

*Candler Hills East
Community Development District*

Agenda

May 15, 2018

AGENDA

Candler Hills East

Community Development District

135 W. Central Blvd., Suite 320, Orlando, Florida 32801
Phone: 407-841-5524 – Fax: 407-839-1526

May 8, 2018

Board of Supervisors
Candler Hills East Community
Development District

The Board of Supervisors of the Candler Hills East Community Development District will meet on **Tuesday, May 15, 2018 at 9:00 a.m., or as shortly thereafter as reasonably possible, at the Live Oak Hall, 8413 SW 80th Street, Suite 7-8, Ocala, FL.** Following is the advance agenda for the meeting:

- I. Roll Call
- II. Public Comment Period
- III. Notice for Meeting
- IV. Approval of Minutes of the February 20, 2018 Meeting
- V. Review and Acceptance of Draft Fiscal Year 2017 Audit Report
- VI. Consideration of Resolution 2018-01 Approving the Proposed Budget for Fiscal Year 2019 and Setting a Public Hearing
- VII. Staff Reports
 - A. Attorney
 - B. Engineer
 - C. District Manager
 - 1. Approval of Check Register
 - 2. Balance Sheet and Income Statement
 - 3. Presentation of Number of Registered Voters – 930
 - 4. Presentation of Qualifying Information and Dates
- VIII. Other Business
- IX. Supervisors Requests
- X. Adjournment

The second order of business is the Public Comment Period where the public has an opportunity to be heard on propositions coming before the Board as reflected on the agenda, and any other items.

Enclosed under the third order of business is the affidavit of publication associated with the public notice for this meeting.

The fourth order of business is the approval of the minutes from the February 20, 2018 meeting. The minutes are enclosed for your review.

The fifth order of business is review and acceptance of draft Fiscal Year 2017 audit report. A copy of the report is enclosed for your review.

The sixth order of business is consideration of Resolution 2018-01 approving the proposed budget for Fiscal Year 2019 and setting a public hearing.

The seventh order of business is Staff Reports. Section 1 of the District Managers Report includes the check register for approval and Section 2 includes the balance sheet and income statement for your review. Section 3 is the presentation of number of registered voters within the boundaries of the District. A copy of the letter from the Marion County Supervisor of Elections is enclosed for your review. Section 4 is the presentation of the qualifying information and dates. A copy of the information is enclosed for your review.

The balance of the agenda will be discussed at the meeting. In the meantime, if you have any questions, please contact me.

Sincerely,



George S. Flint
District Manager

Cc: Gerald Colen, District Counsel
Ken Colen, On Top of the World
Guy Woolbright, On Top of the World
Lynette Vermillion, On Top of the World
Darrin Mossing, GMS

SECTION III

AFFIDAVIT OF PUBLICATION

Star-Banner
Published – Daily
Ocala, Marion County, Florida

STATE OF FLORIDA
COUNTY OF MARION

Before the undersigned, a Notary Public of Said County and State, Destiney V. [Signature] who on oath says that they are an authorized employee of the Star-Banner, a daily newspaper published at Ocala, in Marion County, Florida; that the attached copy of advertisement, being a notice in the matter of

NOTICE OF MEETING CANDLER HILLS EAST COMMUNITY DEVELOPMENT DISTRICT The regular meeting of the Board of Supervisors of the Candler Hills East Community Development District will be held on Tuesday, May 15, 2018 at 9:00 AM, or as shortly thereafter as re

was published in said newspaper in the issues of:

5/4 1x

Affiant further says that the said STAR-BANNER is a daily newspaper published at Ocala, in said Marion County, Florida, and that the said newspaper has heretofore been continuously published in said Marion County, Florida, daily, and has been entered as second class mail matter at the post office in Ocala in said Marion County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that he has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the person of securing this advertisement for publication in the said newspaper.

Sworn to and subscribed before me this 4 day of May, A.D., 20 18



Harmony Stalter
Notary Public
HARMONY STALTER

(Print, Type or Stamp Name of Notary Public)

Ad #: A000932808

NOTICE OF MEETING CANDLER HILLS EAST COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Candler Hills East Community Development District will be held on Tuesday, May 15, 2018 at 9:00 AM, or as shortly thereafter as reasonably possible, at Live Oak Hall, 8413 SW 80th Street, Suite 7-8, Ocala, FL 34481. The meeting is open to the public and will be conducted in accordance with the provisions of Florida Law for Community Development Districts. A copy of the agenda for this meeting may be obtained from the District Manager, at 135 W. Central Blvd., Suite 320, Orlando, FL 32801. This meeting may be continued to a date, time, and place to be specified on the record at the meeting. There may be occasions when one or more Supervisors, Staff or other individuals will participate by telephone. Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this meeting is asked to advise the District Office at least forty-eight (48) hours prior to the meeting by contacting the District Manager at (407) 841-5524. If you are hearing or speech impaired, please contact the Florida Relay Service 1-800-955-8770, for aid in contacting the District Office. Each person who decides to appeal any action taken at these meetings is advised that person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

George S. Flint
Governmental Management Services –
Central Florida, LLC
District Manager

May 4, 2018
#A000932808

MINUTES

MINUTES OF MEETING
CANDLER HILLS EAST
COMMUNITY DEVELOPMENT DISTRICT

The Regular Meeting of the Board of Supervisors of the Candler Hills East Community Development District was held on Tuesday, February 20, 2018 at 9:00 a.m. at Circle Square Commons Cultural Center, 8395 S.W. 80th Street, Ocala, Florida.

Present and constituting a quorum were:

Philip J. Moherek	Chairman
Elmer Greene	Vice Chairman
Robert Scherff	Assistant Secretary
John Bain	Assistant Secretary
Larry Garvin	Assistant Secretary

Also present were:

George Flint	District Manager
Rachel Wagoner	District Counsel
Crystal House	BLCCDD
Bryan Schmalz	BLCCDD
Philip Hisey	OTOW
Lynette Vermillion	OTOW
Robert Stepp	OTOW
Guy Woolbright	OTOW

FIRST ORDER OF BUSINESS

Roll Call

Mr. Flint called the meeting to order and called the roll. A quorum was present.

SECOND ORDER OF BUSINESS

Public Comment Period

Mr. Flint: Are there any members of the public that want to provide comments to the Board? Hearing none,

THIRD ORDER OF BUSINESS

Notice for Meeting

Mr. Flint: The meeting notice of the February 20, 2018 meeting, was advertised in the Ocala Star Banner on September 21, 2017, and included in the agenda package.

FOURTH ORDER OF BUSINESS

Approval of Minutes of the November 21, 2017 Meeting

Mr. Flint: Does the Board have any changes and comments on the minutes? If not, we need a motion to approve them.

On MOTION by Mr. Garvin, seconded by Mr. Greene, with all in favor, the minutes of the November 21, 2017 meeting were approved.

FIFTH ORDER OF BUSINESS

Discussion of Cost Sharing with Homeowner's Association Relative to Maintenance of Storm Water System

Mr. Flint: The background on this is that the Chairman drafted a letter and distributed it to the Board. When Candler Hills East was created, the stormwater system was constructed by the Community Development District. It is owned and maintained by the CDD. When the future section of the community was developed, that portion of the stormwater system was placed under the Homeowner's Association and maintained by the HOA. The HOA has one fee for both the Candler Hills East section and the newer section, so in effect, the CDD is paying for the maintenance of their stormwater system in the Candler Hills East portion; whereas, the newer portions of the development are not sharing the cost of the stormwater system within the CDD, because they don't pay CDD fees. There are a couple of ways to deal with the issue. Because there's an equity issue there, one way would be to develop two different HOA rates, one within the CDD and one outside. Apparently the HOA is not in favor of doing that. Another alternative would be to enter into an Easement and Maintenance Agreement with the HOA to allow the HOA to maintain the stormwater system within the CDD, and then add that cost into the HOA fees. That way the entire Candler Hills East community is sharing the maintenance cost in both sections. Mr. Moherek drafted a letter suggesting the CDD request of the HOA, but that the HOA take over the cost of operating the stormwater system within the CDD. To be able to do that, there are a couple of things that we would need to do. We would need to enter into an Easement Agreement with the HOA that would give them the ability to maintain it, and a Cost Sharing Agreement. There is a timing issue because the HOA and CDD are on two different fiscal years. The HOA operates on a calendar and we operate on a fiscal year calendar, from October 1st to September 30th. You are going to be adopting your budget before the HOA adopts

their budget and we will have through that timing issue. This assumes that the HOA is amenable to doing that. If they attend your May meeting, we will probably have the agreements and talk through the mechanics. Just so there's no confusion, if the HOA agrees to take the stormwater system, the entire operations and maintenance assessment is not going away. Other costs are in place, which are administrative, whether or not we maintain the stormwater system, because the CDD still continues to exist. You still have to carry insurance, still have a Board and must complete an annual audit. You also still must have a Manager. All of those things will not go away. Out of a total budget of \$105,000, it appears that about \$60,000 is related to the maintenance of the stormwater ponds. You will be looking at a reduction in the annual assessment, but it would not go away altogether. Is there anything else, Mr. Moherek?

Mr. Moherek: That's about it. I appreciate the detailed explanation. Many owners came to me and asked me why there was this fee, while the rest of community does not pay. We have been investigating this for a long time to figure out the best way to handle this. Based on my discussion with Mr. Flint, I drafted a letter. When we bought our homes in CHE, we had to come up with a bond issue which, in the bond, covered all of the engineering, attorney, legal and all other expenses. That's the homeowner's responsibility. Any costs related to maintaining those bonds, should be at the homeowner's expense; however, any maintenance costs should be, in my opinion, picked up by the HOA, overall and divided among all of the owners. I had no idea about the numbers, as I estimated them. Depending on how the HOA sees it, the numbers are not going to change, but at least I feel that if we work together, it's going to be an equitable situation for all of CHE.

Mr. Flint: We may want to revise this before the letter goes out, just so it includes the entire \$105,000 in there, which we would need to change.

Mr. Moherek: Do any of the Board Members have any questions on this?

Mr. Scherff: I attended the annual meeting that Ken Colen posted, and looking at a future five to seven years out, according to the Florida Statutes, when the developer develops 90% of the community, it is turned over to the HOA. It seemed to me that we would want to be in agreement, where if that should happen five to seven years out, we would want to spread out the equal expense to the entire community of CHE. That makes sense to me.

Mr. Moherek: Thanks for that comment. Does anyone have any other comments?

Mr. Greene: I've always wondered. The CDD takes care of the drainage retention areas within Candler Hills East, and I'm wondering if the drainage retention areas in Candler Hills West, Stone Bridge and now Lark Hill are going to be built into ours too, so that we are paying for both East and West; whereas, Candler Hills West is only paying for Candler Hills West. I think there's another issue there too.

Mr. Moherek: That's exactly what I'm talking about. Right now, we are paying two maintenance fees and that's the reason for this letter, which is to try to get an equitable answer to the problem. We are not looking back, we are looking forward. I know as a businessman, when you start a business, it would be done a certain way, based on what is the best thing to do at the time. Sometimes in situations like this, very few people have a handle on it. I think we came up with a good solution to it and I'm hoping that the HOA and CDD can work something out. Is there anyone else?

