Improvement Plan infrastructure to the District in a manner that will reduce the initial Series 2018 Assessments and Series 2020 Assessments initially levied on certain units within the District. Additionally, the annual Debt Assessment level above have been grossed up to include collection costs and service fees from Osceola County and a maximum discount for early payment as authorized by law.

### ***Operation and Maintenance Assessments***

In addition to the Debt Assessments, the District may also impose on an annual basis operations and maintenance assessments (“O&M Assessments”), which are determined and calculated annually by the Board in order to fund the District’s annual operations and maintenance budget. O&M Assessments are levied against all benefitted lands in the District, and may vary from year to year based on the amount of the District’s budget. O&M Assessments may also be affected by the total number of units that ultimately are constructed within the District. The allocation of O&M Assessments is set forth in the resolutions imposing the assessments.

The District may undertake the construction, acquisition, or installation of other future improvements and facilities, which may be financed by bonds, notes or other methods authorized by Chapter 190, *Florida Statutes*. Further information regarding any of the improvements can be obtained from the Engineer’s Reports on file in the District Manager’s Office. Further, a detailed description of all costs and allocations which result in the formulation of assessments, fees and charges is available for public inspection upon request. Interested persons are encouraged to contact the District Manager for information regarding special assessments on a particular lot or parcel of lands. A copy of the District’s Assessment Methodology and assessment roll are available for review in the District’s public records.

### **Method of Collection**

Except as discussed above, the District’s Debt Assessments and/or O&M Assessments may appear on that portion of the annual real property tax bill entitled “non-ad valorem assessments,”

and will be collected by the County tax collector in the same manner as County ad valorem taxes. Each property owner must pay both ad valorem and non-ad valorem assessments at the same time. Property owners will, however, be entitled to the same discounts as provided for ad valorem taxes. As with any tax bill, if all taxes and assessments due are not paid within the prescribed time limit, the tax collector is required to sell tax certificates which, if not timely redeemed, may result in the loss of title to the property. The District may also elect to collect assessments directly.

This description of the District's operation, services and financing structure is intended to provide assistance to landowners and purchasers concerning the important role that the District plays in providing infrastructure improvements essential to the development of new communities. If you have questions or would simply like additional information about the District, please write to: Osceola Chain of Lakes Community Development District c/o Moyer Management Group, Inc., 313 Campus Street, Celebration, Florida 34747, or call (321) 939-4301.

The information provided herein is a good faith effort to accurately and fully disclose information regarding the public financing and maintenance of improvements to real property undertaken by the District and should only be relied upon as such. The information contained herein is, and can only be, a status summary of the District's public financing and maintenance activities and is subject to supplementation and clarification from the actual documents and other sources from which this information is derived. In addition, the information contained herein may be subject to change over time, in the due course of the District's activities and in accordance with Florida law. Prospective and current residents and other members of the public should seek confirmation and/or additional information from the District Manager's office with regard to any questions or points of interest raised by the information presented herein.

*[Remainder of Page Intentionally Left Blank]*



**IN WITNESS WHEREOF**, this Disclosure of Public Financing and Maintenance of Improvements to Real Property Undertaken has been executed as of the \_\_\_\_\_ day of \_\_\_\_\_, 2020, and recorded in the Official Records of Osceola County, Florida.

**OSCEOLA CHAIN OF LAKES COMMUNITY  
DEVELOPMENT DISTRICT**

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

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Witness

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

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

**STATE OF FLORIDA**  
**COUNTY OF \_\_\_\_\_**

The foregoing instrument was acknowledged before me, by means of [ ] physical presence or [ ] online notarization, this \_\_\_\_\_ day of \_\_\_\_\_, 2020, by \_\_\_\_\_ of the Osceola Chain of Lakes Community Development District, who [ ] is personally known to me or who [ ] has produced \_\_\_\_\_ as identification, and did not take the oath.

\_\_\_\_\_  
Notary Public, State of Florida

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

Commission No.: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

## EXHIBIT A

### LEGAL DESCRIPTION

#### LEGAL DESCRIPTION

A TRACT OF LAND, BEING LOTS 69 THROUGH 76, LOTS 85 THROUGH 92, LOTS 103 THROUGH 106 AND LOTS 119 THROUGH 122 ALL OF THE PLAT OF SEMINOLE LAND AND INVESTMENT COMPANY'S, SUBDIVISION OF SECTION 20, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK "B", PAGE 26, LESS THE RIGHT-OF-WAY FOR ALLIGATOR LAKE ROAD AND LESS THE RIGHT-OF-WAY OF HICKORY TREE ROAD AND LESS THOSE LANDS AS DESCRIBED IN OFFICIAL RECORDS BOOK 4805, PAGE 1214 THROUGH 1216 ALL OF THE PUBLIC RECORDS OF OSCEOLA COUNTY, TOGETHER WITH THOSE INTERIOR AND ADJACENT UN-NAMED ROAD RIGHT-OF-WAYS AS SHOWN ON SAID PLAT, AND THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 20, TOWNSHIP 26 SOUTH, RANGE 31 EAST, AND ALL OF LOTS 6 AND 11 AND PORTION OF LOTS 4, 5, AND 12, TOGETHER WITH THOSE INTERIOR AND ADJACENT UN-NAMED ROADS OF THE PLAT OF SEMINOLE LAND AND INVESTMENT COMPANY'S SUBDIVISION OF SECTION 29, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK "B", PAGE 51, PUBLIC RECORDS OF OSCEOLA COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHWEST CORNER OF SAID SECTION 20 FOR A POINT OF REFERENCE; THENCE RUN SOUTH 89°36'24" EAST, ALONG THE SOUTH LINE OF SAID SECTION 20, A DISTANCE OF 20.00 FEET TO A POINT LYING ON THE EAST RIGHT-OF-WAY OF HICKORY TREE ROAD, AND THE POINT OF BEGINNING; THENCE RUN NORTH 00°23'53" EAST, ALONG SAID EAST RIGHT-OF-WAY LINE 2605.31 FEET TO A POINT LYING ON THE SOUTH RIGHT-OF-WAY LINE OF ALLIGATOR LAKE ROAD (STATE ROAD NO. 534A); THENCE RUN SOUTH 89°55'23" EAST, ALONG SAID SOUTH RIGHT-OF-WAY LINE, 2317.43 FEET TO A POINT LYING ON THE WEST LINE OF THE ABOVE REFERENCE LANDS, AS DESCRIBED IN OFFICIAL RECORDS BOOK 4805, PAGE 1214 THROUGH 1216 OF SAID PUBLIC RECORDS; THENCE RUN SOUTH 00°17'19" WEST, ALONG SAID WEST LINE, 304.51 FEET TO A POINT LYING ON THE SOUTH LINE OF LOT 69 OF SAID PLAT OF SEMINOLE LAND AND INVESTMENT COMPANY'S; THENCE RUN SOUTH 89°53'00" EAST, ALONG THE SOUTH LINE OF SAID LOT 69 A DISTANCE OF 303.50 FEET TO A POINT LYING ON THE EAST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 20; THENCE RUN SOUTH 00°17'19" WEST, ALONG SAID EAST LINE, 2315.07 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 29; THENCE RUN SOUTH 89°36'24" EAST, ALONG THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 29, A DISTANCE OF 390.92 FEET TO A POINT LYING ON THE APPROXIMATE LOCATION OF THE NORMAL HIGH WATER LINE OF ALLIGATOR LAKE, SAID POINT HEREINAFTER REFERRED TO AS POINT "A"; THENCE RUN SOUTHWESTERLY ALONG THE WATERS OF ALLIGATOR LAKE 290 FEET MORE OR LESS TO A POINT LYING SOUTH 11°35'05" WEST, 288.19 FEET FROM THE AFORESAID POINT "A"; SAID POINT LYING 65.00 NORTH OF, BY PERPENDICULAR MEASURE THE SOUTH LINE OF AFORESAID LOT 4 OF SAID PLAT OF THE SEMINOLE LAND AND INVESTMENT COMPANY'S SECTION 29; THENCE RUN NORTH 89°36'24" WEST, PARALLEL TO SAID SOUTH LINE OF LOT 4, A DISTANCE OF 407.52 FEET TO A POINT LYING 65.00 FEET WEST OF, BY PERPENDICULAR MEASURE THE EAST LINE OF THE AFORESAID LOT 5, OF SAID PLAT OF THE SEMINOLE LAND AND INVESTMENT COMPANY'S SECTION 29, THENCE RUN SOUTH 01°38'08" EAST, PARALLEL TO SAID WEST LINE OF LOT 5, A DISTANCE OF 392.96 FEET TO A POINT LYING ON THE SOUTH LINE OF THE ABOVE REFERENCED LOT 12 OF SAID PLAT OF THE SEMINOLE LAND AND INVESTMENT COMPANY'S SECTION 29, THENCE RUN NORTH 89°36'24" WEST, ALONG THE SOUTH LINE OF SAID LOT 12 AND THE SOUTH LINE OF THE AFORESAID LOT 11, A DISTANCE OF 1222.88 FEET TO THE SOUTHWEST CORNER OF SAID LOT 11; THENCE RUN NORTH 01°38'08" WEST, ALONG THE WEST LINE OF SAID LOT 11, AND THE WEST LINE OF THE AFORESAID LOT 6 AND THE NORTHERLY EXTENSION THEREOF, A DISTANCE OF 675.85 FEET TO A POINT LYING ON THE NORTH LINE OF THE NORTHWEST 1/4 OF SAID SECTION 29; THENCE RUN NORTH 89°36'24" WEST, ALONG THE NORTH LINE OF THE NORTHWEST 1/4 OF SAID SECTION 29, A DISTANCE OF 1320.45 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL OF LAND LIES IN OSCEOLA COUNTY, FLORIDA AND CONTAINS 177.038 ACRES MORE OR LESS.

