

*Candler Hills East Community  
Development District*

*Agenda*

*February 21, 2023*

# AGENDA

# *Candler Hills East*

## *Community Development District*

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219 East Livingston Street, Orlando, Florida 32801

Phone: 407-841-5524 – Fax: 407-839-1526

February 14, 2023

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, February 21, 2022, at 9:00 a.m., or as shortly thereafter as reasonably possible, at the Circle Square Commons, Cultural Center, 8395 SW 80<sup>th</sup> Street, Ocala, Florida 34481.** Following is the advance agenda for the meeting:

- I. Roll Call
- II. Public Comment Period
- III. Notice for Meeting
- IV. Organizational Matters
  - A. Administration of Oath of Office to Newly Elected Supervisors
  - B. Appointment of Individual to Fulfill Board Vacancy in Seat #4
  - C. Administration of Oath of Office to Newly Appointed Supervisor
  - D. Consideration of Resolution 2023-03 Election of Officers
- V. Approval of Minutes of the November 15, 2022 Meeting
- VI. Review and Acceptance of Draft Fiscal Year 2022 Audit
- VII. Ratification of Proposal from Earthscapes for Owl Preserve Washout Repair
  - A. Proposal from Michelle's Home Services (For Comparison)
- VIII. Consideration of Resolution 2023-04 Authorizing the Use of Electronic Documents and Signatures
- IX. Staff Reports
  - A. Attorney
  - B. District Manager
    1. Approval of Check Register
    2. Balance Sheet and Income Statement
    3. Presentation of Arbitrage Rebate Calculation Report
- X. Other Business
- XI. Supervisors Requests
- XII. Adjournment

Sincerely,

*George Flint*

George S. Flint  
District Manager

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

# SECTION III

# LOCALiQ

The Gainesville Sun | The Ledger  
Daily Commercial | Ocala StarBanner  
News Chief | Herald-Tribune

PO Box 631244 Cincinnati, OH 45263-1244

## PROOF OF PUBLICATION

Candler Hills East Cdd-Gms-Cf  
Candler Hills East Cdd-Gms-Cf  
219 E Livingston ST  
Orlando FL 32801-1508

STATE OF FLORIDA, COUNTY OF MARION

The Star Banner, a newspaper printed and published in the city of Ocala, and of general circulation in the County of Marion, State of Florida, and personal knowledge of the facts herein state and that the notice hereto annexed was Published in said newspapers in the issues dated or by publication on the newspaper's website, if authorized, on:

09/15/2022

and that the fees charged are legal.  
Sworn to and subscribed before on 09/15/2022

Legal Clerk

Notary, State of WI, County of Brown

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SARAH BERTELSEN  
Notary Public  
State of Wisconsin

### CANDLER HILLS EAST COMMUNITY DEVELOPMENT DISTRICT NOTICE OF MEETING DATES CANDLER HILLS EAST COMMUNITY DEVELOPMENT DISTRICT

The Board of Supervisors of the Candler Hills East Community Development District will hold their regularly scheduled public meetings for the Fiscal Year 2023 at 9:00 AM, or as shortly thereafter as reasonably possible, at the Circle Square Commons, Cultural Center, 8395 SW 80th Street, Ocala, FL 34476 as follows:

November 15, 2022  
February 21, 2023  
May 16, 2023  
August 15, 2023

The meetings are open to the public and will be conducted in accordance with the provision of Florida Law for Community Development Districts. A copy of the agenda for a particular meeting may be obtained from the District Manager, at 219 E. Livingston Street, Orlando, FL32801. Additionally, interested parties may refer to the District's website for the latest information: [www.candlerhillseastcdd.com](http://www.candlerhillseastcdd.com). The meetings 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 will participate by telephone.

Any person requiring special accommodations at these meetings because of a disability or physical impairment should contact the District Office at (407) 841-5524 at least forty-eight (48) hours prior to the meeting. 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  
September 15, 2022 #7775841

# SECTION IV

# SECTION D



**RESOLUTION 2023-03**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE  
CANDLER HILLS EAST COMMUNITY DEVELOPMENT  
DISTRICT ELECTING THE OFFICERS OF THE DISTRICT AND  
PROVIDING FOR AN EFFECTIVE DATE**

**WHEREAS**, the Candler Hills East Community Development District (the “District”) is a local unit of special purpose government created and existing pursuant to Chapter 190, Florida Statutes; and

**WHEREAS**, the Board of Supervisors of the District (“Board”) desires to elect the Officers of the District.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF  
SUPERVISORS OF THE CANDLER HILLS EAST COMMUNITY  
DEVELOPMENT DISTRICT:**

**Section 1.** \_\_\_\_\_ is elected Chairperson.

**Section 2.** \_\_\_\_\_ is elected Vice-Chairperson.

**Section 3.** \_\_\_\_\_ is elected Secretary.

**Section 4.** \_\_\_\_\_ is elected Assistant Secretary.  
\_\_\_\_\_ is elected Assistant Secretary.  
\_\_\_\_\_ is elected Assistant Secretary.  
\_\_\_\_\_ is elected Assistant Secretary.

**Section 5.** \_\_\_\_\_ is elected Treasurer.

**Section 6.** \_\_\_\_\_ is elected Assistant Treasurer.

**Section 7.** This Resolution shall become effective immediately upon its adoption.

**PASSED AND ADOPTED** this 21<sup>st</sup> day of February, 2023.

**ATTEST:**

**CANDLER HILLS EAST COMMUNITY  
DEVELOPMENT DISTRICT**

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

\_\_\_\_\_  
Chairperson/Vice-Chairperson

# 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, November 15, 2022** at 9:00 a.m. at the Circle Square Commons, 8395 SW 80<sup>th</sup> Street, Ocala, Florida.