Mr. Garvin: We are going to get a more detailed letter on this for the next meeting. Right?

Mr. Moherek: Yes. We are going to have another detail. This was only summary. The numbers are not correct because I didn't know all the answers to the questions. Mr. Flint and I will work together to prepare the letter. Mr. Flint, do we have to bring it up at the next Board Meeting?

Mr. Flint: Yes. You are going to have the adoption of the Proposed Budget at your May meeting, so this would impact that. We have to talk about the timing of you reducing your budget prior to the HOA adopting their budget for next year. There are some risks there. This all depends on the HOA and how they feel about the issue, so we will have to work through the timing of all of that. The concept would be, if the HOA agreed, the CDD assessments would decrease and the HOA fees would increase by something less than that amount, because it's going to be spread over a larger number of units. That way the entire stormwater system within Candler Hills East would be covered under the HOA and everyone is sharing the cost, versus the way it currently is, where CHE is paying the cost of their system and a portion of the cost of the system for CHW.

Mr. Moherek: I want to thank Mr. Flint, for going into detail on this. We will draft that letter together and have it at the next meeting. Are there any other questions?

Mr. Flint: Is the Board comfortable with the concept? If so, I recommend a motion requesting that the HOA consider this change.

Mr. Garvin: Are we approving the concept?

Mr. Flint: These numbers are going to change.

Mr. Garvin: I understand.

Mr. Flint: The \$60,000 would come out of the CDD budget, and then it would go under the HOA budget. You are going to have a larger number of units in the HOA Budget to spread the \$60,000 across. There will be some increase in the HOA budget and a larger decrease in the CDD budget.

Mr. Garvin MOVED to direct staff to negotiate with the Homeowner's Association on maintenance of the District's stormwater system, and the transfer of \$60,000 from the CDD budget to the HOA budget, and Mr. Greene seconded the motion.

Mr. Moherek: I believe that there supposed to be 1,400 homes in CHE. Does anyone know for sure?

Mr. Hisey: Thereabouts.

Mr. Moherek: Currently, the CDD has 628 homes.

Mr. Bain: Baring in mind, of course, there will be more retention ponds added, which increases the cost. Do we work on the basis of what's there now or do we work on the basis of the total?

Mr. Flint: The only issue is the \$60,000 and whether it is in the CDD budget or HOA budget. The number of ponds within CHE is not going to change.

Mr. Hisey: Correct.

Mr. Flint: The other sections may change. You are going to be paying a part of that anyway, so the question is whether or not everyone shares the cost of the CHE section, so that's what we are talking about.

On VOICE VOTE, with all in favor, directing staff to negotiate with the Homeowner's Association on maintenance of the District's stormwater system, and transferring \$60,000 from the CDD budget to the HOA budget, was approved.

Mr. Flint: The HOA representatives are here and they heard the discussion.

SIXTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Flint: Rachel, do you have anything?

Ms. Wagoner: No.

B. Engineer

There being none, the next item followed.

C. District Manager's Report

1. Approval of Check Register

Mr. Flint: You have the Check Register from November 15, 2017 through February 9, 2018. Were there any questions?

Mr. Sheriff: Regarding the *CHE CDD – U.S. Bank* item, is that money collected by the County?

Mr. Flint: Yes. The CDD gets one check from Marion County that has the O&M and debt in it, which we deposit into the operating account in the General Fund. We have to write a check to the Trustee to move the Debt Service Assessment Revenue. That's merely moving the money to the Trust Account to pay Debt Service. Are there any other questions? If not, we need a motion to approve the Check Register.

On MOTION by Mr. Scherff, seconded by Mr. Moherek, with all in favor, the Check Register, was approved.

2. Balance Sheet and Income Statement

Mr. Flint: You have the Unaudited Financial Statements through the end of January. Are there any questions on the Financial Statements?

Mr. Scherff: Is everything on line and there are no unusual or unexpected expenses?

Mr. Flint: No. Our actuals are prorated on the expense side. On the revenue side, we collected \$94,000 of the \$105,000 in O&M assessments that we levied. The financials look good.

3. Consideration of Series 2016 Arbitration Report

Mr. Flint: This is the Arbitrage Rebate Calculation Report for the Series 2016 bonds, indicating that we have a negative rebate requirement of \$4,402. There are no arbitrage issues. We need a motion to accept the report.

On MOTION by Mr. Moherek, seconded by Mr. Scherff, with all in favor, the Arbitrage Rebate Calculation Report for the Series 2016 bonds was accepted.

Mr. Garvin: Because this is tax season, the homeowners that I have spoken to, when they noticed that their CDD bond was reduced, were very pleased with what the Board decided to do. It decreased by \$100.

SEVENTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

EIGHTH ORDER OF BUSINESS

Supervisor's Requests

There being none, the next item followed.

NINTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Scherff, seconded by Mr. Moherek, with all in favor, the meeting adjourned.

Secretary/Assistant Secretary

Chairman/Vice Chairman

SECTION V

DRAFT

**Candler Hills East Community
Development District**

ANNUAL FINANCIAL REPORT

September 30, 2017

Candler Hills East Community Development District

ANNUAL FINANCIAL REPORT

Fiscal Year Ended September 30, 2017

DRAFT

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DRAFT

REPORT OF INDEPENDENT AUDITORS

To the Board of Supervisors
Candler Hills East Community Development District
Marion County, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of Candler Hills East Community Development District as of and for the year ended September 30, 2017, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

To the Board of Supervisors
Candler Hills East Community Development District

DRAFT

Opinion

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, and each major fund of Candler Hills East Community Development District as of September 30, 2017, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Management's Discussion and Analysis

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated April XX, 2018 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts.

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

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

April XX, 2018

**Candler Hills East Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2017**

DRAFT

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

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

The **statement of net position** presents information on all assets and liabilities of the District, with the difference between assets and liabilities reported as net position. Net position is reported in three categories; 1) net investment in capital assets, 2) restricted, and 3) unrestricted. Assets, liabilities, and net position are reported for all Governmental activities.

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

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

**Candler Hills East Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2017**

DRAFT

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

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

The *government-wide financial statements* and the *fund financial statements* provide different pictures of the District. The *government-wide financial statements* provide an overall picture of the District's financial standing. These statements are comparable to private-sector companies and give a good understanding of the District's overall financial health and how the District paid for the various activities, or functions, provided by the District. All assets of the District, including land, buildings and improvements, and infrastructure are reported in the **statement of net position**. All liabilities, including principal outstanding on bonds are included. The **statement of activities** includes depreciation on all long lived assets of the District, but transactions between the different functions of the District have been eliminated in order to avoid "doubling up" the revenues and expenses. The *fund financial statements* provide a picture of the major funds of the District. In the case of governmental activities, outlays for long lived assets are reported as expenditures and long-term liabilities, such as general obligation bonds, are not included in the fund financial statements. To provide a link from the *fund financial statements* to the *government-wide financial statements*, a reconciliation is provided from the *fund financial statements* to the *government-wide financial statements*.

Notes to financial statements provide additional detail concerning the financial activities and financial balances of the District. Additional information about the accounting practices of the District, investments of the District, capital assets and long-term debt are some of the items included in the *notes to financial statements*.

Financial Highlights

The following are the highlights of financial activity for the year ended September 30, 2017.

- ◆ The District's total assets exceeded total liabilities by \$1,408,721 (net position). Unrestricted net position for Governmental Activities was \$41,485. Net Investment in Capital Assets was \$1,009,597. Restricted net position was \$357,639.
- ◆ Governmental activities revenues totaled \$511,590 while governmental activities expenses totaled \$526,998.

**Candler Hills East Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2017**

DRAFT

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District

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

Net Position

	Governmental Activities	
	2017	2016
Current assets	\$ 45,777	\$ 40,450
Restricted assets	522,085	753,234
Capital assets	4,135,508	4,313,479
Total Assets	4,703,370	5,107,163
 Deferred Outflows of Resources	 25,691	 -
 Current liabilities	 230,631	 198,034
Non-current liabilities	3,089,709	3,485,000
Total Liabilities	3,320,340	3,683,034
 Net investment in capital assets	 1,009,597	 878,999
Restricted debt service	197,180	350,328
Restricted capital projects	160,459	158,735
Net position - unrestricted	41,485	36,067
Total Net Position	\$ 1,408,721	\$ 1,424,129

The decrease in capital assets is mainly due to current year depreciation.

The reduction in restricted assets and the reduction in restricted debt service net position is related use of available funds for the bond refunding in the current year.

The decrease in total liabilities is primarily related to principal payments and the bond refunding in the current year.

**Candler Hills East Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2017**

DRAFT

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District (Continued)

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

Change In Net Position

	Governmental Activities	
	2017	2016
Program Revenues		
Charges for services	\$ 509,260	\$ 553,922
General Revenues		
Investment earnings	2,330	1,824
Total Revenues	<u>511,590</u>	<u>555,746</u>
Expenses		
General government	50,615	55,485
Physical environment	230,372	233,016
Interest on long-term debt	246,011	200,446
Total Expenses	<u>526,998</u>	<u>488,947</u>
Change in Net Position	(15,408)	66,799
Net Position - Beginning of Year	<u>1,424,129</u>	<u>1,357,330</u>
Net Position - End of Year	<u><u>\$ 1,408,721</u></u>	<u><u>\$ 1,424,129</u></u>

The increase in interest on long-term debt is related to the bond refunding in the current year.

**Candler Hills East Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2017**

DRAFT

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Capital Assets Activity

The following schedule provides a summary of the District's capital assets as of September 30, 2017 and 2016.

<u>Description</u>	<u>Governmental Activities</u>	
	<u>2017</u>	<u>2016</u>
Land	\$ 1,373,401	\$ 1,373,401
Improvements	3,986,633	3,986,633
Infrastructure	555,184	555,184
Accumulated depreciation	(1,779,710)	(1,601,739)
Total Capital Assets (Net)	<u>\$ 4,135,508</u>	<u>\$ 4,313,479</u>

The activity for the year consisted of \$177,971 in depreciation.

General Fund Budgetary Highlights

Actual governmental expenditures were less than final budgeted amounts primarily due to lower assessment roll and contingency expenditures than were anticipated in the approved budget.

There were no amendments to the 2017 budget.

Debt Management

Governmental Activities debt includes the following:

- ♦ In April 2006, Bay Laurel Community Development District ("Bay Laurel") issued conduit debt of \$5,675,000 of Special Assessment Bonds, Series 2006 ("Bonds") for Candler Hills East Community Development District. The Bonds are special limited obligations of Bay Laurel, payable solely from and secured by pledge revenues to be collected by Candler Hills East Community Development District. The bond was refunded during the year.
- ♦ In November 2016, Bay Laurel Community Development District issued conduit debt of \$3,380,000 Series 2016 Special Assessment Revenue Refunding Bonds for Candler Hills East Community Development District. These bonds were issued to refund the Series 2006 Special Assessment Bonds. The Bonds are special limited obligations of Bay Laurel, payable solely from and secured by pledge revenues to be collected by Candler Hills East Community Development District. The balance outstanding at September 30, 2017 was \$3,270,000.