#### REVISIONS:

REVISED SKETCH AND LEGAL DESCRIPTION (3-7-2017) (J.L.M.)

(THIS IS NOT A SURVEY)

SEE SHEET 2 OF 3 FOR SURVEYOR'S NOTES.

SEE SHEET 3 OF 3 FOR SKETCH OF DESCRIPTION.

*David A. White*  
DAVID A. WHITE, P.S.M.

FLORIDA REGISTRATION NO. 4044

PEC - SURVEYING AND MAPPING, LLC.

CERTIFICATE OF AUTHORIZATION L.B. #7808

DATE OF SIGNATURE: 03-7-2017

SHEET 1 OF 3

**PEC**

**SURVEYING AND MAPPING, LLC**

CERTIFICATE OF AUTHORIZATION NUMBER LB 7808

2100 Alafaya Trail, Suite 203 • Orlando, Florida 32785 • 407-542-4867

WWW.PECONLINE.COM

**SECTIONS 20 & 29, TOWNSHIP 26 SOUTH, RANGE 31 EAST**

DATE: MARCH 26, 2016

PREP BY: J.L.M.

DRAWN BY: J.L.M.

JOB #: 15-042

## LEGAL DESCRIPTION

### SURVEYOR'S NOTES:

- (1) THIS LEGAL DESCRIPTION IS NOT VALID UNLESS IT BEARS THE SIGNATURE AND ORIGINAL RAISED SEAL OF THE FLORIDA LICENSED SURVEYOR AND MAPPER IDENTIFIED BELOW.
- (2) NO ABSTRACT FOR RIGHTS-OF-WAY, EASEMENTS, OWNERSHIP OR OTHER INSTRUMENTS OF RECORD HAVE BEEN PROVIDED TO THIS FIRM.
- (3) BEARINGS SHOWN HEREON ARE ASSUMED RELATIVE TO THE EAST LINE OF THE SOUTHWEST QUARTER OF SECTION 20, TOWNSHIP 26 SOUTH, RANGE 31 EAST. BEING SOUTH 00°17'19" WEST.
- (4) THE "LEGAL DESCRIPTION" HEREON HAS BEEN PREPARED BY THE SURVEYOR AT THE CLIENT'S REQUEST.
- (5) THIS SKETCH DOES NOT REPRESENT A FIELD SURVEY, AS SUCH.
- (6) THE DELINEATION OF LANDS SHOWN HEREON IS AS PER THE CLIENT'S INSTRUCTIONS.

(THIS IS NOT A SURVEY)

SEE SHEET 1 OF 3 FOR LEGAL DESCRIPTION.

SEE SHEET 3 OF 3 FOR SKETCH OF DESCRIPTION.

SHEET 2 OF 3

**PEC**

**SURVEYING AND MAPPING, LLC**

CERTIFICATE OF AUTHORIZATION NUMBER LB 7808

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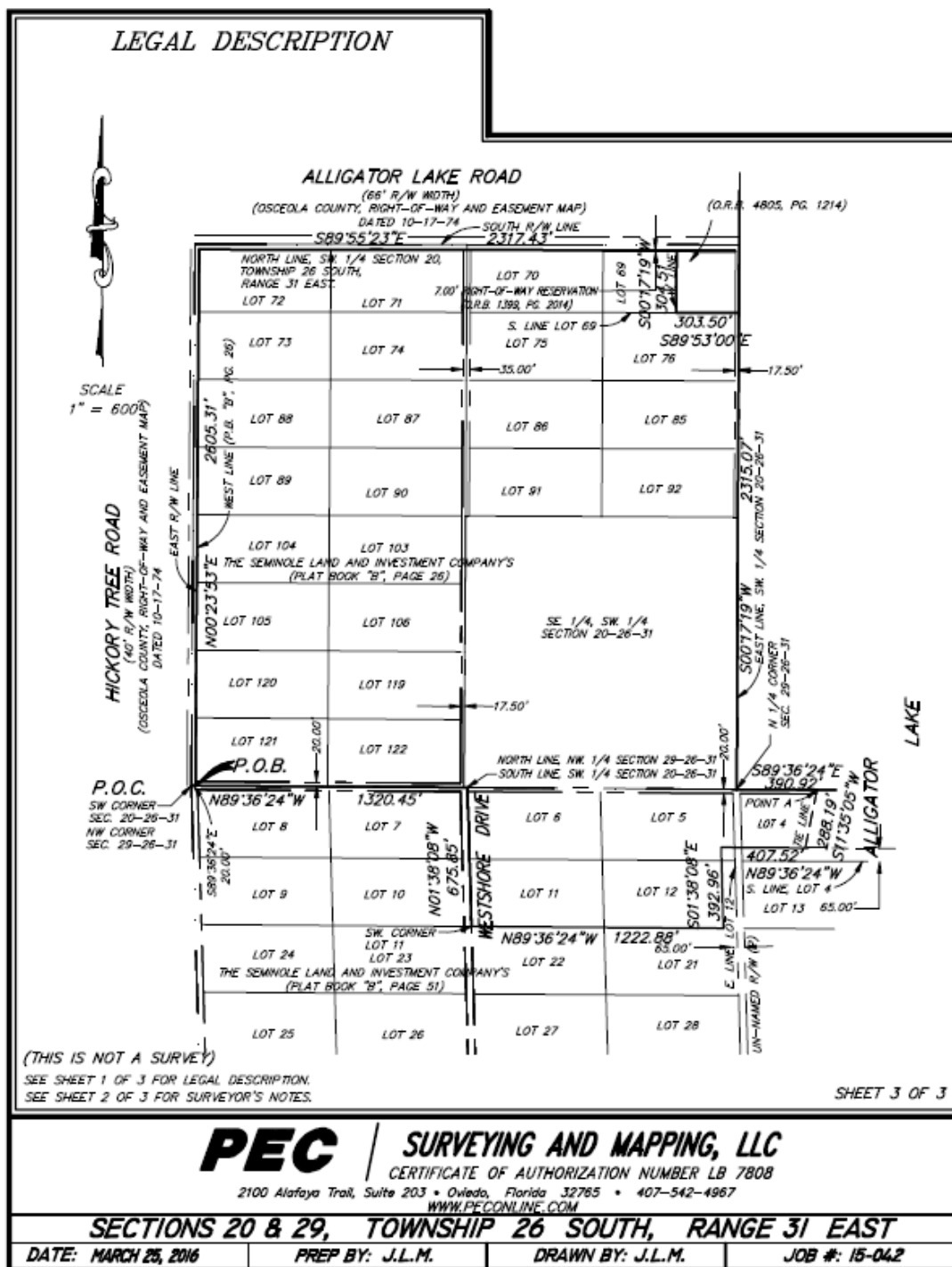
**SECTIONS 20 & 29, TOWNSHIP 26 SOUTH, RANGE 31 EAST**