Present and constituting a quorum were:

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

Also present were:

George Flint	District Manager
Gerald Colen	District Counsel
Rachel Wagoner	Colen Wagoner

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Flint called the meeting to order and called the roll. Five Board members were present at the meeting and a quorum was present.

**SECOND ORDER OF BUSINESS**

**Public Comment Period**

Mr. Flint: Are there any members of the public who would like to provide comments to the Board? Hearing none,

**THIRD ORDER OF BUSINESS**

**Notice for Meeting**

Mr. Flint: The notice of the meeting is in your agenda. It was published in the Ocala Star Banner back on September 15<sup>th</sup>.

**FOURTH ORDER OF BUSINESS**

**Consideration of Resolution 2023-01  
Declaring a Vacancy in Seat #4**

Mr. Flint: You have Resolution 2023-01 which declares a vacancy in seat #4. The Board had three seats up, you had seats #1, #4, and #5 up for election. Seat #1 and #5, Mr. Scherff and Mr. Bain qualified for those seats unopposed. Seat #4, which is occupied by Mr. Garvin and he is no longer qualified for that seat. The legal process is that you are required to declare it vacant as of the second Tuesday after the election, which is November 22<sup>nd</sup>. So, this resolution declares this seat vacant, and then the incumbent can remain in this seat as a carryover. And then at some point, you can fill that seat with a qualified elector. You can't take any action on that until after November 22<sup>nd</sup>, so it would have to be at your February meeting where you would take that action. Any questions on the resolution?

Mr. Moherek: Yeah, at this point I have asked George Hill to come to this meeting today. He is a qualified elector, and I brought him today because I know that Mr. Garvin is going to be leaving us, so he will not be up for reelection. At this point, I asked Mr. Hill to come and to bring his resume, which I have furnished to all the other Board members as a consideration so that when we go into February, we will have Mr. Hill come. And if anyone else wants to come and come before the Board, that is fine. But, at this point, I just wanted to introduce George Hill.

On MOTION by Mr. Scherff, seconded by Mr. Bain, with all in favor, Resolution 2023-01 Declaring a Vacancy in Seat #4, was approved.

**FIFTH ORDER OF BUSINESS**

**Approval of Minutes of the August 16,  
2022 Meeting**

Mr. Flint: Next is approval of the minutes from the August 16, 2022 meeting. Did the Board have any comments or corrections to the minutes?

On MOTION by Mr. Bain, seconded by Mr. Greene, with all in favor, the Minutes of the August 16, 2022 Meeting, were approved.

**SIXTH ORDER OF BUSINESS**

**Consideration of Fiscal Year 2022 Audit  
Engagement Letter**

Mr. Flint: Next is the Fiscal Year 2022 Audit Engagement Letter. This is with Berger, Toombs, Elam, Gaines, & Frank. The CDD as a government entity is required to perform an annual

audit performed. The amount is not to exceed \$3,415. You'll enter into an annual engagement for these services. This is for Fiscal Year 2022 which just ended on September 30<sup>th</sup>. Any questions on the engagement letter?

Mr. Scherff: These auditors are here for how many years?

Mr. Flint: I believe it's time to bid again, believe it or not. Time flies, because I remember the last time we bid and Indigo picked Grau and this Board picked Berger, Toombs. It doesn't seem like it was that long ago but it's time to bid it again. We would bring back in the spring, when you consider your proposed budget, we will start the Audit Committee selection process, so we will have an auditor picked for FY 2023.

Mr. Greene: So, has the cost gone up?

Mr. Flint: It's the same as the prior year, \$3,415. They have held their price. If there are no other questions, is there a motion to approve the engagement letter.

Mr. Moherek: Are these two firms the only ones that do this?

Mr. Flint: Grau and Berger Toombs are the only ones that we are getting proposals from on a consistent basis. There used to be 5 or 6 firms, and whenever we would bid, we would usually get 4. Now when we bid, we usually get 2, sometimes 1. Is there a motion to approve the engagement letter?

On MOTION by Mr. Moherek, seconded by Mr. Scherff, with all in favor, the Fiscal Year 2022 Audit Engagement Letter, were approved.

**SEVENTH ORDER OF BUSINESS**

**Consideration of Resolution 2023-02  
Amending Fiscal Year 2022 Budget**

Mr. Flint: The Board is required, if your total expenses exceed your total budget, to amend the budget within 60 days of the end of the fiscal year. This amendment recognizes \$8,308 and carry forward surplus on the revenue side, and then on the expense side, there were some additional engineering expenses, and that was related to the stormwater report that came into effect after the budget was adopted. There were some additional attorney's fees that are estimated, it's about \$113 over budget, but we are increasing that line item by \$1,000 just in case something else comes in. Other current charges, which are primarily bank fees, and then the mulch expense is higher than what we had budgeted to mulch the dry retention areas.

Mr. Greene: So the increase to the mulch fee is just materials and labor, and no increase in the coverage?

Mr. Flint: Right, the cost has gone up, I think the cost per bale went up by at least \$1. I'm not sure, we may have underestimated the cost in the budget as well as the cost increase. But the combination of those two is requiring us to increase that line item. Although we are increasing the revenue by \$8,300, if you see our projected ending fund balances is about \$6,600. So, it's less than \$2,000, assuming these projections are correct. We are giving ourselves a little extra room.

Mr. Greene: Again, these are just costs for this year that we have reflected in the budget for next year?

Mr. Flint: These are the costs for the last fiscal year, which ended on September 30<sup>th</sup>.

Mr. Greene: So, we will reflect that on the budget if we need to for next year?

Mr. Flint: Well, the budget for the current year, which started on October 1<sup>st</sup>, has already been adopted. We may have an issue again with mulch being under budgeted. We may have to do this again next November. Any other questions on the resolution or the amendment?