**Candler Hills East Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2017**

DRAFT

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Economic Factors and Next Year's Budget

The District is not aware of any circumstances that would have a significant effect on the financial position or results of operations of the District in fiscal year 2018.

Request for Information

The financial report is designed to provide a general overview of Candler Hills East Community Development District finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Candler Hills East Community Development District, Governmental Management Services, 135 W. Central Blvd, Suite 320, Orlando, FL 32801.

Candler Hills East Community Development District
STATEMENT OF NET POSITION
September 30, 2017

DRAFT

**Governmental
Activities**

ASSETS

Current Assets

Cash

\$ 34,735

Prepaid items

11,042

Total Current Assets

45,777

Non-current Assets

Restricted assets

Investments

522,085

Capital assets, not being depreciated

Land

1,373,401

Capital assets, being depreciated

Infrastructure

555,184

Improvements

3,986,633

Less: accumulated depreciation

(1,779,710)

Total Non-current Assets

4,657,593

Total Assets

4,703,370

Deferred Outflows of Resources

Deferred amount on refunding

25,691

Total Assets and Deferred Outflows of Resources

4,729,061

LIABILITIES

Current Liabilities

Accounts payable and accrued expenses

4,292

Accrued interest

46,339

Bonds payable - current portion

180,000

Total Current Liabilities

230,631

Non-current Liabilities

Bonds payable

3,089,709

Total Liabilities

3,320,340

NET POSITION

Net investment in capital assets

1,009,597

Restricted debt service

197,180

Restricted capital projects

160,459

Unrestricted

41,485

Total Net Position

\$ 1,408,721

See accompanying notes.

Candler Hills East Community Development District
STATEMENT OF ACTIVITIES
For the year ended September 30, 2017

DRAFT

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues Charges for Services</u>	<u>Net (Expense) Revenues and Changes in Net Position Governmental Activities</u>
Governmental Activities			
General government	\$ (50,615)	\$ 66,204	\$ 15,589
Physical environment	(230,372)	213,889	(16,483)
Interest on long-term debt	(246,011)	229,167	(16,844)
Total Governmental Activities	<u>\$ (526,998)</u>	<u>\$ 509,260</u>	<u>(17,738)</u>
General revenues:			
Investment earnings			<u>2,330</u>
Change in Net Position			(15,408)
Net Position - October 1, 2016			1,424,129
Net Position - September 30, 2017			<u>\$ 1,408,721</u>

See accompanying notes.

Candler Hills East Community Development District
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2017

DRAFT

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash	\$ 34,735	\$ -	\$ -	\$ 34,735
Prepaid items	11,042	-	-	11,042
Restricted assets				
Investments, at fair value	-	361,626	160,459	522,085
Total Assets	\$ 45,777	\$ 361,626	\$ 160,459	\$ 567,862
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable and accrued expenses	\$ 4,292	\$ -	\$ -	\$ 4,292
FUND BALANCES				
Nonspendable				
Prepaid items	11,402	-	-	11,402
Restricted				
Debt service	-	361,626	-	361,626
Capital projects	-	-	160,459	160,459
Unassigned	30,083	-	-	30,083
Total Fund Balances	41,485	361,626	160,459	563,570
Total Liabilities and Fund Balances	\$ 45,777	\$ 361,626	\$ 160,459	\$ 567,862

See accompanying notes.

Candler Hills East Community Development District
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2017



Total Governmental Fund Balances	\$ 563,570
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets consisting of land, \$1,373,401, improvements, \$3,986,633, and infrastructure, \$555,184, net of accumulated depreciation, \$(1,779,710), used in governmental activities are not current financial resources and, therefore, are not reported at the fund level.	4,135,508
Long-term liabilities, \$(3,270,000) net of bond discount, net, \$291, are not due and payable in the current period and, therefore, are not reported at the fund level.	(3,269,709)
Deferred amounts on refunding are recognized as other debt service costs in the funds, however, at the government-wide level these costs are amortized over the life of the loan. This is the net deferred amount on refunding.	25,691
Accrued interest expense for long-term debt is not a current financial use and, therefore, is not reported at the fund level.	<u>(46,339)</u>
Net Position of Governmental Activities	<u>\$ 1,408,721</u>

See accompanying notes.

Candler Hills East Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2017

DRAFT

	General	Debt Service	Capital Projects	Totals Governmental Funds
Revenues				
Special assessments	\$ 105,478	\$ 403,782	\$ -	\$ 509,260
Investment earnings	29	570	1,731	2,330
Total Revenues	<u>105,507</u>	<u>404,352</u>	<u>1,731</u>	<u>511,590</u>
Expenditures				
Current				
General government	47,690	-	2,925	50,615
Physical environment	52,401	-	-	52,401
Debt service				
Principal	-	3,695,000	-	3,695,000
Interest	-	174,841	-	174,841
Other debt service	-	-	131,919	131,919
Total Expenditures	<u>100,091</u>	<u>3,869,841</u>	<u>134,844</u>	<u>4,104,776</u>
Excess of revenues over/(under) expenditures	<u>5,416</u>	<u>(3,465,489)</u>	<u>(133,113)</u>	<u>(3,593,186)</u>
Other financing sources/(uses)				
Issuance of refunding debt	-	3,238,400	141,600	3,380,000
Bond discount	-	-	(304)	(304)
Transfers in	2	6,457	-	6,459
Transfers out	-	-	(6,459)	(6,459)
Total Other Financing Sources/(Uses)	<u>2</u>	<u>3,244,857</u>	<u>134,837</u>	<u>3,379,696</u>
Net change in fund balances	5,418	(220,632)	1,724	(213,490)
Fund Balances - October 1, 2016	<u>36,067</u>	<u>582,258</u>	<u>158,735</u>	<u>777,060</u>
Fund Balances - September 30, 2017	<u><u>\$ 41,485</u></u>	<u><u>\$ 361,626</u></u>	<u><u>\$ 160,459</u></u>	<u><u>\$ 563,570</u></u>

See accompanying notes.

Candler Hills East Community Development District
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2017



Net Change in Fund Balances - Total Governmental Funds	\$ (213,490)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation.	(177,971)
The issuance of new debt, \$(3,380,000), net of bond discount, \$304, is reflected as an other financing source at the fund level, but increase long-term liabilities at the government-wide level.	(3,379,696)
The deferred amount on refunding is recognized as other debt service costs at the fund level, but are reflected as a deferred outflows of resources at the government-wide level.	26,839
Bond discount and the deferred amount on refunding are amortized over the life of the loan at the government-wide level. This is the amount of current year amortization.	(1,161)
In the Statement of Activities, interest is accrued on outstanding bonds; whereas in governmental funds, interest expenditures are reported when due. This is the net amount between the prior year and the current year accruals.	35,071
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	<u>3,695,000</u>
Change in Net Position of Governmental Activities	<u><u>\$ (15,408)</u></u>

See accompanying notes.

Candler Hills East Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND

DRAFT

For the Year Ended September 30, 2017

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Special assessments	\$ 105,046	\$ 105,046	\$105,478	\$ 432
Investment earnings	100	100	29	(71)
Total Revenues	<u>105,146</u>	<u>105,146</u>	<u>105,507</u>	<u>361</u>
Expenditures				
Current				
General government	45,151	45,151	47,690	(2,539)
Physical environment	59,995	59,995	52,401	7,594
Total Expenditures	<u>105,146</u>	<u>105,146</u>	<u>100,091</u>	<u>5,055</u>
Excess of revenues over/(under) expenditures	<u>-</u>	<u>-</u>	<u>5,416</u>	<u>5,416</u>
Other financing sources/(uses)				
Transfers in	<u>-</u>	<u>-</u>	<u>2</u>	<u>2</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>5,418</u>	<u>5,418</u>
Fund Balances - October 1, 2016	<u>-</u>	<u>-</u>	<u>36,067</u>	<u>36,067</u>
Fund Balances - September 30, 2017	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,485</u>	<u>\$ 41,485</u>

See accompanying notes.

Candler Hills East Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. Reporting Entity

The District was established on November 19, 2002 by an ordinance of Marion County, Florida, under the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), as a Community Development District. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of the infrastructure necessary for community development within its jurisdiction. The District is governed by a five-member Board of Supervisors, who are elected for terms of four years. The District operates within the criteria established by Chapter 190. The Board has the responsibility for assessing and levying assessments, approving budgets, exercising control over facilities and properties, controlling the use of funds generated by the District, approving the hiring and firing of key personnel, and financing improvements.

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

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

2. Measurement Focus and Basis of Accounting

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

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

**Candler Hills East Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2017**

DRAFT

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

a. Government-wide Financial Statements

Government-wide financial statements report all non-fiduciary information about the reporting government as a whole. These statements include the governmental activities of the primary government. The effect of interfund activity has been removed from these statements.

Governmental activities are supported by special assessments, miscellaneous revenues and interest. Program revenues include charges for services, and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

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

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

b. Fund Financial Statements

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

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

**Candler Hills East Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2017**

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds

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

The District has various policies governing the fund balance classifications.

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

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

Assigned Fund Balance – This classification consists of the Board of Supervisors' intent to be used for specific purposes, but are neither restricted nor committed. The assigned fund balances can also be assigned by the District's management company.

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

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

Candler Hills East Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds (Continued)

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

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

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

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

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

Debt service expenditures are recorded only when payment is due.

3. Basis of Presentation

a. Governmental Major Funds

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

Candler Hills East Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Basis of Presentation (Continued)

a. Governmental Major Funds (Continued)

Debt Service Fund – Accounts for debt service requirements to retire certain capital improvement revenue bonds which were used to finance the construction of District infrastructure improvements and finance certain additional improvements. The bond series is secured by a pledge of debt service special assessment revenues in any fiscal year related to the improvements. A lien is placed on all benefited land in relationship to the debt outstanding.

Capital Projects Fund – The Capital Project Fund accounts for construction of infrastructure improvements within the boundaries of the district.

b. Non-current Governmental Assets/Liabilities

GASB Statement 34 requires that non-current governmental assets, such as land and buildings, and non-current governmental liabilities, such as special assessment bonds, be reported in the governmental activities column in the government-wide statement of net position.

4. Assets, Liabilities and Net Position or Equity

a. Cash and Investments

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

Candler Hills East Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

a. Cash and Investments (Continued)

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

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

Cash equivalents include time deposits and certificates of deposit with original maturities of three months or less and held in a qualified public depository as defined by Florida Statute 280.02.

b. Restricted Net Position

Certain net position of the District are classified as restricted on the statement of net position because their use is limited either by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors. In a fund with both restricted and unrestricted net position, qualified expenses are considered to be paid first from restricted net position and then from unrestricted net position.

c. Capital Assets

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

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

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

**Candler Hills East Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2017**

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

c. Capital Assets (Continued)

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

Depreciation of capital assets is computed and recorded by utilizing the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows:

Improvements:	25 years
Infrastructure:	30 years

d. Budgets

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

NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

"Total fund balances" of the District's governmental funds (\$563,570) differs from "net position" of governmental activities (\$1,408,721) reported in the statement of net position. This difference primarily results from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheet. The effect of the differences is illustrated below.