DATE: MARCH 28, 2016

PREP BY: J.L.M.

DRAWN BY: J.L.M.

JOB #: 15-062



**Receipt of Disclosure**

I, \_\_\_\_\_, of Hanover Land Company, LLC, as Manager of Hanover Lakes, LLC (“Developer”), hereby acknowledge receipt of the Amended and Restated Disclosure of Public Financing and Maintenance of Improvements to Real Property Undertaken by the Osceola Chain of Lakes Community Development District (“District”). I certify, as representative of the Developer, that in accordance with section 190.009, *Florida Statutes*, the District has furnished sufficient copies of this disclosure to the Developer.

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

# **Subsection 6c**

## **Resolution 2020-10**

## RESOLUTION 2020-10

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE OSCEOLA CHAIN OF LAKES COMMUNITY DEVELOPMENT DISTRICT DESIGNATING A DATE, TIME AND LOCATION FOR A LANDOWNERS' MEETING AND ELECTION; PROVIDING FOR PUBLICATION; ESTABLISHING FORMS FOR THE LANDOWNER ELECTION; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.**

**WHEREAS**, Osceola Chain of Lakes Community Development District ("**District**") is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, being situated entirely within Osceola County, Florida; and

**WHEREAS**, pursuant to Section 190.006(1), *Florida Statutes*, the District's Board of Supervisors ("**Board**") "shall exercise the powers granted to the District pursuant to Chapter 190, *Florida Statutes*, and the Board shall consist of five members; and

**WHEREAS**, the District is statutorily required to hold a meeting of the landowners of the District for the purpose of electing Board Supervisors for the District on a date in November established by the Board, which shall be noticed pursuant to Section 190.006(2), *Florida Statutes*.

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

1. **EXISTING BOARD SUPERVISORS; SEATS SUBJECT TO ELECTIONS.** The Board is currently made up of the following individuals:

<u>Seat Number</u>	<u>Supervisor</u>	<u>Term Expiration Date</u>
1	Anthony Iorio	November 2022
2	Jason Lonas	November 2020
3	Doug Beasley	November 2022
4	Kimberly Locher	November 2020
5	Garison Clemens	November 2020

This year, Seat 2, currently held by Jason Lonas; Seat 4, currently held by Kimberly Locher; and Seat 5, currently held by Garison Clemens are subject to election by landowners in November 2020. The two candidates receiving the highest number of votes shall be elected for a term of four (4) years. The candidate receiving the next highest number of votes shall be elected for a term of two (2) years. The term of office for each successful candidate shall commence upon election.

2. **LANDOWNER'S ELECTION.** In accordance with Section 190.006(2), *Florida Statutes*, the meeting of the landowners to elect Board Supervisor(s) of the District shall be held on the \_\_\_\_ day of November, 2020, at \_\_\_\_ p.m., and located at 313 Campus Street, Celebration, FL 34747.

3. **PUBLICATION.** The District's Secretary is hereby directed to publish notice of the landowners' meeting and election in accordance with the requirements of Section 190.006(2), *Florida Statutes*.

4. **FORMS.** Pursuant to Section 190.006(2)(b), *Florida Statutes*, the landowners' meeting and election have been announced by the Board at its May 6, 2020, meeting. A sample notice of landowners' meeting and election, proxy, ballot form and instructions were presented at such meeting and are attached hereto as **Exhibit A**. Such documents are available for review and copying during normal business hours

at the District Manager's Office, located at 313 Campus Street, Celebration, FL 34747.

5. **SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

6. **EFFECTIVE DATE.** This Resolution shall become effective upon its passage.

**PASSED AND ADOPTED THIS 6th DAY OF MAY 2020.**

**OSCEOLA CHAIN OF LAKES  
COMMUNITY DEVELOPMENT  
DISTRICT**

**ATTEST:**

\_\_\_\_\_  
**CHAIRMAN / VICE CHAIRMAN**

\_\_\_\_\_  
**SECRETARY / ASST. SECRETARY**



## EXHIBIT A

### NOTICE OF LANDOWNERS' MEETING AND ELECTION AND MEETING OF THE BOARD OF SUPERVISORS OF THE OSCEOLA CHAIN OF LAKES COMMUNITY DEVELOPMENT DISTRICT

Notice is hereby given to the public and all landowners within Osceola Chain of Lakes Community Development District (“**District**”) the location of which is generally described as comprising a parcel or parcels of land containing approximately 175.541 acres, located south of Alligator Lake Road, east of Hickory Tree Road, north of Rockaby Road, and west of Alligator Lake in Osceola County, Florida, advising that a meeting of landowners will be held for the purpose of electing three (3) persons/people to the District’s Board of Supervisors (“**Board**”, and individually, “**Supervisor**”). Immediately following the landowners’ meeting there will be convened a meeting of the Board for the purpose of considering certain matters of the Board to include election of certain District officers, and other such business which may properly come before the Board.

DATE: November \_\_, 2020  
TIME: \_\_:\_\_ P.M.  
PLACE: \_\_\_\_\_

Each landowner may vote in person or by written proxy. Proxy forms may be obtained upon request at the office of the District Manager, 313 Campus Street, Celebration, Florida 34747, Ph: (321) 939-4301 (“**District Manager’s Office**”). At said meeting each landowner or his or her proxy shall be entitled to nominate persons for the position of Supervisor and cast one vote per acre of land, or fractional portion thereof, owned by him or her and located within the District for each person to be elected to the position of Supervisor. A fraction of an acre shall be treated as one acre, entitling the landowner to one vote with respect thereto. Platted lots shall be counted individually and rounded up to the nearest whole acre. The acreage of platted lots shall not be aggregated for determining the number of voting units held by a landowner or a landowner’s proxy. At the landowners’ meeting, the landowners shall select a person to serve as the meeting chair and who shall conduct the meeting.

The landowners’ meeting and the Board meeting are open to the public and will be conducted in accordance with the provisions of Florida law. One or both of the meetings may be continued to a date, time, and place to be specified on the record at such meeting. A copy of the agenda for these meetings may be obtained from the District Manager’s Office. There may be an occasion where one or more supervisors will participate by telephone.