On MOTION by Mr. Scherff, seconded by Mr. Moherek, with all in favor, Resolution 2023-02 Amending Fiscal Year 2022 Budget, were approved.

**EIGHTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

Mr. Flint: Any Attorney's reports?

Mr. Colen: None.

Mr. Flint: Thank you.

**B. District Manager**

**1. Approval of Check Register**

Mr. Flint: You have the approval of the check register August 10<sup>th</sup> through November 6<sup>th</sup> for \$17,857.01. The detailed register is behind the summary. It includes the insurance for FY 23, which is paid one-time up front. Although it was paid during the last fiscal year, it's booked as an expense to this fiscal year. That's a big piece of it is the insurance. If there are any questions, we can discuss those.

Mr. Greene: What exactly do they insure us for?

Mr. Flint: It's general liability and public officials' liability, those are the two main things. To the extent that we would get sued if someone was in one of our dry retention areas and twisted their ankle or something like that, trips and falls are always a big thing with liability insurance. The other thing is public officials' liability. If someone sues the District and they also sue the Board members individually, the public official's liability policy will protect you. Any other questions? Hearing none,

On **MOTION** by Mr. Bain, seconded by Mr. Scherff, with all in favor, the Check Register for \$17,857.01 was approved.

**2. Balance Sheet and Income Statement**

Mr. Flint: We have also provided you with the unaudited financial statements through September 30, 2022. There is no action required by the Board. If you have any questions, we can discuss those. You do have a Capital Reserve fund of \$159,444. In prior years when there was excess revenue beyond your operation reserve, we had transferred funds into that reserve fund. You've since decreased your assessments, and so the opportunity to move more money into that reserve fund is not really there, but then again, your obligations are limited because you only own the dry retention areas. It's not a lot to reserve for. Any questions on the financial statements? Hearing none,

**NINTH ORDER OF BUSINESS**

**Other Business**

Mr. Flint: Those were all the business items we had, was there anything else the Board wanted to discuss that is not on the agenda? Mr. Garvin?

Mr. Garvin: I just wanted to say that I have enjoyed my time serving on this Board, and it's been quite impressive. You all make a terrific Board of Supervisors.

Mr. Flint: Thank you, Mr. Garvin.

**TENTH ORDER OF BUSINESS**

**Supervisors Requests**

There being none, the next item followed.

**ELEVENTH ORDER OF BUSINESS**

**Adjournment**

The meeting was adjourned.

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

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Secretary/Assistant Secretary

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Chairman/Vice Chairman



# SECTION VI

**Candler Hills East Community  
Development District**

**ANNUAL FINANCIAL REPORT**

**September 30, 2022**

## Candler Hills East Community Development District

## ANNUAL FINANCIAL REPORT

September 30, 2022

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## REPORT OF INDEPENDENT AUDITORS

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

### **Report on Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of the governmental activities and each major fund of Candler Hills East Community Development District (the "District"), as of and for the year ended September 30, 2022, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Candler Hills East Community Development District as of September 30, 2022, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS), and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management 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; and for 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.

To the Board of Supervisors  
Candler Hills East Community Development District

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year beyond the financial statement date, including currently known information that may raise substantial doubt thereafter.

### ***Auditor's Responsibility for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

To the Board of Supervisors  
Candler Hills East Community Development District

***Required Supplementary Information***

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated February XX, 2023 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

February XX, 2023

**Candler Hills East Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2022**

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, 2022**

**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, 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, 2022.

- ◆ The District's total assets and deferred outflows of resources exceeded total liabilities by \$1,413,593 (net position). Unrestricted net position for Governmental Activities was \$51,396. Net Investment in Capital Assets was \$1,024,000. Restricted net position was \$338,197.
- ◆ Governmental activities revenues totaled \$312,228 while governmental activities expenses totaled \$325,674.



**Candler Hills East Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2022**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Financial Analysis of the District**

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

**Net Position**

	<b>Governmental Activities</b>	
	<b>2022</b>	<b>2021</b>
Current assets	\$ 59,461	\$ 53,515
Restricted assets	482,318	523,684
Capital assets	3,245,653	3,423,624
Total Assets	3,787,432	4,000,823
Deferred outflows of resources	19,131	20,443
Current liabilities	193,186	224,458
Non-current liabilities	2,199,784	2,369,769
Total Liabilities	2,392,970	2,594,227
Net investment in capital assets	1,024,000	998,298
Restricted debt service	177,578	216,369
Restricted capital projects	160,619	159,263
Net position - unrestricted	51,396	53,109
Total Net Position	\$ 1,413,593	\$ 1,427,039

The decrease in restricted assets is related to a principal prepayment in the current year.

The decrease in capital assets is primarily related to current year depreciation.

The decrease in total liabilities is primarily related to principal payments made during the current year.

**Candler Hills East Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2022**

**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**

	<b>Governmental Activities</b>	
	<b>2022</b>	<b>2021</b>
Program Revenues		
Charges for services	\$ 310,634	\$ 361,988
General Revenues		
Investment earnings	1,594	290
Total Revenues	<u>312,228</u>	<u>362,278</u>
Expenses		
General government	47,408	55,056
Physical environment	187,516	180,994
Interest and other charges	90,750	96,971
Total Expenses	<u>325,674</u>	<u>333,021</u>
Change in Net Position	(13,446)	29,257
Net Position - Beginning of Year	<u>1,427,039</u>	<u>1,397,782</u>
Net Position - End of Year	<u>\$ 1,413,593</u>	<u>\$ 1,427,039</u>

The decrease in charges for services is related to a decrease in special assessment prepayments in the current year.