Candler Hills East Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

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NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

1. Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position (Continued)

Capital related items

When capital assets (property, plant and equipment that are to be used in governmental activities) are purchased or constructed, the cost of those assets is reported as expenditures in governmental funds. However, the Statement of Net Position included those capital assets among the assets of the District as a whole.

Land	\$ 1,373,401
Improvements	3,986,633
Infrastructure	555,184
Accumulated depreciation	<u>(1,779,710)</u>
Total	<u>\$ 4,135,508</u>

Deferred outflows of resources

Deferred amounts on refunding deferred outflows of resources that are amortized over the life of the loan.

Deferred amount on refunding, net	<u>\$ 25,691</u>
-----------------------------------	------------------

Long-term debt transactions

Long-term liabilities and bond discount applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the Statement of Net Position.

Bonds payable	\$ (3,270,000)
Bond discount, net	291
Bonds payable, net	<u>\$ (3,269,709)</u>

Accrued interest

Accrued liabilities in the Statement of Net Position differ from the amount reported in governmental funds due to accrued interest on bonds.

Accrued interest on bonds payable	<u>\$ (46,339)</u>
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Candler Hills East Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

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NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

2. Explanation of Differences Between the Governmental Fund Operating Statements and the Statement of Activities

The "net change in fund balances" for government funds (\$(213,490)) differs from the "change in net position" for governmental activities (\$(15,408)) reported in the Statement of Activities. The differences arise primarily from the long-term economic focus of the Statement of Activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

Capital related items

When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation. As a result, fund balances decrease by the amount of financial resources expended, whereas net position decrease by the amount of depreciation charged for the year.

Depreciation	\$ <u>(177,971)</u>
--------------	---------------------

Deferred outflows of resources

The deferred amount on refunding is reflected associated with the issuance of refunding debt is recognized as a deferred outflow of resources and amortized over the life of the new debt.

Deferred amount on refunding	\$ <u>26,839</u>
------------------------------	------------------

Long-term debt transactions

Repayments of bond principal are reported as an expenditure in the governmental funds and, thus, have the effect of reducing fund balance because current financial resources have been used.

Debt principal payments	\$ <u>3,695,000</u>
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The issuance of long term debt net of bond discount is reflected as an other financing source at the fund level, but increase long-term liabilities at the government-wide level.

Issuance of new debt	\$ (3,380,000)
Bond discount	<u>304</u>
Net bond proceeds	\$ <u>(3,379,696)</u>

Candler Hills East Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

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NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

2. Explanation of Differences Between the Governmental Fund Operating Statements and the Statement of Activities (Continued)

Long-term debt transactions (continued)

Some expenses reported in the Statement of Activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds.

Net change in accrued interest payable	\$ <u>35,071</u>
Amortization of bond discount and deferred amount on refunding	\$ <u>(1,161)</u>

NOTE C – CASH AND INVESTMENTS

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

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk; however, they follow the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2017, the District's bank balance and carrying value was \$34,735. Exposure to custodial credit risk was as follows. The District maintains all deposits in a qualified public depository in accordance with the provisions of Chapter 280, Florida Statutes, which means that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes.

As of September 30, 2017, the District had the following investments and maturities:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
Local Government Surplus Trust Fund - FL Prime	51 days*	\$ 160,459
Managed Money Market	N/A	361,626
Total		\$ <u>522,085</u>

* Weighted Average Maturity

Candler Hills East Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

DRAFT

NOTE C – CASH AND INVESTMENTS (Continued)

Custodial Credit Risk – Deposits (Continued)

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

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

Based on the criteria in the preceding paragraph, the investment in Managed Money Market is a Level 1 asset.

Investments

The District's investment policy allows management to invest funds in investments permitted under Section 218.415, Florida Statutes. Among other investments, the policy allows the District to invest in the State Board of Administration Local Government Surplus Trust Funds.

Cash placed with the State Board of Administration represents the District's participation in the Local Government Surplus Trust Funds Investment Pool and is reported at fair value. As a pool participant the District invests in pools of investments in which shares are owned in the pool rather than the underlying investments.

Interest Rate Risk

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

Credit Risk

The District's investments in treasury funds and government loans are limited by state statutory requirements and bond compliance. The District has no investment policy that would further limit its investment choices. As of September 30, 2017, the District's investment in Local Government Surplus Trust Fund is rated AAAM by Standards & Poors.

**Candler Hills East Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2017**

DRAFT

NOTE C – CASH AND INVESTMENTS (Continued)

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one fund. The investments in Managed Money Market is 69% and the investments in the Local Government Surplus Fund is 31% of the District's total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2017 were typical of these items during the fiscal year then ended. The District considers any decline in fair value for certain investments to be temporary.

NOTE D – SPECIAL ASSESSMENT REVENUES

Assessments are non-ad valorem assessments on benefitted property within the District. Operating and Maintenance Assessments are based upon adopted budget and levied annually. Debt Service Assessments are levied when bonds are issued and collected annually. The District may collect assessments directly or utilize the uniform method of collection (Chapter 197.3632, Florida Statutes). Direct collected assessments are due as determined by annual assessment resolution adopted by the Board of Supervisors. Assessments collected under the uniform method are mailed by County Tax Collector on November 1 and due on or before March 31 of each year. Property owners may prepay a portion or all of the Debt Service Assessments on their property subject to various provisions in the bond documents.

Assessments and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period.

Candler Hills East Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

DRAFT

NOTE E – CAPITAL ASSETS

Capital Asset activity for the year ended September 30, 2017 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Governmental Activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 1,373,401	\$ -	\$ -	\$ 1,373,401
Capital assets, being depreciated:				
Improvements	3,986,633	-	-	3,986,633
Infrastructure	555,184	-	-	555,184
	4,541,817	-	-	4,541,817
Less accumulated depreciation	(1,601,739)	(177,971)	-	(1,779,710)
Total Capital Assets Depreciated, Net	2,940,078	(177,971)	-	2,762,107
 Governmental Activities Capital Assets	 <u>\$ 4,313,479</u>	 <u>\$ (177,971)</u>	 <u>\$ -</u>	 <u>\$ 4,135,508</u>

Depreciation in the amount of \$177,971 was charged to physical environment.

NOTE F – LONG-TERM DEBT

In April 2006, Bay Laurel Community Development District issued conduit debt of \$5,675,000 of Special Assessment Bonds, Series 2006 ("Series 2006 Bonds"). In connection with the issuance of the Bonds, an agreement was established whereby Bay Laurel Community Development District loaned the Series 2006 Bonds funds to the District. The Series 2006 Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. The Series 2006 Bonds were refunded during the current year.

In November 2016, Bay Laurel Community Development District issued conduit debt of \$3,380,000 of Special Assessment Revenue Refunding Bonds, Series 2016 ("Series 2016 Bonds"). In connection with the issuance of the Series Bonds, an agreement was established whereby Bay Laurel Community Development District loaned the Series 2016 Bonds funds to the District. The Series 2016 Bonds were issued to refund the Series 2006 Bonds. The Series 2016 Bonds are special limited obligation of Bay Laurel Community Development District, payable solely from and secured by pledge revenues to be collected by the District.

Candler Hills East Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

DRAFT

NOTE F – LONG-TERM DEBT (Continued)

The following is a summary of activity for long-term debt of the District for the year ended September 30, 2017:

Long-term debt at October 1, 2016	\$ 3,585,000
Issuance of long-term debt	3,380,000
Principal payments	<u>(3,695,000)</u>
Long-term debt at September 30, 2017	3,270,000
Bond discount, net	<u>(291)</u>
Bonds Payable, Net	<u>\$ 3,269,709</u>

Long-term debt is comprised of the following:

Special Assessment Revenue Refunding Bonds

\$3,380,000 Series 2016 Special Assessment Revenue Refunding Bonds due in annual installments beginning May 2017 and maturing May 2037. Interest at various interest rates between 2% and 4% due in May and November and starting in May 2017. Current portion is \$180,000.

	\$ 3,270,000
Bond discount, net	<u>(291)</u>
Bonds Payable, Net	<u>\$ 3,269,709</u>

The annual requirements to amortize the principal and interest of bonded debt outstanding as of September 30, 2017 are as follows:

Year Ending September 30,	Principal	Interest	Total
2018	\$ 180,000	\$ 110,388	\$ 290,388
2019	125,000	107,063	232,063
2020	130,000	104,563	234,563
2021	130,000	101,637	231,637
2022	135,000	98,712	233,712
2023-2027	670,000	442,300	1,112,300
2028-2032	860,000	309,500	1,169,500
2033-2037	<u>1,040,000</u>	<u>128,200</u>	<u>1,168,200</u>
Totals	<u>\$ 3,270,000</u>	<u>\$ 1,402,363</u>	<u>\$ 4,672,363</u>

Candler Hills East Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

DRAFT

NOTE F – LONG-TERM DEBT (Continued)

Summary of Significant Bonds Resolution Terms and Covenants

Special Assessment Revenue Refunding Bonds, Series 2016

The District levies special assessments pursuant to Section 190.022, Florida Statutes and the assessment rolls are approved by resolutions of the District Board. The collections are to be strictly accounted for and applied to the debt service of the bond series for which they were levied. The District covenants to levy special assessments in annual amounts adequate to provide for payment of principal and interest on the bonds. Payment of principal and interest is dependent on the money available in the debt service fund and the District's ability to collect special assessments levied.

The Bonds are subject to redemption at the option of the District and are also subject to extraordinary mandatory redemption prior to maturity as outlined in the Trust Indenture.

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

1. Reserve Fund – The Series 2016 Reserve Account is funded from the proceeds of the Bonds in an amount equal to fifty percent of the Maximum Annual Debt Service Requirement for all Outstanding Series 2016 Bonds. Monies held in the reserve accounts will be used only for the purposes established in the Trust Indenture.

	Reserve Balance	Reserve Requirement
Series 2016	<u>\$ 120,281</u>	<u>\$ 118,107</u>

In November 2016, the District issued \$3,380,000 of Series 2016 Special Assessment Revenue Refunding Bonds, which retired the Series 2006 Special Assessment Bonds. The current refunding of the Series 2006 Special Assessment Bonds resulted in a deferred amount on refunding of \$26,839. As a result of this transaction, the District decreases its aggregate debt payment for Series 2016 Bonds by \$688,783 over the next 21 years and realized an economic gain of approximately \$249,251.

NOTE G – RISK MANAGEMENT

The government is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance.

DRAFT

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

To the Board of Supervisors
Candler Hills East Community Development District
Marion County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Candler Hills East Community Development District, as of and for the year ended September 30, 2017, and the related notes to the financial statements, and have issued our report thereon dated April XX, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Candler Hills East Community Development District's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Candler Hills East Community Development District's internal control. Accordingly, we do not express an opinion on the effectiveness of Candler Hills East Community Development District's internal control over financial reporting.