Any person requiring special accommodations to participate in these meetings is asked to contact the District Manager’s Office, at least 48 hours before the hearing. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) / 1-800-955-8770 (Voice), for aid in contacting the District Manager’s Office.

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

Gary Moyer, District Manager  
Run Date(s): \_\_\_\_\_ & \_\_\_\_\_

PUBLISH: ONCE A WEEK FOR 2 CONSECUTIVE WEEKS, THE LAST DAY OF PUBLICATION TO BE NOT FEWER THAN 14 DAYS OR MORE THAN 28 DAYS BEFORE THE DATE OF ELECTION, IN A NEWSPAPER WHICH IS IN GENERAL CIRCULATION IN THE AREA OF THE DISTRICT

**INSTRUCTIONS RELATING TO LANDOWNERS' MEETING OF  
OSCEOLA CHAIN OF LAKES COMMUNITY DEVELOPMENT DISTRICT  
FOR THE ELECTION OF SUPERVISORS**

DATE OF LANDOWNERS' MEETING: **November \_\_\_\_**, 2020

TIME: \_\_\_\_\_ **.M.**

LOCATION: **313 Campus Street, Celebration, FL 34747**

Pursuant to Chapter 190, *Florida Statutes*, and after a Community Development District ("**District**") has been established and the landowners have held their initial election, there shall be a subsequent landowners' meeting for the purpose of electing members of the Board of Supervisors ("**Board**") every two years until the District qualifies to have its board members elected by the qualified electors of the District. The following instructions on how all landowners may participate in the election are intended to comply with Section 190.006(2)(b), *Florida Statutes*.

A landowner may vote in person at the landowners' meeting, or the landowner may nominate a proxy holder to vote at the meeting in place of the landowner. Whether in person or by proxy, each landowner shall be entitled to cast one vote per acre of land owned by him or her and located within the District, for each position on the Board that is open for election for the upcoming term. A fraction of an acre shall be treated as one (1) acre, entitling the landowner to one vote with respect thereto. For purposes of determining voting interests, platted lots shall be counted individually and rounded up to the nearest whole acre. Moreover, please note that a particular parcel of real property is entitled to only one vote for each eligible acre of land or fraction thereof; therefore, two or more people who own real property in common, that is one acre or less, are together entitled to only one vote for that real property.

At the landowners' meeting, the first step is to elect a chair for the meeting, who may be any person present at the meeting. The landowners shall also elect a secretary for the meeting who may be any person present at the meeting. The secretary shall be responsible for the minutes of the meeting. The chair shall conduct the nominations and the voting. If the chair is a landowner or proxy holder of a landowner, he or she may nominate candidates and make and second motions. Candidates must be nominated and then shall be elected by a vote of the landowners. Nominees may be elected only to a position on the Board that is open for election for the upcoming term.

This year, three (3) seats on the Board will be up for election by landowners. The two candidates receiving the highest number of votes shall be elected for a term of four (4) years. The candidate receiving the next highest number of votes shall be elected for a term of two (2) years. The term of office for each successful candidate shall commence upon election.

A proxy is available upon request. To be valid, each proxy must be signed by one of the legal owners of the property for which the vote is cast and must contain the typed or printed name of the individual who signed the proxy; the street address, legal description of the property or tax parcel identification number; and the number of authorized votes. If the proxy authorizes more than one vote, each property must be listed and the number of acres of each property must be included. The signature on a proxy does not need to be notarized.

## LANDOWNER PROXY

### OSCEOLA CHAIN OF LAKES COMMUNITY DEVELOPMENT DISTRICT OSCEOLA COUNTY, FLORIDA LANDOWNERS' MEETING – NOVEMBER \_\_\_\_\_, 2020

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, the fee simple owner of the lands described herein, hereby constitutes and appoints \_\_\_\_\_ (**"Proxy Holder"**) for and on behalf of the undersigned, to vote as proxy at the meeting of the landowners of the Osceola Chain of Lakes Community Development District to be held at 313 Campus Street, Celebration, FL 34747 on November \_\_\_\_\_, 2020, at \_\_\_\_\_ p.m., and at any adjournments thereof, according to the number of acres of unplatted land and/or platted lots owned by the undersigned landowner that the undersigned would be entitled to vote if then personally present, upon any question, proposition, or resolution or any other matter or thing that may be considered at said meeting including, but not limited to, the election of members of the Board of Supervisors. Said Proxy Holder may vote in accordance with his or her discretion on all matters not known or determined at the time of solicitation of this proxy, which may legally be considered at said meeting.

Any proxy heretofore given by the undersigned for said meeting is hereby revoked. This proxy is to continue in full force and effect from the date hereof until the conclusion of the landowners' meeting and any adjournment or adjournments thereof, but may be revoked at any time by written notice of such revocation presented at the landowners' meeting prior to the Proxy Holder's exercising the voting rights conferred herein.

\_\_\_\_\_  
Printed Name of Legal Owner

\_\_\_\_\_  
Signature of Legal Owner

\_\_\_\_\_  
Date

#### Parcel Description

#### Acreage

#### Authorized Votes

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

[Insert above the street address of each parcel, the legal description of each parcel, or the tax identification number of each parcel. If more space is needed, identification of parcels owned may be incorporated by reference to an attachment hereto.]

**Total Number of Authorized Votes:** \_\_\_\_\_

NOTES: Pursuant to Section 190.006(2)(b), *Florida Statutes* (2017), a fraction of an acre is treated as one (1) acre entitling the landowner to one vote with respect thereto. For purposes of determining voting interests, platted lots shall be counted individually and rounded up to the nearest whole acre. Moreover, two (2) or more persons who own real property in common that is one acre or less are together entitled to only one vote for that real property.

If the fee simple landowner is not an individual, and is instead a corporation, limited liability company, limited partnership or other entity, evidence that the individual signing on behalf of the entity has the authority to do so should be attached hereto (e.g., bylaws, corporate resolution, etc.).

**OFFICIAL BALLOT**  
**OSCEOLA CHAIN OF LAKES COMMUNITY DEVELOPMENT DISTRICT**  
**OSCEOLA COUNTY, FLORIDA**  
**LANDOWNERS' MEETING – NOVEMBER \_\_\_\_, 2020**

**For Election (3 Supervisors):** The two (2) candidates receiving the highest number of votes will each receive a four- (4) year term, and the one (1) candidate receiving the next highest number of votes will receive a two- (2) year term, with the term of office for the successful candidates commencing upon election.

The undersigned certifies that he/she/it is the fee simple owner of land, or the proxy holder for the fee simple owner of land, located within the Osceola Chain of Lakes Community Development District and described as follows:

**Description**

**Acreage**

_____	_____
_____	_____
_____	_____

[Insert above the street address of each parcel, the legal description of each parcel, or the tax identification number of each parcel.] [If more space is needed, identification of parcels owned may be incorporated by reference to an attachment hereto.]

or

**Attach Proxy.**

I, \_\_\_\_\_, as Landowner, or as the proxy holder of \_\_\_\_\_ (Landowner) pursuant to the Landowner's Proxy attached hereto, do cast my votes as follows:

SEAT #	NAME OF CANDIDATE	NUMBER OF VOTES
2		
4		
5		

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

Signed: \_\_\_\_\_

Printed Name: \_\_\_\_\_

# **Subsection 6d**

## **Deed of Easement Standard**

Prepared by:

Return original or certified recorded document to:  
(Insert name and address  
of WMD or DEP)

South Florida Water Management District  
3301 Gun Club Road, MSC 4210  
West Palm Beach, Florida

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## Deed of Conservation Easement Standard

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**THIS DEED OF CONSERVATION EASEMENT** ("Conservation Easement") is given this \_\_\_\_ day of \_\_\_\_\_, 2020, by Osceola Chain of Lakes Community Development District, a local unit of special-purpose government organized under Chapter 190, Florida Statutes ("Grantor"), whose mailing address is Moyer Management Group, 313 Campus Street, Celebration, Florida 34747, to the South Florida Water Management District ("Grantee"). As used herein, the term "Grantor" shall include any and all heirs, successors, or assigns of the Grantor, and all subsequent owners of the "Conservation Easement Area" (as hereinafter defined) and the term "Grantee" shall include any successor or assignee of Grantee.