**Candler Hills East Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2022**

**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, 2022 and 2021.

<u>Description</u>	<u>Governmental Activities</u>	
	<u>2022</u>	<u>2021</u>
Land	\$ 1,373,401	\$ 1,373,401
Improvements	3,986,633	3,986,633
Infrastructure	555,184	555,184
Accumulated depreciation	<u>(2,669,565)</u>	<u>(2,491,594)</u>
Total Capital Assets (Net)	<u>\$ 3,245,653</u>	<u>\$ 3,423,624</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 legal fees and contingency expenditures than were anticipated in the approved budget.

The 2022 budget was amended for engineering and mulch expenditures that were higher than originally anticipated.

**Debt Management**

Governmental Activities debt includes the following:

- ◆ 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, 2022 was \$2,350,000.

**Candler Hills East Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2022**

**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 2023.

**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, 219 East Livingston Street, Orlando, Florida 32801.

**Candler Hills East Community Development District**  
**STATEMENT OF NET POSITION**  
**September 30, 2022**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Current Assets	
Cash	\$ 47,225
Prepaid items	12,236
Total Current Assets	59,461
Non-current Assets	
Restricted assets	
Investments	482,318
Capital assets, not being depreciated	
Land	1,373,401
Capital assets, being depreciated	
Improvements	3,986,633
Infrastructure	555,184
Less: accumulated depreciation	(2,669,565)
Total Non-current Assets	3,727,971
Total Assets	3,787,432
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred amount on refunding, net	19,131
 <b>LIABILITIES</b>	
Current Liabilities	
Accounts payable and accrued expenses	6,780
Accrued interest	36,406
Bonds payable - current portion	150,000
Total Current Liabilities	193,186
Non-current Liabilities	
Bonds payable	2,199,784
Total Liabilities	2,392,970
 <b>NET POSITION</b>	
Net investment in capital assets	1,024,000
Restricted debt service	177,578
Restricted capital projects	160,619
Unrestricted	51,396
Total Net Position	\$ 1,413,593

See accompanying notes.

**Candler Hills East Community Development District**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2022**

<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	\$ (47,408)	\$ 45,974	\$ (1,434)
Physical environment	(187,516)	9,256	(178,260)
Interest and other charges	(90,750)	255,404	164,654
Total Governmental Activities	<u>\$ (325,674)</u>	<u>\$ 310,634</u>	<u>(15,040)</u>
<b>General revenues:</b>			
			<u>1,594</u>
			(13,446)
			1,427,039
			<u>\$ 1,413,593</u>

See accompanying notes.

**Candler Hills East Community Development District**  
**BALANCE SHEET –**  
**GOVERNMENTAL FUNDS**  
**September 30, 2022**

	General	Debt Service	Capital Projects	Total Governmental Funds
<b>ASSETS</b>				
Cash	\$ 47,225	\$ -	\$ -	\$ 47,225
Due from other funds	-	1,285	-	1,285
Prepaid items	12,236	-	-	12,236
Restricted assets				
Investments, at fair value	-	321,699	160,619	482,318
Total Assets	\$ 59,461	\$ 322,984	\$ 160,619	\$ 543,064
 <b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	\$ 6,780	\$ -	\$ -	\$ 6,780
Due to other funds	1,285	-	-	1,285
Total Liabilities	8,065	-	-	8,065
 <b>FUND BALANCES</b>				
<b>Nonspendable</b>				
Prepaid items	12,236	-	-	12,236
<b>Restricted</b>				
Debt service	-	322,984	-	322,984
Capital projects	-	-	160,619	160,619
Unassigned	39,160	-	-	39,160
Total Fund Balances	51,396	322,984	160,619	534,999
Total Liabilities and Fund Balances	\$ 59,461	\$ 322,984	\$ 160,619	\$ 543,064

See accompanying notes.

**Candler Hills East Community Development District**  
**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES**  
**TO NET POSITION OF GOVERNMENTAL ACTIVITIES**  
**September 30, 2022**

Total Governmental Fund Balances	\$	534,999
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, \$(2,669,565), used in governmental activities are not current financial resources and, therefore, are not reported at the fund level.		3,245,653
Long-term liabilities, bonds payable, \$(2,350,000) net of bond discount, net, \$216, are not due and payable in the current period and, therefore, are not reported at the fund level.		(2,349,784)
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 bond. This is the net deferred amount on refunding.		19,131
Accrued interest expense for long-term debt is not a current financial use and, therefore, is not reported at the fund level.		<u>(36,406)</u>
Net Position of Governmental Activities	\$	<u>1,413,593</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, 2022**

	General	Debt Service	Capital Projects	Total Governmental Funds
Revenues				
Special assessments	\$ 55,230	\$ 255,404	\$ -	\$ 310,634
Investment earnings	10	228	1,356	1,594
Total Revenues	<u>55,240</u>	<u>255,632</u>	<u>1,356</u>	<u>312,228</u>
Expenditures				
Current				
General government	47,408	-	-	47,408
Physical environment	9,545	-	-	9,545
Debt service				
Principal	-	205,000	-	205,000
Interest	-	92,069	-	92,069
Total Expenditures	<u>56,953</u>	<u>297,069</u>	<u>-</u>	<u>354,022</u>
Net change in fund balances	(1,713)	(41,437)	1,356	(41,794)
Fund Balances - October 1, 2021	<u>53,109</u>	<u>364,421</u>	<u>159,263</u>	<u>576,793</u>
Fund Balances - September 30, 2022	<u>\$ 51,396</u>	<u>\$ 322,984</u>	<u>\$ 160,619</u>	<u>\$ 534,999</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, 2022**