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

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

DRAFT

Board of Supervisors
Candler Hills East Community Development District

Compliance and Other Matters

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

Purpose of this Report

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

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

April XX, 2018

DRAFT

MANAGEMENT LETTER

To the Board of Supervisors
Candler Hills East Community Development District
Marion County, FL

Report on the Financial Statements

We have audited the financial statements of the Candler Hills East Community Development District as of and for the year ended September 30, 2017, and have issued our report thereon dated April XX, 2018.

Auditor's Responsibility

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

Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and our Independent Auditor's Report on an examination conducted in accordance with AICPA Professionals Standards, AT-C Section 315 regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in that report, which is dated April XX, 2018, should be considered in conjunction with this Management Letter.

Prior Audit Findings

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

Financial Condition

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

DRAFT

To the Board of Supervisors
Candler Hills East Community Development District

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial conditions assessment procedures as of September 30, 2017 for the Candler Hills East Community Development District. It is management's responsibility to monitor the Candler Hills East Community Development District's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same.

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

Annual Financial Report

Section 10.554(1)(i)5.b. and 10.556(7), Rules of the Auditor General, requires that we apply appropriate procedures and communicate the results of our determination as to whether the annual financial report for the Candler Hills East Community Development District for the fiscal year ended September 30, 2017, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2017. In connection with our audit, we determined that these two reports were in agreement.

Additional Matters

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

Purpose of this Letter

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

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

April XX, 2018

DRAFT

**INDEPENDENT ACCOUNTANT'S REPORT/COMPLIANCE
WITH SECTION 218.415, FLORIDA STATUTES**

To the Board of Supervisors
Candler Hills East Community Development District
Marion County, Florida

We have examined Candler Hills East Community Development District's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2017. Management is responsible for Candler Hills East Community Development District's compliance with those requirements. Our responsibility is to express an opinion on Candler Hills East Community Development District's compliance based on our examination.

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

In our opinion, Candler Hills East Community Development District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2017.

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

April XX, 2018

SECTION VI

RESOLUTION 2018-01

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE CANDLER HILLS EAST COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2018/2019 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 Candler Hills East Community Development District ("**District**") prior to June 15, 2018, a proposed budget ("**Proposed Budget**") for the fiscal year beginning October 1, 2018 and ending September 30, 2019 ("**Fiscal Year 2018/2019**"); 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 CANDLER HILLS EAST COMMUNITY DEVELOPMENT DISTRICT:

1. **PROPOSED BUDGET APPROVED.** The Proposed Budget prepared by the District Manager for Fiscal Year 2018/2019 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 for the following date, hour and location:

DATE: August 21, 2018
HOUR: 9:00 a.m.
LOCATION: Live Oak Hall
8413 SW 80th Street, Suite 7-8
Ocala, FL 34481

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 Marion County 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 15th DAY OF MAY, 2018.

ATTEST:

**CANDLER HILLS EAST COMMUNITY
DEVELOPMENT DISTRICT**

Secretary

By: _____
Its: _____



**Candler Hills East
Community Development District
Proposed Budget
FY 2019**



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8	<u>Amortization Schedule - Series 2016</u>

Candler Hills East
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND

DESCRIPTION	ADOPTED BUDGET FY2018	ACTUAL THRU 4/30/18	PROJECTED NEXT 5 MONTHS	TOTAL AS OF 9/30/18	PROPOSED BUDGET FY2019
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REVENUES:

MAINTENANCE ASSESSMENTS	\$105,046	\$104,563	\$483	\$105,046	\$105,046
INTEREST	\$50	\$21	\$10	\$31	\$35

TOTAL REVENUES	\$105,096	\$104,583	\$493	\$105,077	\$105,081
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EXPENDITURES:

ADMINISTRATIVE:

SUPERVISOR FEES	\$4,000	\$1,800	\$2,000	\$3,800	\$4,000
FICA EXPENSE	\$306	\$92	\$92	\$184	\$306
ENGINEERING	\$2,200	\$350	\$1,200	\$1,550	\$2,200
TRUSTEE FEES	\$2,050	\$2,020	\$0	\$2,020	\$2,050
DISSEMINATION	\$3,500	\$1,558	\$1,040	\$2,598	\$3,500
ARBITRAGE	\$600	\$600	\$0	\$600	\$600
ASSESSMENT ROLL	\$5,000	\$5,000	\$0	\$5,000	\$5,000
ATTORNEY	\$6,000	\$3,000	\$3,000	\$6,000	\$6,000
ANNUAL AUDIT	\$3,405	\$0	\$3,405	\$3,405	\$3,500
MANAGEMENT FEES	\$7,244	\$4,226	\$3,018	\$7,244	\$7,461
INFORMATION TECHNOLOGY	\$1,000	\$583	\$417	\$1,000	\$1,000
TELEPHONE	\$50	\$13	\$15	\$28	\$50
POSTAGE	\$800	\$376	\$400	\$776	\$800
PRINTING & BINDING	\$800	\$88	\$100	\$188	\$800
INSURANCE	\$6,646	\$6,042	\$0	\$6,042	\$6,646
LEGAL ADVERTISING	\$700	\$0	\$460	\$460	\$700
OTHER CURRENT CHARGES	\$475	\$188	\$140	\$328	\$475
OFFICE SUPPLIES	\$150	\$57	\$60	\$117	\$150
DUES, LICENSES & SUBSCRIPTIONS	\$175	\$175	\$0	\$175	\$175

TOTAL ADMINISTRATIVE	\$45,101	\$26,168	\$15,347	\$41,515	\$45,413
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MAINTENANCE:

RETENTION PONDS/OWL PRESERVE DRA	\$49,995	\$29,164	\$20,831	\$49,995	\$49,995
CONTINGENCIES	\$10,000	\$5,239	\$0	\$5,239	\$9,673

TOTAL MAINTENANCE	\$59,995	\$34,403	\$20,831	\$55,234	\$59,668
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TOTAL EXPENDITURES	\$105,096	\$60,571	\$36,178	\$96,750	\$105,081
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EXCESS REVENUES (EXPENDITURES)	\$0	\$44,012	(\$35,685)	\$8,327	\$0
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	FY2016	FY2017	FY2018	FY2019
Net Assessments	\$105,046	\$105,046	\$105,046	\$105,046
Discounts & Collections (6%)	\$6,705	\$6,705	\$6,705	\$6,705
Gross Assessments	\$111,751	\$111,751	\$111,751	\$111,751
Total Units	628	628	628	628
Assessments per Unit	\$178	\$178	\$178	\$178

Candler Hills East
Community Development District
General Fund Budget
Fiscal Year 2019

REVENUES:

Maintenance Assessments

The District will levy a non-ad valorem special assessment on all taxable property within the District, to fund all General Operating and Maintenance Expenditures for the Fiscal Year.

Interest

The District receives interest earnings from its cash balance in the SunTrust operating account.

EXPENDITURES:

Administrative:

Supervisor Fees

The Florida Statutes allows each board member to receive \$200 per meeting not to exceed \$4,800 in one year. This amount is based on 5 Supervisors attending 4 monthly meetings.

FICA Expense

Represents the Employer's share of Social Security and Medicare taxes withheld from Board of Supervisors checks.

Engineering

The District's engineer will be providing general engineering services to the District, e.g., attendance and preparation for monthly meetings, reviewing invoices, and various projects assigned as directed by the Board of Supervisors. The District currently has an agreement with Dewberry Engineers, Inc.

Trustee Fees

The District issued Series 2016 Special Assessment Refunding Bonds that are administered by a Trustee at US Bank.

Dissemination

The District is required by the Security and Exchange Commission to comply with Rule 15c2-12(b) (5) which relates to additional reporting requirements for unrated bond issues. Governmental Management Services – CF, LLC is contracted for this service.

Candler Hills East
Community Development District
General Fund Budget
Fiscal Year 2019

Arbitrage

The District has contracted with an independent certified public accountant to annually calculate the District's Arbitrage Rebate Liability on the Series 2016 Special Assessment Refunding Bonds. The District has an agreement with Grau & Associates for this service.

Assessment Roll

Governmental Management Services – Central Florida, LLC serves as the District's collection agent and certifies the District's non-ad valorem assessments with the Marion County Tax Collector's Office.

Attorney

The District's legal counsel will be providing general legal services to the District, i.e., attendance and preparation for monthly meetings, review operating and maintenance contracts, etc. The District currently has an agreement with Gerald R. Colen, P.A.

Annual Audit

The District is required annually to conduct an audit of its financial records by an Independent Certified Public Accounting Firm.

Management Fees

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Governmental Management Services – Central Florida, LLC. The services include, but are not limited to, recording and transcription of board meetings, administrative services, budget preparation, all financial reporting, annual audits, etc.

Information Technology

The District incurs costs related to the District's accounting and information systems, District's website creation and maintenance, electronic compliance with Florida Statutes and other electronic data requirements.

Telephone

Telephone and fax machine.

Postage

Mailing of Board Meeting agenda packages, overnight deliveries, checks for vendors and any other required correspondence.

Candler Hills East Community Development District

General Fund Budget
Fiscal Year 2019

Printing & Binding

Printing and Binding agenda packages for board meetings, printing of computerized checks, stationary, envelopes etc.

Insurance

The District's general liability & public officials liability insurance policy is with Florida Insurance Alliance. The Florida Insurance Alliance specializes in providing insurance coverage to governmental agencies.

Legal Advertising

The District is required to advertise various notices for monthly Board meetings, public hearings, etc. in a newspaper of general circulation. The District does most of its legal advertising with Ocala Star-Banner.

Other Current Charges

Bank charges and any other miscellaneous expenses that are incurred during the year.

Office Supplies

The District incurs charges for supplies that need to be purchased during the fiscal year, including copier and printer toner cartridges, paper, file folders, binders, pens, paper clips, and other such office supplies.

Dues, Licenses & Subscriptions

The District is required to pay an annual fee to the Department of Economic Opportunity for \$175. This is the only expense under this category for the District.

MAINTENANCE:

Retention Ponds/Owl Preserve DRA

The District has contracted with Sharp Site Services, LLC to provide the following services:

Turf Maintenance

- A. Turf areas unless otherwise specified will be mowed on a weekly basis in the growing season (April through October). During months not specified in the growing season (November through March) the turf will be mowed at least twice a month unless abnormal conditions arise. Typical yearly mowing schedules will allow for 38 mowings per year.

Candler Hills East Community Development District

General Fund Budget

Fiscal Year 2019

Edging / String Trimming

A. Edging of all hard edges: Sidewalks, Driveways, Curb lines etc. adjacent to maintained property will be edged on a weekly basis during the growing season in conjunction with the maintenance schedule. All storm water culverts will be string trimmed on a weekly basis during the growing season in conjunction with the maintenance schedule to ensure vegetation will not obstruct discharge culvert area. Edging of all landscape beds will be done on a weekly basis to provide a crisp edge. Retention ponds with beds areas will be edged using mechanical equipment such as an edger, string trimmer. Herbicidal edging is will not be acceptable. Bed lines will be edged with the intent to keep the same original design and will be enlarged if plant material growth warrants.

Bed Maintenance

A. Beds are to be free of weeds, trash and other debris at all times. Pre-emergent and post—herbicidal applications may be used to help control weed growth but hand weeding will be done "as needed."