### WITNESSETH

**WHEREAS**, the Grantor is the fee simple owner of certain lands situated in Osceola County, Florida, and more specifically depicted on the location map in Exhibit "A" attached hereto and incorporated herein (the "Property"); and

**WHEREAS**, Permit No. 49-02458-P ("Permit") and any modifications thereto issued by the Grantee authorizes certain activities which could affect wetlands or other surface waters in or of the State of Florida; and

**WHEREAS**, the Grantor, in consideration of the consent granted by the Permit or other good and valuable consideration provided to Grantor, is agreeable to granting and securing to the Grantee a perpetual Conservation Easement as defined in Section 704.06, Florida Statutes (F.S.), over the area of the Property described on Exhibit "B" ("Conservation Easement Area"); and

**WHEREAS**, Grantor grants this Conservation Easement as a condition of the Permit, solely to off-set or prevent adverse impacts to natural resources, fish and wildlife, and wetland functions; and

**WHEREAS**, Grantor desires to preserve the Conservation Easement Area in perpetuity in its natural condition, or, in accordance with the Permit, in an enhanced, restored, or created condition; and

**NOW, THEREFORE**, in consideration of the issuance of the Permit to construct and operate the permitted activity, and as an inducement to Grantee in issuing the Permit, together with other good and valuable consideration provided to the Grantor, the adequacy and receipt of which are hereby acknowledged, Grantor hereby voluntarily grants, creates, conveys, and establishes a perpetual Conservation Easement for and in favor of the Grantee upon the area of the Property described on Exhibit "B" which shall run with the land and be binding upon the Grantor, and shall remain in full force and effect forever.

The scope, nature, and character of this Conservation Easement shall be as follows:



1. **Recitals.** The recitals hereinabove set forth are true and correct and are hereby incorporated into and made a part of this Conservation Easement.

2. **Purpose.** It is the purpose of this Conservation Easement to retain land or water areas in their existing, natural, vegetative, hydrologic, scenic, open, or wooded condition and to retain such areas as suitable habitat for fish, plants, or wildlife in accordance with Section 704.06, F.S. Those wetland and upland areas included in this Conservation Easement which are to be preserved, enhanced, restored, or created pursuant to the Permit (or any modification thereto) and any Management Plan attached hereto as Exhibit "C" ("Management Plan") which has been approved in writing by the Grantee, shall be retained and maintained in the preserved, enhanced, restored, or created condition required by the Permit (or any modification thereto).

To carry out this purpose, the following rights are conveyed to Grantee by this Conservation Easement:

a. To enter upon the Conservation Easement Area at reasonable times with any necessary equipment or vehicles to inspect, determine compliance with the covenants and prohibitions contained in this Conservation Easement, and to enforce the rights herein granted in a manner that will not unreasonably interfere with the use and quiet enjoyment of the Conservation Easement Area by Grantor at the time of such entry; and

b. To proceed at law or in equity to enforce the provision of this Conservation Easement and the covenants set forth herein, to prevent the occurrence of any of the prohibited activities set forth herein, and to require the restoration of such areas or features of the Conservation Easement Area that may be damaged by any activity or use that is inconsistent with this Conservation Easement.

3. **Prohibited Uses.** Except for activities that are permitted or required by the Permit (or any modification thereto) (which may include restoration, creation, enhancement, maintenance, monitoring activities, or surface water management improvements) or other activities described herein or in the Management Plan (if any), any activity on or use of the Conservation Easement Area inconsistent with the purpose of this Conservation Easement is prohibited. Without limiting the generality of the foregoing, the following activities are expressly prohibited in or on the Conservation Easement Area:

a. Construction or placing of buildings, roads, signs, billboards or other advertising, utilities, or other structures on or above the ground;

b. Dumping or placing of soil or other substance or material as landfill, or dumping or placing of trash, waste, or unsightly or offensive materials;

c. Removing, destroying or trimming trees, shrubs, or other vegetation, except:  
i. The removal of dead trees and shrubs or leaning trees that could cause damage to property is authorized;

ii. The destruction and removal of noxious, nuisance or exotic invasive plant species as listed on the most recent Florida Exotic Pest Plant Council's List of Invasive Species is authorized;

iii. Activities authorized by the Permit or described in the Management Plan or otherwise approved in writing by the Grantee are authorized; and

iv. Activities conducted in accordance with a wildfire mitigation plan developed with the Florida Forest Service that has been approved in writing by the Grantee are authorized. No later than thirty (30) days before commencing any activities to implement the approved wildfire mitigation plan, Grantor shall notify the Grantee in writing of its intent to commence such activities. All such activities may only be completed during the time period for which the Grantee approved the plan;

d. Excavation, dredging, or removal of loam, peat, gravel, soil, rock, or other material substance in such manner as to affect the surface;

e. Surface use except for purposes that permit the land or water area to remain in its natural, restored, enhanced, or created condition;

f. Activities detrimental to drainage, flood control, water conservation, erosion control, soil conservation, or fish and wildlife habitat preservation including, but not limited to, ditching, diking, clearing, and fencing;

g. Acts or uses detrimental to such aforementioned retention of land or water areas; and

h. Acts or uses which are detrimental to the preservation of the structural integrity or physical appearance of sites or properties having historical, archaeological, or cultural significance.

4. **Grantor's Reserved Rights.** Grantor reserves all rights as owner of the Conservation Easement Area, including the right to engage or to permit or invite others to engage in all uses of the Conservation Easement Area that are not prohibited herein and which are not inconsistent with the Permit (or any modification thereto), Management Plan, or the intent and purposes of this Conservation Easement.

5. **No Dedication.** No right of access by the general public to any portion of the Conservation Easement Area is conveyed by this Conservation Easement.

6. **Grantee's Liability.** Grantee's liability is limited as provided in Sections 704.06(10) and 768.28, F.S. Additionally, Grantee shall not be responsible for any costs or liabilities related to the operation, upkeep, or maintenance of the Conservation Easement Area.

7. **Enforcement.** Enforcement of the terms, provisions, and restrictions of this Conservation Easement shall be at the reasonable discretion of Grantee, and any forbearance on behalf of Grantee to exercise its rights hereunder in the event of any breach hereof by Grantor, shall not be deemed or construed to be a waiver of Grantee's rights hereunder. Grantee shall not be obligated to Grantor, or to any other person or entity, to enforce the provisions of this Conservation Easement.

8. **Taxes.** When perpetual maintenance is required by the Permit, Grantor shall pay before delinquency any and all taxes, assessments, fees, and charges of whatever description levied on or assessed by competent authority on the Conservation Easement Area, and shall furnish the Grantee with satisfactory evidence of payment upon request.

9. **Assignment.** Grantee will hold this Conservation Easement exclusively for conservation purposes. Grantee will not assign its rights and obligations under this Conservation Easement except to another organization or entity qualified to hold such interests under the applicable state laws.