Net Change in Fund Balances - Total Governmental Funds	\$ (41,794)
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. This is the amount of depreciation in the current period.	(177,971)
Bond discount and the deferred amount on refunding are amortized over the life of the bond at the government-wide level. This is the amount of current-year amortization.	(1,327)
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.	2,646
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>205,000</u>
Change in Net Position of Governmental Activities	<u><u>\$ (13,446)</u></u>

**Candler Hills East Community Development District**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –**  
**GENERAL FUND**  
**For the Year Ended September 30, 2022**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Revenues				
Special assessments	\$ 55,051	\$ 55,230	\$ 55,230	\$ -
Investment earnings	25	10	10	-
Total Revenues	<u>55,076</u>	<u>55,240</u>	<u>55,240</u>	<u>-</u>
Expenditures				
Current				
General government	45,934	50,451	47,408	3,043
Physical environment	9,142	13,097	9,545	3,552
Total Expenditures	<u>55,076</u>	<u>63,548</u>	<u>56,953</u>	<u>6,595</u>
Net change in fund balances	<u>-</u>	<u>(8,308)</u>	<u>(1,713)</u>	<u>6,595</u>
Fund Balances - October 1, 2021	<u>-</u>	<u>8,308</u>	<u>53,109</u>	<u>44,801</u>
Fund Balances - September 30, 2022	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 51,396</u>	<u>\$ 51,396</u>

See accompanying notes.

**Candler Hills East Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2022**

**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, Florida Statutes. 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, 2022**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2. Measurement Focus and Basis of Accounting (Continued)**

**a. Government-wide Financial Statements**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Government-wide financial statements report all non-fiduciary information about the reporting government as a whole. These statements include 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, 2022**

**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, 2022**

**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, 2022**

**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, Deferred Outflows of Resources, Liabilities and Net Position**

**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, 2022**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**4. Assets, Deferred Outflows of Resources, Liabilities and Net Position (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, infrastructure, and improvements, 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.

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

**Candler Hills East Community Development District  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2022**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**4. Assets, Deferred Outflows of Resources, Liabilities and Net Position (Continued)**

**c. Capital Assets (Continued)**

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. Deferred Outflows of Resources**

Deferred amounts on refunding are presented on the government-wide financial statements. The deferred resources are amortized over the life of the bonds using the straight-line method.

**e. Unamortized Bond Discount**

Bond discounts are presented on the government-wide financial statements. The costs are amortized over the life of the bonds using the straight-line method of accounting. For financial reporting, the unamortized bond discount is netted against the applicable long-term debt.

**f. 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, \$534,999, differs from "net position" of governmental activities, \$1,413,593, 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, 2022**

**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>(2,669,565)</u>
Total	<u>\$ 3,245,653</u>

**Deferred outflows of resources**

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

Deferred amount on refunding, net	<u>\$ 19,131</u>
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**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	\$ (2,350,000)
Bond discount, net	216
Bonds payable, net	<u>\$ (2,349,784)</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>\$ (36,406)</u>
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**Candler Hills East Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2022**

**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, \$(41,794), differs from the "change in net position" for governmental activities, \$(13,446), 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>
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**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>205,000</u>
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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>2,646</u>
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Amortization of bond discount and deferred amount on refunding	\$ <u>(1,327)</u>
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**Candler Hills East Community Development District  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2022**

**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, 2022, the District's bank balance was \$47,510 and the carrying value was \$47,225. 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, 2022, the District had the following investments and maturities:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
Florida PRIME	21 days*	\$ 160,619
Managed Money Market	N/A	321,699
Total		<u>\$ 482,318</u>

\* Weighted Average Maturity

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.

**Candler Hills East Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2022**

**NOTE C – CASH AND INVESTMENTS (CONTINUED)**

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.

The investment in Florida PRIME is measured at amortized cost. Florida PRIME has established policies and guidelines regarding participant transactions and the authority to limit or restrict withdrawals or impose a penalty for an early withdrawal. As of September 30, 2022, there were no redemption fees, maximum transaction amounts, or any other requirements that would limit daily access to 100 percent of the account value

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 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, 2022, the District's investment in Florida PRIME is rated AAAM by Standards & Poor's. The District's investments in Managed Money Market is not rated.

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 70% and the investments in the Florida PRIME Fund is 30% of the District's total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2022 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.

**Candler Hills East Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2022**

**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.

**NOTE E – CAPITAL ASSETS**

Capital Asset activity for the year ended September 30, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<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
Total Capital Assets Depreciated	4,541,817	-	-	4,541,817
Less accumulated depreciation	(2,491,594)	(177,971)	-	(2,669,565)
Total Capital Assets Depreciated, Net	2,050,223	(177,971)	-	1,872,252
Governmental Activities Capital Assets	<u>\$ 3,423,624</u>	<u>\$ (177,971)</u>	<u>\$ -</u>	<u>\$ 3,245,653</u>

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

**Candler Hills East Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2022**

**NOTE F – LONG-TERM DEBT**

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.

The following is a summary of activity for long-term debt of the District for the year ended September 30, 2022:

Long-term debt at October 1, 2021	\$ 2,555,000
Principal payments	<u>(205,000)</u>
Long-term debt at September 30, 2022	2,350,000
Bond discount, net	<u>(216)</u>
Bonds Payable, Net	<u>\$ 2,349,784</u>

**Special Assessment Revenue Refunding Bonds**

Long-term debt is comprised of the following:

\$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 \$150,000.

	\$ 2,350,000
Bond discount, net	<u>(216)</u>
Bonds Payable, Net	<u>\$ 2,349,784</u>



**Candler Hills East Community Development District  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2022**

**NOTE F – LONG-TERM DEBT (CONTINUED)**

The annual requirements to amortize the principal and interest of bonded debt outstanding as of September 30, 2022 are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 150,000	\$ 86,913	\$ 236,913
2024	125,000	83,325	208,325
2025	90,000	79,888	169,888
2026	135,000	77,188	212,188
2027	140,000	72,125	212,125
2028-2032	775,000	278,125	1,053,125
2033-2037	935,000	114,799	1,049,799
Totals	<u>\$ 2,350,000</u>	<u>\$ 792,363</u>	<u>\$ 3,142,363</u>

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.