Mulch

A. Pine Straw mulch will be added twice per year in landscape bed areas.

Tree Maintenance, Pruning and Fertilization

A. Tree staking materials will be adjusted, tightened or removed to ensure proper growth.

Description	Monthly	Annually
Retention Ponds/Owl Preserve	\$4,166	\$49,995
TOTAL		\$49,995

Contingencies

To record the cost of any maintenance expenses not properly classified in any of the other accounts.

Candler Hills East
COMMUNITY DEVELOPMENT DISTRICT

CAPITAL RESERVES FUND

DESCRIPTION	ADOPTED BUDGET FY2018	ACTUAL THRU 4/30/18	PROJECTED NEXT 5 MONTHS	TOTAL THRU 9/30/18	PROPOSED BUDGET FY2019
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REVENUES

INTEREST	\$400	\$1,508	\$1,590	\$3,098	\$2,500
CARRY FORWARD SURPLUS	\$160,451	\$160,459	\$0	\$160,459	\$163,558

TOTAL REVENUES	\$160,851	\$161,968	\$1,590	\$163,558	\$166,058
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EXPENDITURES

CAPITAL OUTLAY	\$0	\$0	\$0	\$0	\$0
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TOTAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0
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EXCESS REVENUES	\$160,851	\$161,968	\$1,590	\$163,558	\$166,058
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Candler Hills East
COMMUNITY DEVELOPMENT DISTRICT
DEBT SERVICE FUND - SERIES 2016

DESCRIPTION	ADOPTED BUDGET FY2018	ACTUAL THRU 4/30/18	PROJECTED NEXT 5 MONTHS	TOTAL THRU 9/30/18	PROPOSED BUDGET FY2019
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REVENUES

ASSESSMENTS - TAX ROLL	\$234,100	\$230,144	\$3,956	\$234,100	\$234,100
PREPAYMENTS	\$0	\$13,793	\$0	\$13,793	\$0
INTEREST INCOME	\$100	\$422	\$299	\$721	\$500
CARRY FORWARD SURPLUS	\$225,910	\$243,521	\$0	\$243,521	\$191,361

TOTAL REVENUES	\$460,110	\$487,880	\$4,255	\$492,136	\$425,961
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EXPENDITURES

Series 2016

INTEREST - 11/1	\$55,606	\$55,800	\$0	\$55,800	\$53,525
SPECIAL CALL - 11/1	\$45,000	\$55,000	\$0	\$55,000	\$0
PRINCIPAL - 5/1	\$125,000	\$0	\$125,000	\$125,000	\$105,000
INTEREST - 5/1	\$55,606	\$0	\$54,975	\$54,975	\$53,525
SPECIAL CALL - 5/1	\$0	\$0	\$10,000	\$10,000	\$10,000

TOTAL EXPENDITURES	\$281,213	\$110,800	\$189,975	\$300,775	\$222,050
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EXCESS REVENUES	\$178,898	\$377,080	(\$185,720)	\$191,361	\$203,911
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Nov 1, 2019 \$52,475

Net Assessments	\$234,100
Discounts & Collections (6%)	\$14,943
Gross Assessments	\$249,043

Total Units	453
Assessments per Unit	\$550

Candler Hills East
Community Development District
Series 2016 Special Assessment Revenue Refunding Bonds

AMORTIZATION SCHEDULE
(Term Bonds Due Combined)

Date	Balance	Principal	Interest	Annual
11/1/18	\$ 3,080,000	\$ -	\$ 53,525.00	\$ -
5/1/19	\$ 3,080,000	\$ 105,000	\$ 53,525.00	\$ 212,050
11/1/19	\$ 2,975,000	\$ -	\$ 52,475.00	\$ -
5/1/20	\$ 2,975,000	\$ 130,000	\$ 52,475.00	\$ 234,950
11/1/20	\$ 2,845,000	\$ -	\$ 51,012.50	\$ -
5/1/21	\$ 2,845,000	\$ 130,000	\$ 51,012.50	\$ 232,025
11/1/21	\$ 2,715,000	\$ -	\$ 49,550.00	\$ -
5/1/22	\$ 2,715,000	\$ 135,000	\$ 49,550.00	\$ 234,100
11/1/22	\$ 2,580,000	\$ -	\$ 48,031.25	\$ -
5/1/23	\$ 2,580,000	\$ 135,000	\$ 48,031.25	\$ 231,063
11/1/23	\$ 2,445,000	\$ -	\$ 46,343.75	\$ -
5/1/24	\$ 2,445,000	\$ 140,000	\$ 46,343.75	\$ 232,688
11/1/24	\$ 2,360,000	\$ -	\$ 45,243.75	\$ -
5/1/25	\$ 2,360,000	\$ 90,000	\$ 45,243.75	\$ 180,488
11/1/25	\$ 2,215,000	\$ -	\$ 43,068.75	\$ -
5/1/26	\$ 2,215,000	\$ 150,000	\$ 43,068.75	\$ 236,138
11/1/26	\$ 2,065,000	\$ -	\$ 40,256.25	\$ -
5/1/27	\$ 2,065,000	\$ 155,000	\$ 40,256.25	\$ 235,513
11/1/27	\$ 1,910,000	\$ -	\$ 37,350.00	\$ -
5/1/28	\$ 1,910,000	\$ 160,000	\$ 37,350.00	\$ 234,700
11/1/28	\$ 1,750,000	\$ -	\$ 34,350.00	\$ -
5/1/29	\$ 1,750,000	\$ 165,000	\$ 34,350.00	\$ 233,700
11/1/29	\$ 1,585,000	\$ -	\$ 31,256.25	\$ -
5/1/30	\$ 1,585,000	\$ 175,000	\$ 31,256.25	\$ 237,513
11/1/30	\$ 1,410,000	\$ -	\$ 27,975.00	\$ -
5/1/31	\$ 1,410,000	\$ 180,000	\$ 27,975.00	\$ 235,950
11/1/31	\$ 1,230,000	\$ -	\$ 24,600.00	\$ -
5/1/32	\$ 1,230,000	\$ 185,000	\$ 24,600.00	\$ 234,200
11/1/32	\$ 1,045,000	\$ -	\$ 20,900.00	\$ -
5/1/33	\$ 1,045,000	\$ 195,000	\$ 20,900.00	\$ 236,800
11/1/33	\$ 850,000	\$ -	\$ 17,000.00	\$ -
5/1/34	\$ 850,000	\$ 200,000	\$ 17,000.00	\$ 234,000
11/1/34	\$ 650,000	\$ -	\$ 13,000.00	\$ -
5/1/35	\$ 650,000	\$ 210,000	\$ 13,000.00	\$ 236,000
11/1/35	\$ 440,000	\$ -	\$ 8,800.00	\$ -
5/1/36	\$ 440,000	\$ 215,000	\$ 8,800.00	\$ 232,600
11/1/36	\$ 225,000	\$ -	\$ 4,500.00	\$ -
5/1/37	\$ 225,000	\$ 225,000	\$ 4,500.00	\$ 234,000
Totals		\$ 3,080,000	\$ 1,298,475	\$ 4,378,475

SECTION VII

SECTION C

SECTION 1

Community Development District

Summary of Invoices

Februaury 10, 2018 to May 09, 2018

Fund	Date	Check No.'s		Amount
General Fund	2/23/18	879	\$	8,606.92
	3/2/18	880-883	\$	8,948.73
	3/5/18	884	\$	965.58
	3/13/18	885	\$	8,812.75
	3/23/18	886	\$	1,732.05
	3/29/18	887	\$	4,166.28
	4/5/18	888	\$	897.83
	4/13/18	889	\$	100.00
	4/19/18	890	\$	71.24
	4/30/18	891	\$	4,166.28
	5/1/18	892	\$	4,931.96
			\$	43,399.62
Payroll	<u>February 2018</u>			
	Elmer Greene	50180	\$	184.70
	John Bain	50181	\$	184.70
	Larry Garvin	50182	\$	200.00
	Philip Moherek	50183	\$	200.00
	Robert Scherff	50184	\$	184.70
			\$	954.10
			\$	44,353.72

AP300R

*** CHECK DATES 02/10/2018 - 05/06/2018 ***

YEAR-TO-DATE ACCOUNTS PAYABLE PREPAID/COMPUTER CHECK REGISTER RUN 5/06/18

PAGE 1

CANDLER HILLS-GENERAL FUND
BANK A CANDLER HILLS CDD

CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	....CHECK..... AMOUNT #
2/23/18	00033	2/23/18 02232018	201802 300-20700-10200	FY18 DEBT ASSESSMENTS	*	8,606.92	
							8,606.92 000879
CANDLER HILLS EAST CDD C/O USBANK							
3/02/18	00005	2/20/18 02202018	201802 310-51300-31500	PREP/ATTEND CDD MEETING	*	1,500.00	
							1,500.00 000880
COLEN & WAGONER P.A.							
3/02/18	00043	2/26/18 12002	201802 320-53800-49000	770 BALES - 2 BASINS	*	3,103.10	
							3,103.10 000881
EVERGLADES PINESTRAW, INC.							
3/02/18	00004	2/20/18 6-094-69	201802 310-51300-42000	DELIVERY 2/13/18	*	179.35	
							179.35 000882
FEDEX							
3/02/18	00041	2/27/18 3521	201802 320-53800-47000	POND MOWING - FEB18	*	4,166.28	
							4,166.28 000883
SHARP SITE SERVICES, LLC							
3/05/18	00019	3/01/18 174	201803 310-51300-34000	MANAGEMENT FEES MAR18	*	603.67	
							83.33
							208.33
							27.68
							2.82
							39.75
GOVERNMENTAL MANAGEMENT SERVICES							
							965.58 000884
3/13/18	00033	3/12/18 03122018	201803 300-20700-10200	FY 18 DEBT ASSESSMENT	*	8,812.75	
							8,812.75 000885
CANDLER HILLS EAST CDD C/O USBANK							
3/23/18	00033	3/21/18 03212018	201803 300-20700-10200	FY18 MARION CTY TAX ASMNT	*	1,732.05	
							1,732.05 000886
CANDLER HILLS EAST CDD C/O USBANK							
3/29/18	00041	3/26/18 3568	201803 320-53800-47000	POND MOWING - MAR18	*	4,166.28	
							4,166.28 000887
SHARP SITE SERVICES, LLC							
CAND CANDLER HILLS BPEREGRINO							