10. **Severability.** If any provision of this Conservation Easement or the application thereof to any person or circumstances is found to be invalid, the remainder of the provisions of this Conservation Easement shall not be affected thereby, as long as the purpose of the Conservation Easement is preserved.

11. **Terms and Restrictions.** Grantor shall insert the terms and restrictions of this Conservation Easement in any subsequent deed or other legal instrument by which Grantor divests itself of any interest in the Conservation Easement.

12. **Written Notice.** All notices, consents, approvals, or other communications hereunder shall be in writing and shall be deemed properly given if sent by United States certified mail, return receipt requested, addressed to the appropriate party or successor-in-interest.

13. **Modifications.** This Conservation Easement may be amended, altered, released, or revoked only by written agreement between the parties hereto or their heirs, assigns, or successors-in-interest, which shall be filed in the public records in Osceola County, Florida.

14. **Recordation.** Grantor shall record this Conservation Easement in timely fashion in the Official Records of Osceola County, Florida, and shall rerecord it at any time Grantee may require to preserve its rights. Grantor shall pay all recording costs and taxes necessary to record this Conservation Easement in the public records. Grantor will hold Grantee harmless from any recording costs or taxes necessary to record this Conservation Easement in the public records.



**TO HAVE AND TO HOLD** unto Grantee forever. The covenants, terms, conditions, restrictions, and purposes imposed with this Conservation Easement shall be binding upon Grantor, and shall continue as a servitude running in perpetuity with the Conservation Easement Area.

Grantor hereby covenants with Grantee that Grantor is lawfully seized of said Conservation Easement Area in fee simple; that the Conservation Easement is free and clear of all encumbrances that are inconsistent with the terms of this Conservation Easement; all mortgages and liens on the Conservation Easement Area, if any, have been subordinated to this Conservation Easement; that Grantor has good right and lawful authority to convey this Conservation Easement; and that it hereby fully warrants and defends record title to the Conservation Easement Area hereby conveyed against the lawful claims of all persons whomsoever.

SIGNATURE PAGE FOLLOWS.

**IN WITNESS WHEREOF**, Grantor has hereunto set its authorized hand this \_\_\_\_ day of \_\_\_\_\_, 2020.

OSCEOLA CHAIN OF LAKES COMMUNITY  
DEVELOPMENT DISTRICT, a local unit of  
special-purpose government established  
pursuant to Chapter 190, Florida Statutes

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Print Title: Chairperson

Signed, sealed and delivered in our presence as witnesses:

By: \_\_\_\_\_  
(Signature)

By: \_\_\_\_\_  
(Signature)

Name: \_\_\_\_\_  
(Print)

Name: \_\_\_\_\_  
(Print)

STATE OF FLORIDA

COUNTY OF \_\_\_\_\_

I hereby certify that on this day, before me, an officer duly authorized to take acknowledgments, personally appeared \_\_\_\_\_ as Chairperson of Osceola Chain of Lakes Community Development District, a local unit of special-purpose government established pursuant to Chapter 190, Florida Statutes, on behalf of the District, who executed the foregoing instrument, acknowledged before me that he executed the same on behalf of the foregoing entity and was identified in the manner indicated below.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

NOTARY PUBLIC, STATE OF FLORIDA

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Name)

My Commission Expires: \_\_\_\_\_

**EXHIBIT A**

[LOCATION MAP]

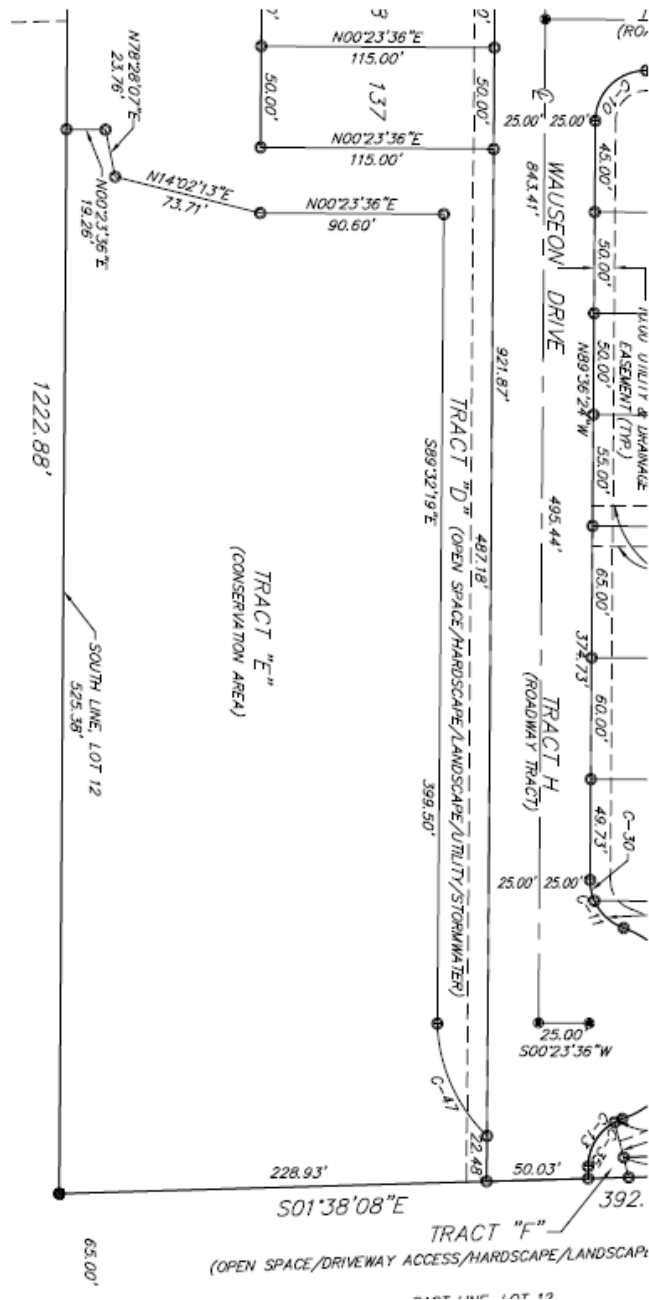


## EXHIBIT B

### [LEGAL DESCRIPTION AND SKETCH OF CONSERVATION EASEMENT AREA]

Legal Description: Tract E, Hanover Lakes Phase 2, a Subdivision according to the Plat thereof as recorded in Plat Book 27, Pages 30-32, inclusive, of the Public Records of Osceola County, Florida.

Sketch of Conservation Area:



**EXHIBIT C**

[MANAGEMENT PLAN OR "INTENTIONALLY LEFT BLANK"]

# **Section 7**

## **District Manager's Report**

# **Subsection 7a**

## **Financial Statements**

**Osceola Chain of Lakes CDD**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**GENERAL FUND**  
**Fiscal Year 2020**  
**March 31, 2020**