	<u>Reserve Balance</u>	<u>Reserve Requirement</u>
Series 2016	<u>\$ 109,000</u>	<u>\$ 107,894</u>

**Candler Hills East Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2022**

**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. Settled claims from these risks have not exceeded commercial insurance coverage over the past three years.

**NOTE H – SUBSEQUENT EVENT**

On November 1, 2022, the District prepaid \$25,000 of the Series 2016 Special Assessment Revenue Refunding Bonds.

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

To the Board of Supervisors  
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, as listed in the table of contents, of Candler Hills East Community Development District, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the basic financial statements and have issued our report thereon dated February XX, 2023.

**Report on 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 (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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.

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

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

To the Board of Supervisors  
Candler Hills East Community Development District

### **Report on 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 PL  
Fort Pierce, Florida

February XX, 2023

## MANAGEMENT LETTER

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

### 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, 2022, and have issued our report thereon dated February XX, 2023.

### Auditor's Responsibility

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

### Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and our Independent Auditor's Report on an examination conducted in accordance with AICPA Professionals Standards, AT-C Section 315 regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in that report, which is dated February XX, 2023, 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 and Management

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.

To the Board of Supervisors  
Candler Hills East Community Development District

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial conditions assessment procedures as of September 30, 2022 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.

### **Specific Information**

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

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

- 1) The total number of district employees compensated in the last pay period of the District's fiscal year: 0
- 2) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year: The District paid 3 nonemployee independent contractors in September 2022.
- 3) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: \$4,000.
- 4) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: The District paid \$51,984 to nonemployee independent contractors.
- 5) Each construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1, 2021, together with the total expenditures for such project: The District has no construction projects at this time.
- 6) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes: The District amended the original budget, see below.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the Candler Hills East Community Development District reported:

- 7) The rate or rates of non-ad valorem special assessments imposed by the District. The General Fund assessment was \$550 and the Debt Service assessment was \$93.
- 8) Total Special Assessments collected was \$310,634.
- 9) The total amount of outstanding bonds issued by the District and the terms of such bonds. The District had outstanding bonds at September 30, 2022 of \$2,350,000 Series 2016 Bonds maturing May 2037.

To the Board of Supervisors  
Candler Hills East Community Development District

	Original Budget	Actual	Variance with Original Budget Positive (Negative)
Revenues			
Special assessments	\$ 55,051	\$ 55,230	\$ 179
Investment earnings	25	10	(15)
Total Revenues	<u>55,076</u>	<u>55,240</u>	<u>164</u>
Expenditures			
Current			
General Government	45,934	47,408	(1,474)
Physical Environment	9,142	9,545	(403)
Total Expenditures	<u>55,076</u>	<u>56,953</u>	<u>(1,877)</u>
Net changes in fund balance	<u>-</u>	<u>(1,713)</u>	<u>(1,713)</u>
Fund Balances - October 1, 2021	<u>-</u>	<u>53,109</u>	<u>53,109</u>
Fund Balances - September 30, 2022	<u>\$ -</u>	<u>\$ 51,396</u>	<u>\$ 51,396</u>

### 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

February XX, 2023

**INDEPENDENT ACCOUNTANTS' 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, 2022. 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, 2022.

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

February XX, 2023



# SECTION VII



# Proposal

**Earthscapes Unlimited**

**Client Name:** On Top Of The World Communities  
**Project Name:** Candler Hills Mitered Ends  
**Jobsite Address:** Ocala, Florida 34481  
**Estimate ID:** EST3580591  
**Date:** Nov 29, 2022

**Billing Address:** 8445 SW 80th St Ocala, Florida 34481

<b>Grading</b>	<b>\$3,637.03</b>
----------------	-------------------

	Grade Crew	Grade crew operator/foreman and laborer	\$339.20
	Grade Operator	Grade Operator	\$467.17
	Skid Steer 2022		\$208.00
	Mini Wheeler		\$260.67
	Excavator-Mini		\$62.67
	Large Loader 2022		\$235.32
4800 SF	Bahia Sod Per SF Ocala area - 1		\$0.43 \$2,064.00
<b>Subtotal</b>			<b>\$3,637.03</b>
<b>Taxes</b>			<b>\$0.00</b>
<b>Estimate Total</b>			<b>\$3,637.03</b>

**Payment Terms and Conditions** Upon the acceptance of the work, payment of the unpaid balance Contract Price when due together with such Value Added Taxes as may be applicable to such payment.

- Should the Client fail to make payments as they become due under the terms of the Contract or in the event of any claim, interest at twelve percent (12%) per annum above the prime rate on such unpaid amounts shall also become due and payable until payment.
- The act of non-payment creates a lien in favor of the Contractor Inc. in any and all equipment and property of the Client in the possession of the Contractor Inc. as well as in the Work in progress as at the date of termination. the Contractor Inc. shall be at liberty to retain possession of the same pending payment in full.
- Notwithstanding anything contained herein to the contrary, the completion date of the Work shall be deemed to be extended by that number of days equal to any delay in payment to the Contractor Inc.