AP300R

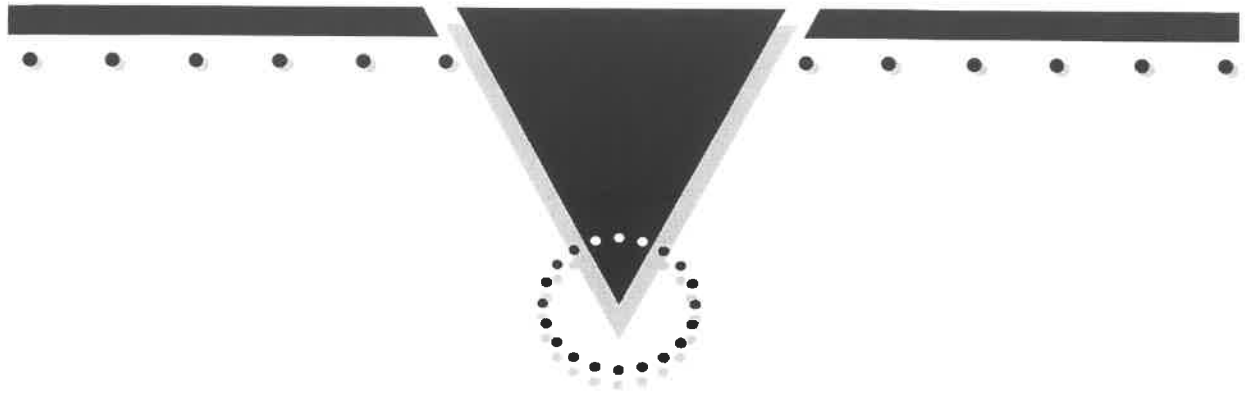
YEAR-TO-DATE ACCOUNTS PAYABLE PREPAID/COMPUTER CHECK REGISTER RUN 5/06/18
 *** CHECK DATES 02/10/2018 - 05/06/2018 *** CANDLER HILLS-GENERAL FUND
 BANK A CANDLER HILLS CDD

PAGE 2

CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	.....CHECK..... AMOUNT #
4/05/18	00019	4/02/18 175	201804 310-51300-34000	MANAGEMENT FEES APR18	*	603.67	
		4/02/18 175	201804 310-51300-35100	INFO TECHNOLOGY APR18	*	83.33	
		4/02/18 175	201804 310-51300-31300	DISSEMINATION FEE APR18	*	208.33	
		4/02/18 175	201804 310-51300-51000	OFFICE SUPPLIES	*	.15	
		4/02/18 175	201804 310-51300-42000	POSTAGE	*	2.35	
GOVERNMENTAL MANAGEMENT SERVICES							897.83 000888
4/13/18	00047	4/06/18 1	201804 310-51300-31300	AMORT DS 2016 \$10,000	*	100.00	
DISCLOSURE SERVICES LLC							100.00 000889
4/19/18	00033	4/19/18 04192018	201804 300-20700-10200	FY18 MARION CTY TAX ASMT	*	71.24	
CANDLER HILLS EAST CDD C/O USBANK							71.24 000890
4/30/18	00041	4/23/18 3602	201804 320-53800-47000	POND MOWING - APR18	*	4,166.28	
SHARP SITE SERVICES, LLC							4,166.28 000891
5/01/18	00033	5/01/18 05012018	201805 300-20700-10200	FY18 MARION CTY TAX ASMNT	*	4,931.96	
CANDLER HILLS EAST CDD C/O USBANK							4,931.96 000892
TOTAL FOR BANK A						43,399.62	
TOTAL FOR REGISTER						43,399.62	

CAND CANDLER HILLS BPREGRINO

SECTION 2



Candler Hills East Community Development District

Unaudited Financial Reporting
April 30, 2018



Table of Contents

1	<u>Balance Sheet</u>
2	<u>General Fund</u>
3	<u>Debt Service Fund</u>
4	<u>Capital Reserve Fund</u>
5	<u>Month to Month</u>
6	<u>Long-Term Debt</u>
7	<u>Assessment Receipt Schedule</u>

Candler Hills East
Community Development District
Combined Balance Sheet
For the Period Ended April 30, 2018

	<u>Governmental Fund Types</u>			Totals (Memorandum Only) 2018
	General Fund	Debt Service	Capital Reserves	
<u>ASSETS:</u>				
CASH	\$90,429	---	---	\$90,429
<u>INVESTMENTS - BONDS</u>				
SERIES 2016				
RESERVE	---	\$118,106	---	\$118,106
REVENUE	---	\$355,107	---	\$355,107
PREPAYMENTS	---	\$15,901	---	\$15,901
<u>INVESTMENTS - OPERATIONS</u>				
SBA ACCOUNT	---	---	\$161,968	\$161,968
DUE FROM GENERAL FUND	---	\$4,932	---	\$4,932
TOTAL ASSETS	\$90,429	\$494,046	\$161,968	\$746,443
<u>LIABILITIES:</u>				
ACCOUNTS PAYABLE	---	---	---	\$0
DUE TO DEBT SERVICE	\$4,932	---	---	\$4,932
FICA PAYABLE	---	---	---	\$0
<u>FUND BALANCES:</u>				
RESTRICTED FOR DEBT SERVICE	---	\$494,046	---	\$494,046
RESTRICTED FOR CAPITAL PROJECTS	---	---	---	\$0
ASSIGNED	---	---	\$161,968	\$161,968
UNASSIGNED	\$85,497	---	---	\$85,497
TOTAL LIABILITIES & FUND EQUITY	\$90,429	\$494,046	\$161,968	\$746,443

Candler Hills East
COMMUNITY DEVELOPMENT DISTRICT
General Fund
Statement of Revenues & Expenditures
For the Period Ended April 30, 2018

	ADOPTED BUDGET	PRORATED BUDGET THRU 4/30/18	ACTUAL THRU 4/30/18	VARIANCE
<u>REVENUES:</u>				
MAINTENANCE ASSESSMENTS	\$105,046	\$104,563	\$104,563	\$0
INTEREST	\$50	\$29	\$21	(\$9)
TOTAL REVENUES	\$105,096	\$104,592	\$104,583	(\$9)
<u>EXPENDITURES:</u>				
<u>ADMINISTRATIVE:</u>				
SUPERVISOR FEES	\$4,000	\$2,333	\$1,800	\$533
FICA EXPENSE	\$306	\$179	\$92	\$87
ENGINEERING	\$2,200	\$1,283	\$350	\$933
TRUSTEE FEES	\$2,050	\$2,050	\$2,020	\$30
DISSEMINATION	\$3,500	\$2,042	\$1,558	\$483
ARBITRAGE	\$600	\$600	\$600	\$0
ASSESSMENT ROLL	\$5,000	\$5,000	\$5,000	\$0
ATTORNEY	\$6,000	\$3,500	\$3,000	\$500
ANNUAL AUDIT	\$3,405	\$0	\$0	\$0
MANAGEMENT FEES	\$7,244	\$4,226	\$4,226	(\$0)
INFORMATION TECHNOLOGY	\$1,000	\$583	\$583	\$0
TELEPHONE	\$50	\$29	\$13	\$16
POSTAGE	\$800	\$467	\$376	\$91
PRINTING & BINDING	\$800	\$467	\$88	\$379
INSURANCE	\$6,646	\$6,646	\$6,042	\$604
LEGAL ADVERTISING	\$700	\$408	\$0	\$408
OTHER CURRENT CHARGES	\$475	\$277	\$188	\$89
OFFICE SUPPLIES	\$150	\$88	\$57	\$30
DUES, LICENSES & SUBSCRIPTIONS	\$175	\$175	\$175	\$0
TOTAL ADMINISTRATIVE	\$45,101	\$30,352	\$26,168	\$4,184
<u>MAINTENANCE:</u>				
RETENTION PONDS/OWL PRESERVE DRA	\$49,995	\$29,164	\$29,164	(\$0)
CONTINGENCIES	\$10,000	\$5,833	\$5,239	\$594
TOTAL MAINTENANCE	\$59,995	\$34,997	\$34,403	\$594
TOTAL EXPENDITURES	\$105,096	\$65,349	\$60,571	\$4,778
EXCESS REVENUES (EXPENDITURES)	\$0		\$44,012	
FUND BALANCE - BEGINNING	\$0		\$41,485	
FUND BALANCE - ENDING	\$0		\$85,497	

Candler Hills East
Community Development District
Debt Service Fund Series 2016
For the Period Ended April 30, 2018

ADOPTED BUDGET	PRORATED THRU 4/30/18	ACTUAL THRU 4/30/18	VARIANCE
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REVENUES:

ASSESSMENTS - TAX ROLL	\$234,100	\$230,144	\$230,144	\$0
PREPAYMENTS	\$0	\$0	\$13,793	\$13,793
INTEREST	\$100	\$58	\$422	\$364
TOTAL REVENUES	\$234,200	\$230,202	\$244,359	\$14,157

EXPENDITURES:

SERIES 2016

INTEREST - 11/1	\$55,606	\$55,606	\$55,800	(\$194)
SPECIAL CALL - 11/1	\$45,000	\$45,000	\$55,000	(\$10,000)
PRINCIPAL - 5/1	\$125,000	\$0	\$0	\$0
INTEREST - 5/1	\$55,606	\$0	\$0	\$0
SPECIAL CALL - 5/1	\$0	\$0	\$0	\$0

TOTAL EXPENDITURES	\$281,213	\$100,606	\$110,800	(\$10,194)
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OTHER SOURCES & USES

INTERFUND TRANSFERS IN/(OUT)	\$0	\$0	\$0	\$0
OTHER DEBT SERVICE COST	\$0	\$0	(\$1,140)	(\$1,140)

TOTAL OTHER SOURCES & USES	\$0	\$0	(\$1,140)	(\$1,140)
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EXCESS REVENUES (EXPENDITURES)	(\$47,013)		\$132,419	
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FUND BALANCE - BEGINNING	\$225,910		\$361,627	
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FUND BALANCE - ENDING	\$178,898		\$494,046	
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Candler Hills East
Community Development District
Capital Reserves Fund
For the Period Ended April 30, 2018

	ADOPTED BUDGET	PRORATED THRU 4/30/18	ACTUAL THRU 4/30/18	VARIANCE
<u>REVENUES:</u>				
INTEREST	\$400	\$233	\$1,508	\$1,275
TOTAL REVENUES	\$400	\$233	\$1,508	\$1,275
<u>EXPENDITURES:</u>				
CAPITAL OUTLAY	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$0	\$0	\$0	\$0
EXCESS REVENUES (EXPENDITURES)	\$400		\$1,508	
FUND BALANCE - BEGINNING	\$160,451		\$160,459	
FUND BALANCE - ENDING	\$160,851		\$161,968	

Candler Hills East
COMMUNITY DEVELOPMENT DISTRICT

GENERAL FUND
Month to Month Detail

REVENUES:

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
MAINTENANCE ASSESSMENTS	\$2,470	\$19,889	\$34,162	\$37,781	\$3,930	\$4,266	\$2,065	\$0	\$0	\$0	\$0	\$0	\$104,563
INTEREST	\$1	\$1	\$4	\$5	\$3	\$3	\$3	\$0	\$0	\$0	\$0	\$0	\$21
TRANSFER IN	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$2,472	\$19,890	\$34,166	\$37,785	\$3,933	\$4,269	\$2,068	\$0	\$0	\$0	\$0	\$0	\$104,583

EXPENDITURES:

ADMINISTRATIVE:

SUPERVISOR FEE	\$0	\$800	\$0	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,800
FICA	\$0	\$46	\$0	\$0	\$46	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$92
ENGINEERING	\$350	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$350
TRUSTEE FEES	\$0	\$0	\$2,020	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,020
DISSEMINATION	\$208	\$208	\$208	\$208	\$208	\$208	\$308	\$0	\$0	\$0	\$0	\$0	\$1,558
ARBITRAGE	\$0	\$0	\$0	\$600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$600
ASSESSMENT ROLL	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000
ATTORNEY	\$0	\$1,500	\$0	\$0	\$1,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,000
ANNUAL AUDIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MANAGEMENT FEES	\$604	\$604	\$604	\$604	\$604	\$604	\$604	\$0	\$0	\$0	\$0	\$0	\$4,226
INFORMATION TECHNOLOGY	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$0	\$0	\$0	\$0	\$0	\$583
TELEPHONE	\$6	\$0	\$0	\$7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13
POSTAGE	\$30	\$150	\$3	\$0	\$187	\$3	\$2	\$0	\$0	\$0	\$0	\$0	\$376
PRINTING & BINDING	\$11	\$0	\$35	\$0	\$2	\$40	\$0	\$0	\$0	\$0	\$0	\$0	\$88
INSURANCE	\$6,042	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,042
LEGAL ADVERTISING	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER CURRENT CHARGES	\$27	\$26	\$27	\$28	\$28	\$26	\$28	\$0	\$0	\$0	\$0	\$0	\$188
OFFICE SUPPLIES	\$1	\$0	\$28	\$0	\$1	\$28	\$0	\$0	\$0	\$0	\$0	\$0	\$57
DUES, LICENSES & SUBSCRIPTIONS	\$175	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$175
TOTAL ADMINISTRATIVE	\$12,537	\$3,418	\$3,009	\$1,530	\$3,658	\$992	\$1,026	\$0	\$0	\$0	\$0	\$0	\$26,168

MAINTENANCE:

RETENTION PONDS/OWL PRESERVE DRA	\$4,166	\$4,166	\$4,166	\$4,166	\$4,166	\$4,166	\$4,166	\$0	\$0	\$0	\$0	\$0	\$29,164
CONTINGENCIES	\$2,136	\$0	\$0	\$0	\$3,103	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,239
TOTAL MAINTENANCE	\$6,302	\$4,166	\$4,166	\$4,166	\$7,269	\$4,166	\$4,166	\$0	\$0	\$0	\$0	\$0	\$34,403

TOTAL EXPENDITURES	\$18,839	\$7,584	\$7,175	\$5,696	\$10,927	\$5,158	\$5,192	\$0	\$0	\$0	\$0	\$0	\$60,571
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EXCESS REVENUES (EXPENDITURES)	(\$16,368)	\$12,306	\$26,991	\$32,089	(\$6,994)	(\$889)	(\$3,124)	\$0	\$0	\$0	\$0	\$0	\$44,012
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Candler Hills East
Community Development District
LONG TERM DEBT REPORT

SERIES 2016, SPECIAL ASSESSMENT BONDS		
INTEREST RATE:	2.531%, 3.750%, 4.000%	
MATURITY DATE:	5/1/2037	
RESERVE FUND DEFINITION	50% of Maximum Annual Debt Service	
RESERVE FUND REQUIREMENT	\$118,106	
RESERVE FUND BALANCE	\$118,106	
BONDS OUTSTANDING - 11/17/2016		\$3,380,000
LESS: PRINCIPAL PAYMENT 5/1/17 (Mandatory)		(\$55,000)
LESS: PRINCIPAL PAYMENT 5/1/17 (Prepayment)		(\$55,000)
LESS: PRINCIPAL PAYMENT 11/1/17 (Prepayment)		(\$55,000)
CURRENT BONDS OUTSTANDING		\$3,215,000

CANDLER HILLS EAST COMMUNITY DEVELOPMENT DISTRICT

SPECIAL ASSESSMENTS FY2018 RECEIPTS

MAINTENANCE

Gross Assessments \$111,784.00
Certified Net Assessments \$ 105,076.96
100%

Date	ACH	Gross Assessments Received	Collection Fee	Commissions Paid	Interest Income	Net Assessments Received
10/30/17	ACH	\$2,520.85	\$50.42	\$ -	\$ -	\$2,470.43
11/16/17	ACH	\$2,221.43	\$44.43	\$ -	\$ -	\$2,177.00
11/27/17	ACH	\$18,073.00	\$361.46	\$ -	\$ -	\$17,711.54
12/7/17	ACH	\$21,018.19	\$420.36	\$ -	\$ -	\$20,597.83
12/19/17	ACH	\$5,980.79	\$119.62	\$ -	\$ -	\$5,861.17
12/28/17	ACH	\$7,860.48	\$157.21	\$ -	\$ -	\$7,703.27
1/11/18	ACH	\$11,107.10	\$222.14	\$ -	\$ -	\$10,884.96
1/17/18	ACH	\$20,676.46	\$413.53	\$ -	\$ -	\$20,262.93
1/19/18	ACH	\$0.00	\$0.00	\$ -	\$ 50.01	\$50.01
1/25/18	ACH	\$6,716.98	\$134.34	\$ -	\$ -	\$6,582.64
2/23/18	ACH	\$4,010.11	\$80.20	\$ -	\$ -	\$3,929.91
3/14/18	ACH	\$3,604.55	\$72.09	\$ -	\$ -	\$3,532.46
3/21/18	ACH	\$748.20	\$14.96	\$ -	\$ -	\$733.24
4/20/18	ACH	\$0.00	\$0.00	\$ -	\$ 28.82	\$28.82
4/25/18	ACH	\$2,078.19	\$41.56	\$ -	\$ -	\$2,036.63
		\$0.00	\$0.00	\$ -	\$ -	\$0.00
		\$0.00	\$0.00	\$ -	\$ -	\$0.00
		\$0.00	\$0.00	\$ -	\$ -	\$0.00
Total Collected		\$ 106,616.33	\$ 2,132.32	\$ -	\$ 78.83	\$ 104,562.84
Percentage Collected		100%				

DEBT SERVICE

Gross Assessments \$246,812.50
Certified Net Assessments \$ 232,003.75
99%

Date	ACH	Gross Assessments Received	Collection Fee	Commissions Paid	Interest Income	Net Assessments Received
10/30/17	ACH	\$6,251.86	\$125.04	\$0.00	\$0.00	\$6,126.82
11/16/17	ACH	\$ 4,752.01	\$ 95.04	\$ -	\$ -	\$4,656.97
11/27/17	ACH	\$ 36,307.69	\$ 726.15	\$ -	\$ -	\$35,581.54
12/7/17	ACH	\$ 43,823.72	\$ 876.47	\$ -	\$ -	\$42,947.25
12/19/17	ACH	\$ 10,031.89	\$ 200.64	\$ -	\$ -	\$9,831.25
12/28/17	ACH	\$ 21,119.82	\$ 422.40	\$ -	\$ -	\$20,697.42
1/11/18	ACH	\$ 23,231.83	\$ 464.64	\$ -	\$ -	\$22,767.19
1/17/18	ACH	\$ 50,555.86	\$ 1,011.12	\$ -	\$ -	\$49,544.74
1/19/18	ACH	\$ -	\$ -	\$ -	\$ 109.23	\$109.23
1/25/18	ACH	\$ 14,006.69	\$ 280.13	\$ -	\$ -	\$13,726.56
2/23/18	ACH	\$ 8,782.57	\$ 175.65	\$ -	\$ -	\$8,606.92
3/14/18	ACH	\$ 8,992.60	\$ 179.85	\$ -	\$ -	\$8,812.75
3/21/18	ACH	\$ 1,767.40	\$ 35.35	\$ -	\$ -	\$1,732.05
4/20/18	ACH	\$ -	\$ -	\$ -	\$ 71.24	\$71.24
4/25/18	ACH	\$ 5,032.61	\$ 100.65	\$ -	\$ -	\$4,931.96
		\$ -	\$ -	\$ -	\$ -	\$0.00
		\$ -	\$ -	\$ -	\$ -	\$0.00
		\$ -	\$ -	\$ -	\$ -	\$0.00
Total Collected		\$ 234,656.55	\$ 4,693.13	\$ -	\$ 180.47	\$ 230,143.89
Percentage Collected		99%				

SECTION 3



Wesley Wilcox

Supervisor of Elections, Marion County, FL

Election Center

981 NE 16th ST • Ocala, FL 34470

M PO Box 289 • Ocala, FL 34478-0289

P 352-620-3290

F 352-620-3286

W www.VoteMarion.com

April 16, 2018

RECEIVED
APR 19 2018

Re: April 12, 2018, Chapter 190 (3)(a)(2)(d), Request

Lauren Vanderveer, Administrative Assistant
135 West Central Blvd, Suite 320
Orlando, Florida 32801

Lauren,

In accordance with Chapter 190 (3)(a)(2)(d) and with reference to your April 12, 2018 letter requesting registered voters in **Candler Hills East Community Development District**, as of April 15, 2018, our records indicate there are **930** active registered voters in the boundaries of the referenced development.

If you have any questions or require any further information, please contact me.

Sincerely,

Charlee Nichols
Support Services Analyst II
Marion County Election Center
CNichols@VoteMarion.com

BY: _____

SECTION 4

2018 SPECIAL DISTRICTS QUALIFYING PROCEDURE

Florida Statute 99.061

All special district candidates shall qualify by paying a filing fee of \$25.00 or by the petition process pursuant to Florida Statute 99.095. Notwithstanding Florida Statute 106.021, a Special District candidate who does not collect contributions and whose only expense is the filing fee or signature verification fee is not required to appoint a campaign treasurer or designate a primary campaign depository.

Candidates who WILL NOT incur election expenses or contributions will do the following:

1. If you choose to file by petition method, you need to collect 25 signatures of qualified electors in the district.
Petitions must be submitted by Noon on May 21, 2018.
2. Qualifying begins at Noon on June 18 and ends at Noon on June 22, 2018. To qualify you must present the items listed below (all items MUST be received by the end of the qualifying period):
 - Form 1 – Statement of Financial Interest
 - Loyalty Oath/Oath of Candidate
 - The amount of \$25.00 for your qualifying fee.
 - Candidates filing by the petition method are not required to pay the qualifying fee, however, will be charged .10 for each petition card viewed.

Candidates who WILL incur election expenses or contributions will do the following:

1. File Appointment of Campaign Treasurer/Designation of Campaign Depository (open campaign account). This may be completed at any time prior to qualifying, but MUST be completed by the time you qualify.
2. Read Chapter 106 of the Florida Statutes, and submit a Statement of Candidate.
3. If you choose to file by petition method, you need to collect 25 signatures of qualified electors in the district.
Petitions must be submitted by Noon on May 21, 2018.
4. Qualifying begins at Noon on June 18 and ends at Noon on June 22, 2018. To qualify you must present the items listed below (all items MUST be received by the end of the qualifying period):
 - Form 1 – Statement of Financial Interest
 - Loyalty Oath/Oath of Candidate
 - Check for \$25.00, from your campaign account made payable to the Supervisor of Elections, for your qualifying fee. NO CASH WILL BE ACCEPTED.
 - Candidates filing by the petition method are not required to pay the qualifying fee, however, will be charged .10 for each petition card viewed.