	<b>Annual Fiscal Year 2020 Budget</b>	<b>Year-To-Date Budget</b>	<b>Year-To-Date Actual</b>	<b>Variance Favorable/ (Unfavorable)</b>
<b>REVENUES</b>				
Special Assessments -- District Collected	\$ 74,958.43	\$ 56,218.82	\$ 56,218.82	\$ (0.00)
Special Assessments -- Tax Collector	\$ 76,085.38	\$ 76,085.38	\$ 75,663.62	\$ (421.76)
Special Assessments -- Discounts	\$ (3,043.41)	\$ (3,043.41)	\$ (3,025.69)	\$ 17.72
Interest Income	\$ -	\$ -	\$ 75.37	\$ 75.37
Developer Contributions	\$ -	\$ -	\$ -	\$ -
Other Financing Sources -- Use of Fund Balance	\$ -	\$ -	\$ -	\$ -
<b>Total Revenues</b>	<b>\$ 148,000.40</b>	<b>\$ 129,260.79</b>	<b>\$ 128,932.12</b>	<b>\$ (328.67)</b>
<b>EXPENDITURES</b>				
<i>Administrative</i>				
Annual Audit	\$ 3,700.00	\$ 1,850.00	\$ -	\$ 1,850.00
Capital Outlay	\$ 200.00	\$ 100.00	\$ -	\$ 100.00
Contingency	\$ 1,100.00	\$ 550.00	\$ -	\$ 550.00
Dues, Licenses, and Subscriptions	\$ 175.00	\$ 175.00	\$ 175.00	\$ -
FICA expense	\$ 91.80	\$ 45.90	\$ 61.20	\$ (15.30)
Insurance	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ -
Legal Advertising	\$ 2,000.00	\$ 1,000.00	\$ 388.98	\$ 611.02
Office Supplies	\$ 100.00	\$ 50.00	\$ -	\$ 50.00
Other Current Charges	\$ 100.00	\$ 50.00	\$ (15.00)	\$ 65.00
Postage	\$ 100.00	\$ 50.00	\$ 6.65	\$ 43.35
Printing and Binding	\$ 100.00	\$ 50.00	\$ -	\$ 50.00
Professional Fees -- Attorney	\$ 20,000.00	\$ 10,000.00	\$ 5,964.60	\$ 4,035.40
Professional Fees -- Dissemination Agent	\$ 1,000.00	\$ 500.00	\$ -	\$ 500.00
Professional Fees -- Engineer	\$ 7,500.00	\$ 3,750.00	\$ 7,649.63	\$ (3,899.63)
Professional Fees -- Manager	\$ 54,245.80	\$ 27,122.90	\$ 24,000.00	\$ 3,122.90
Professional Fees -- Property Appraiser	\$ 1,521.71	\$ 1,521.71	\$ 288.41	\$ 1,233.30
Professional Fees -- Tax Collector	\$ 1,521.71	\$ 1,521.71	\$ 867.28	\$ 654.43
Professional Fees -- Trustee	\$ 5,000.00	\$ 2,500.00	\$ -	\$ 2,500.00
Supervisor Fees	\$ 1,200.00	\$ 600.00	\$ 800.00	\$ (200.00)
Telephone	\$ 100.00	\$ 50.00	\$ -	\$ 50.00
Travel and Per Diem	\$ 150.00	\$ 75.00	\$ -	\$ 75.00
Website	\$ 3,294.38	\$ 1,647.19	\$ 235.78	\$ 1,411.41
<i>Total Administrative Expenditures</i>	<b>\$ 108,200.40</b>	<b>\$ 58,209.41</b>	<b>\$ 45,422.53</b>	<b>\$ 12,786.88</b>
<i>Field</i>				
Pond Bank Mowing	\$ 31,800.00	\$ 15,900.00	\$ 16,446.78	\$ (546.78)
General Field and Landscape	\$ 8,000.00	\$ 4,000.00	\$ -	\$ 4,000.00
<i>Total Field Expenditures</i>	<b>\$ 39,800.00</b>	<b>\$ 19,900.00</b>	<b>\$ 16,446.78</b>	<b>\$ 3,453.22</b>
<b>Total Expenditures</b>	<b>\$ 148,000.40</b>	<b>\$ 78,109.41</b>	<b>\$ 61,869.31</b>	<b>\$ 16,240.10</b>
<b>Excess Revenues (Expenditures)</b>	<b>\$ 0.00</b>	<b>\$ 51,151.39</b>	<b>\$ 67,062.81</b>	<b>\$ (16,568.77)</b>



# **Subsection 7b**

## **Check Register**

# Osceola Chain of Lakes CDD

## Check Register

For the period beginning December 1, 2019, through March 31, 2020

Sorted by Check Number

Check #	Date	Payable to	Invoice #	Description	Budget Line Item	Amount
<b>GENERAL FUND</b>						
1064	12/13/19	Dewberry	1708484, 1733279	Engineering fees for June and August (duplicate pmt)	Professional Fees -- Engineer	\$ 1,934.19
1065		void				
1066		void				
1067	12/13/19	Moyer Management Group	FY2019 Q4, FY2020 Q1	Management Fees, October 2019 - March 2020	split: Professional Fees -- Manager	\$ 24,000.00
		total check: \$25,217.79	FY2019 annual fee	Dissemination agent fee, FY2019	split: Professional Fees -- Dissemination Agent	\$ 1,000.00
			FY2020 hosting	Annual website hosting, domain name	split: Website	\$ 217.79
1068	12/19/19	Kimberly Locher	December 4	Meeting attendance	Supervisor Fees	\$ 184.70
1069	01/21/20	Osceola News Gazette	29857	Ad for rulemaking February 5, 2020, less credit on account	Legal Advertising	\$ 46.35
1070	01/20/20	Osceola News Gazette	29856	Ad for rule development February 5, 2020	Legal Advertising	\$ 61.81
1071	01/22/20	Down to Earth	49769, 50211, 52935, 55878	Pond bank mowing October - January	Pond Bank Mowing	\$ 10,600.00
1072	01/31/20	US Treasury	2019	Annual payroll taxes, Form 944	FICA/Payroll Taxes	\$ 214.20
1073	02/19/20	Hopping Green & Sams	110333, 112100, 110816, 111533	Legal fees August - October	Professional Fees -- Attorney	\$ 6,673.69
1074		void	void	void	void	void
1075	02/19/20	Down to Earth	57942	Pond bank mowing February	Pond Bank Mowing	\$ 2,650.00
1076	02/19/20	Kimberly Locher	January 8 and 30	Meeting attendance	Supervisor Fees	\$ 369.40
1077	03/04/20	Osceola News Gazette	30453, 30454	Ads for rule development and rulemaking April 1, 2020	Legal Advertising	\$ 162.83
1078	03/10/20	Hopping Green & Sams	113260	Legal fees January	Professional Fees -- Attorney	\$ 2,722.18
1079	02/24/20	Dewberry	1792207	Engineering fees January	Professional Fees -- Engineer	\$ 4,920.00
1080	03/25/20	Osceola County Property Appraiser	2018379	Property appraiser fees for FY2020	Professional Fees -- Property Appraiser	\$ 288.41
1081	03/31/20	Hopping Green & Sams	112667, 113782	Legal fees December, February	Professional Fees -- Attorney	\$ 1,103.84

# **Section 8**

## **Staff Reports**

# **Subsection 8a**

**Attorney**

**Subsection 8a(i)**

**Resolution 2020-04**

**RESOLUTION 2020-04**

**A RESOLUTION BY THE BOARD OF SUPERVISORS OF THE OSCEOLA CHAIN OF LAKES COMMUNITY DEVELOPMENT DISTRICT ADOPTING AN INTERNAL CONTROLS POLICY CONSISTENT WITH SECTION 218.33, FLORIDA STATUTES; PROVIDING AN EFFECTIVE DATE.**

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

**WHEREAS**, consistent with Section 218.33, *Florida Statutes*, the District is statutorily required to establish and maintain internal controls designed to prevent and detect fraud, waste, and abuse as defined in Section 11.45(1), *Florida Statutes*; promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices; support economical and efficient operations; ensure reliability of financial records and reports; and safeguard assets; and

**WHEREAS**, to demonstrate compliance with Section 218.33, *Florida Statutes*, the District desires to adopt by resolution the Internal Controls Policy attached hereto as **Exhibit A**.