**Exclusions**

The Following matters are excluded from the Work, unless specified in writing to the contrary:

- Tree Replanting on entire project shall be done by way of CHANGE ORDER- They are not inclusive in this proposal
- ANY Monument/Roadway/Preservation or Instructional Signs are Supplied, Permitted and Installed by OTHERS
- Any and all permits or fees
- HARDSCAPE Install/Purchase by OTHERS
- Sod/Seed watering/establishment on others unless it's specified as 'IRRIGATED'
- Tree Protection shall be done by others prior to, during and after project
- Design and Permitting of Proposed Well, if Applicable
- Irrigation Pump/Water Meter/Well/Tap Location, if applicable, are to supplied and installed by others
- Construction of Planter Boxes
- Any and all Fencing
- Surveying
- Electrical Work is to be done by a certified electrician only and is always additional to the Contract.
- Iron railings removed during construction are always re-attached at an additional cost.
- Damage to existing irrigation lines during construction is considered to be an additional cost.
- Drainage: Should the Client's property be the lowest elevation in relation to surrounding property or buildings, the Contractor, Inc. reserves the right to retain a Soil Engineer to evaluate and propose drainage solutions. All costs for engineering services, as well as the actual drainage work will be at the Client's expense. Unless the Client has a detailed Topographical survey completed, the above clause may come into effect.
- Painting and Staining
- Conduit and connections for electrical, gas, and all other utilities and services
- Site Unknowns: Including, but not limited to, sub-surface conditions/obstacles that create unforeseen labor, equipment, material or disposal charges

#### **Procedure for Extra Work and Changes**

If it shall become necessary for the Contractor to make changes in any designs, drawings, plans, software, reports or specifications for any part of the project or reasons over which we have no control, or we are put to any extra work, cost or expense by reason of any act or matter over which it has no control, the Customer will pay to the Contractor a fee for such changed or extra Work calculated on a time and materials basis. All changes to Work or pricing or the terms of this Agreement will be read and understood within the context and meanings of this Agreement unless stated explicitly to the contrary. Extras to the Contract are payable by the Owner forthwith upon receipt of the Company's invoice.

*Change Notice:* Any Contract change in scope in excess of one thousand dollars (\$1,000.00) requires a Contract Change Notice under which Work is to proceed. Work will not commence under a Contract Change Notice (CNN) unless with written Owner approval.

For Changes in scope of less than one thousand dollars (\$1,000.00), the Contractor will provide the Customer notification by way of its Progress Report. In either instance, such notification shall be plain and clear in terms of scope and reason. Any record, telephone conversation or meeting in which such change in scope was introduced, shall be attached as supporting documentation.

#### **Warranty and Tolerances**


- **Payments Received:** The Warranty for the contract is only valid if payment is received in full on acceptance of the work.
- **Diligence:** the Contractor agrees to carry out its Work diligently and to provide sufficient supervision and inspection of its staff and subcontractors and that it's work will be of proper and professional quality, and in full conformity with the requirements of the contract.
- **Competence:** the Contractor warrants that it is competent to perform the Work and that it has the necessary qualifications including knowledge and skill with the ability to use them effectively.
- **Site Unknowns:** It is the responsibility of the Client or the Client's Representative to fully inform the Contractor of all the information regarding site unknowns that may include difficult buried materials, cables, and pipes, tree stumps, drainage or water table issues, rock and shale sub-surfaces and/or other impediments, issues or factors that could otherwise impact the quality, cost and timeliness of project completion. Failure to notify the Contractor may lead to additional costs to the Client (at the Contractor's discretion) and schedule time not included in the Quotation in Schedule 1, and may require changes in design and construction to overcome such problems – all for which the Client will be responsible. Client can avoid such risks by permitting the Contractor to do appropriate soil and ground tests, review the site, and to secure additional required site information from appropriate government and other authorities. The cost(s) of such additional work is not included in the Quotation in Schedule 1 attachment.
- **Damaged Utilities:** Should damage occur to utilities during construction, the Contractor is only liable for the cost of the repair. the Contractor is not liable in any way for inconvenience to the Client caused by damage to the utilities.

- Damage to neighbors buried utilities, on the Client's property, are the responsibility of the Client.
- Building/Window/Vehicle Washing: Buildings, windows, or vehicles of the Client, including neighbors, are not intended to be kept clean due to dust during Construction or Work performed by the Contractor. Any necessary cleaning due to Construction or Work by the Contractor will be the responsibility of the Client.

**Material Tolerances**

- Wood: Pressure treated wood cannot be guaranteed against warp age, checking, or cupping. Cedar is expected to crack especially 6X6 up to 3/8 inch gaps and the entire length of the wood. Ipe is expected to crack especially 4X4 up to 3/8 inch gaps and the entire length of the wood.
- Stone: Natural stone has color variations that vary from stone to stone. In addition, mineral deposits such as lime, iron, etc. can change the stone and even bleed. This is the nature of the product and the Client accepts this as a natural and acceptable quality of the stone.
- Metal: Metal, which is not galvanized, is not guaranteed from rusting commencing immediately after installation.
- Concrete: Spider cracks (hairline stress-fractures) are considered a normal characteristic of all types of concrete. Concrete may crack substantially over time due to proximity of tree roots. Colored concrete consistencies vary from truck to truck; therefore it is not possible to produce an exact match with pours over nine meters. The Client absolves the Contractor of liability if "smooth" concrete is the desired finish (due to slippage).
- Warranty Time Period: the Contractor warrants all construction and installation for a period of one (1) year, providing that they have been maintained properly. All construction materials are subject to manufacturer's specific warranties/guarantees. Planting is warranted for one (1) year if there is an approved irrigation system.
- Client Responsibilities: The Client recognizes and agrees that they have a responsibility to maintain constructions, plants, bushes, trees, and other installations in keeping with standard quality maintenance requirements in order for the Warranty to remain in affect. Failure to properly maintain materials or horticulture installations will void the warranty. Client further recognizes and agrees that damage to construction, materials, horticulture elements and other warrantable items of the project will not be warranted if the damage or loss is due to elements beyond the control of the Contractor. For example, flooding eaves troughs that damage plants, fallen branches, animal caused damage, frozen/ burst irrigation or drainage pipes that were not seasonally drained at the proper time, use of improper chemicals, improper maintenance, extreme or unusual weather conditions, and similar and/or related situations – void all warranties provided by the Contractor.
- Use of Client Selected and Approved Substandard Materials: Client recognized and agrees that if the Client has chosen and approved the use of substandard materials for any application that the one year warranty will be void or otherwise limited in writing on those items so impacted, but will remain in affect for all other elements of the project not impacted directly or indirectly by use of substandard materials. the Contractor will notify in writing to the Client any material that the Client has selected that would negatively impact the one year warranty of the Contractor – prior to purchasing and/or installing such materials.
- Material Grades: The Client recognizes that all materials come in a range of grades of quality and finishes, and that natural materials are not perfect. Natural wood have knots, and other natural materials have variability in color due to a wide range of factors, and that sample while useful in material selection decision-making, cannot be expected to accurately represent the total completed surface of a given construction or installation. the Contractor shall endeavor to enable the Client to see or understand the representative range of color, surface texture, and related of all materials begin seriously considered for installation on a project, however, it will be responsibility of the Client for the final selection of those materials. Once the selection has been approved by the Client, the Client will be responsible for all costs associated with changing any given material should the Client change their mind during or after material is purchased or constructed.