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

**SECTION 1.** The attached Internal Controls Policy attached hereto as **Exhibit A** is hereby adopted pursuant to this Resolution.

**SECTION 2.** If any provision of this Resolution is held to be illegal or invalid, the other provisions shall remain in full force and effect.

**SECTION 3.** This Resolution shall become effective upon its passage and shall remain in effect unless rescinded or repealed.

**PASSED AND ADOPTED THIS 6<sup>th</sup> DAY OF MAY, 2020.**

**ATTEST:**

**OSCEOLA CHAIN OF LAKES COMMUNITY  
DEVELOPMENT DISTRICT**

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Secretary/Assistant Secretary

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Chairman, Board of Supervisors

## **EXHIBIT “A”**

### **OSCEOLA CHAIN OF LAKES COMMUNITY DEVELOPMENT DISTRICT INTERNAL CONTROLS POLICY**

#### **1. Purpose.**

- 1.1. The purpose of this internal controls policy is to establish and maintain internal controls for the Osceola Chain of Lakes Community Development District.
- 1.2. Consistent with Section 218.33(3), *Florida Statutes*, the internal controls adopted herein are designed to:
  - 1.2.1. Prevent and detect Fraud, Waste, and Abuse (as hereinafter defined).
  - 1.2.2. Promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices.
  - 1.2.3. Support economical and efficient operations.
  - 1.2.4. Ensure reliability of financial records and reports.
  - 1.2.5. Safeguard Assets (as hereinafter defined).

#### **2. Definitions.**

- 2.1. “Abuse” means behavior that is deficient or improper when compared with behavior that a prudent person would consider a reasonable and necessary operational practice given the facts and circumstances. The term includes the misuse of authority or position for personal gain.
- 2.2. “Assets” means District assets such as cash or other financial resources, supplies, inventories, equipment and other fixed assets, real property, intellectual property, or data.
- 2.3. “Auditor” means the independent auditor (and its employees) retained by the District to perform the annual audit required by state law.
- 2.4. “Board” means the Board of Supervisors for the District.
- 2.5. “District Management” means (i) the independent contractor (and its employees) retained by the District to provide professional district management services to the District and (ii) any other independent contractor (and its employees) separately retained by the District to provide amenity management services, provided said services include a responsibility to safeguard and protect Assets.

- 2.6. “Fraud” means obtaining something of value through willful misrepresentation, including, but not limited to, intentional misstatements or intentional omissions of amounts or disclosures in financial statements to deceive users of financial statements, theft of an entity’s assets, bribery, or the use of one’s position for personal enrichment through the deliberate misuse or misapplication of an organization’s resources.
- 2.7. “Internal Controls” means systems and procedures designed to prevent and detect fraud, waste, and abuse; promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices; support economical and efficient operations; ensure reliability of financial records and reports; and safeguard assets.
- 2.8. “Risk” means anything that could negatively impact the District’s ability to meet its goals and objectives. The term includes strategic, financial, regulatory, reputational, and operational risks.
- 2.9. “Waste” means the act of using or expending resources unreasonably, carelessly, extravagantly, or for no useful purpose.

### **3. Control Environment.**

#### **3.1. Ethical and Honest Behavior.**

- 3.1.1. District Management is responsible for maintaining a work environment that promotes ethical and honest behavior on the part of all employees, contractors, vendors and others.
- 3.1.2. Managers at all levels must behave ethically and communicate to employees and others that they are expected to behave ethically.
- 3.1.3. Managers must demonstrate through words and actions that unethical behavior will not be tolerated.

### **4. Risk Assessment.**

- 4.1. Risk Assessment. District Management is responsible for assessing Risk to the District. District Management’s Risk assessments shall include, but not be limited to:
  - 4.1.1. Identifying potential hazards.
  - 4.1.2. Evaluating the likelihood and extent of harm.
  - 4.1.3. Identifying cost-justified precautions and implementing those precautions.



## **5. Control Activities.**

5.1. Minimum Internal Controls. The District hereby establishes the following minimum Internal Controls to prevent and detect Fraud, Waste, and Abuse:

5.1.1. Preventive controls designed to forestall errors or irregularities and thereby avoid the cost of corrections. Preventive control activities shall include, but not be limited to, the following:

- 5.1.1.1. Identifying and segregating incompatible duties and/or implementing mitigating controls.
- 5.1.1.2. Performing accounting functions in accordance with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB) standards.
- 5.1.1.3. Requiring proper authorizations to access and/or modify accounting software.
- 5.1.1.4. Implementing computerized accounting techniques (e.g. to help identify coding errors, avoid duplicate invoices, etc.).
- 5.1.1.5. Maintaining a schedule of the District's material fixed Assets.
- 5.1.1.6. Maintaining physical control over the District's material and vulnerable Assets (e.g. lock and key, computer passwords, network firewalls, etc.).
- 5.1.1.7. Retaining and restricting access to sensitive documents.
- 5.1.1.8. Performing regular electronic data backups.

5.1.2. Detective controls designed to measure the effectiveness of preventive controls and to detect errors or irregularities when they occur. Detective control activities shall include, but not be limited to, the following:

- 5.1.2.1. Preparing financial reports in accordance with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB) standards.
- 5.1.2.2. Reviewing financial statements and investigating any material variances between budgeted expenses and actual expenses.
- 5.1.2.3. Establishing and implementing periodic reconciliations of bank, trust, and petty cash accounts.

5.1.2.4. Establishing an internal protocol for reporting and investigating known or suspected acts of Fraud, Waste, or Abuse.

5.1.2.5. Engaging in periodic physical inventory counts and comparisons with inventory records.

5.1.2.6. Monitoring all ACH (electronic) transactions and the sequencing of checks.

5.2. Implementation. District Management shall implement the minimum Internal Controls described herein. District Management may also implement additional Internal Controls that it deems advisable or appropriate for the District. The specific ways District Management implements these minimum Internal Controls shall be consistent with Generally Accepted Accounting Principles (GAAP) and otherwise conform to Governmental Accounting Standards Board (GASB) and American Institute of Certified Public Accountants (AICPA) standards and norms.

## **6. Information and Communication.**

6.1. Information and Communication. District Management shall communicate to its employees (needing to know) information relevant to the Internal Controls, including but not limited to any changes to the Internal Controls and/or changes to laws, rules, contracts, grant agreements, and best practices.

6.2. Training. District Management shall regularly train its employees (needing the training) in connection with the Internal Controls described herein and promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices.

## **7. Monitoring Activities.**

7.1. Internal Reviews. District Management shall internally review the District's Internal Controls at least once per year. In connection with this internal review, District Management shall:

7.1.1.1. Review its operational processes.

7.1.1.2. Consider the potential risk of Fraud, Waste, or Abuse inherent in each process.

7.1.1.3. Identify the controls included in the process, or controls that could be included, that would result in a reduction in the inherent risk.

7.1.1.4. Assess whether there are Internal Controls that need to be improved or added to the process under consideration.

7.1.1.5. Implement new controls or improve existing controls that are determined to be the most efficient and effective for decreasing the risk of Fraud, Waste or Abuse.

7.1.1.6. Train its employees on implemented new controls or improvements to existing controls.

7.2. External Audits and Other Reviews. Audits and other reviews may be performed on various components of the District's Internal Controls by the Auditor consistent with Government Auditing Standards (GAS). Audits may identify material deficiencies in the Internal Controls and make recommendations to improve them. District Management shall communicate and cooperate with the Board and the Auditor regarding the potential implementation of Auditor recommendations.

**Specific Authority:** §§ 190.011(5), 218.33(3), *Florida Statutes*

**Effective date:** February 5, 2020