Estimate authorized by: \_\_\_\_\_  
Company Representative

Estimate approved by:   
Customer Representative

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

Signature Date: 12/5/22

# SECTION A

MHS Companies Inc  
P.O. Box 2023  
Inverness, FL 34451  
+352 3221142  
michelle@getmhs.com



## Estimate

**ADDRESS**  
Brandon Sites

**ESTIMATE #** 1086  
**DATE** 12/06/2022  
**EXPIRATION DATE** 12/06/2022

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DATE	ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT
	<b>Grading</b>	Owl Preserve Storm Inlet Strip sod, grade and resod	1	6,800.00	6,800.00
				<b>TOTAL</b>	<b>\$6,800.00</b>

Accepted By

Accepted Date

# SECTION VIII

**RESOLUTION 2023-04**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE BONNET CREEK RESORT COMMUNITY DEVELOPMENT DISTRICT PROVIDING FOR AND AUTHORIZING THE USE OF ELECTRONIC DOCUMENTS AND SIGNATURES; ADOPTING AND IMPLEMENTING ELECTRONIC DOCUMENT CONTROL PROCESSES AND PROCEDURES; PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.**

**WHEREAS**, the Bonnet Creek Resort Community Development District (the “District”) is a local unit of special purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, and situated within Orange County, Florida; and

**WHEREAS**, Chapter 190, *Florida Statutes*, authorizes the District to construct, install, operate, and/or maintain systems and facilities for certain basic infrastructure; and

**WHEREAS**, Chapter 190, *Florida Statutes* authorizes the District Board of Supervisors, to enter into various contracts for the purposes set forth therein; and

**WHEREAS**, the District Board of Supervisors finds that it is the interest of the District and its residents to reduce waste, costs, and to enhance services; and

**WHEREAS**, the District Board of Supervisors recognizes that the Florida Legislature, through the passage of The Electronic Signature Act of 1996, intended to, among other goals, facilitate economic development and efficient delivery of government services by means of reliable electronic messages and foster the development of electronic commerce through the use of electronic signatures to lend authenticity and integrity to writings in any electronic medium; and

**WHEREAS**, the District Board of Supervisors wishes to further these goals through the use of electronic documents and signatures.

**NOW THEREFORE BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE BONNET CREEK RESORT COMMUNITY DEVELOPMENT DISTRICT:**

**SECTION 1. INCORPORATION OF RECITALS.** The recitals so stated are true and correct and by this reference are incorporated into and form a material part of this Resolution.

**SECTION 2. FORCE AND EFFECT OF ELECTRONIC DOCUMENTS AND SIGNATURES.** Unless otherwise provided by law, electronic documents and signatures submitted to and on behalf of the District may be used for all purposes and shall have the same force and effect as printed documents and manual signatures.



**SECTION 3. AUTHORIZING UTILIZATION OF ELECTRONIC SIGNATURES AND DOCUMENTS.** All contractors and personnel associated with the District are hereby authorized and encouraged to utilize electronic documents and signatures when reasonably practicable and as permitted by law. The District Manager is authorized and directed to obtain the provision of electronic document services or platforms offered by nationally recognized third party vendors that increase the efficiency of the District's operations.

**SECTION 4. CONTROLS PROCESSES AND PROCEDURES.** The District Board of Supervisors hereby authorizes and directs the District Manager to create control processes and procedures consistent with Florida Law to ensure adequate integrity, security, confidentiality, and auditability of all transactions conducted using electronic commerce.

**SECTION 5. SEVERABILITY.** If any provision of this Resolution is held to be illegal or invalid, the other provisions shall remain in full force and effect.

**SECTION 6. EFFECTIVE DATE.** This Resolution shall take effect upon its passage and shall remain in effect unless rescinded or repealed.

**PASSED AND ADOPTED** this 2<sup>nd</sup> day of February, 2023.

ATTEST:

**BONNET CREEK RESORT  
COMMUNITY DEVELOPMENT  
DISTRICT**

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

\_\_\_\_\_  
Chair/Vice Chair

# SECTION IX

# SECTION B

# SECTION 1

# Candler Hills East Community Development District

## Summary of Invoices

November 7, 2022 to February 13, 2022

<b>Fund</b>	<b>Date</b>	<b>Check No.'s</b>	<b>Amount</b>
General Fund	11/7/22	1085-1086	\$ 4,280.06
	11/23/22	1087	\$ 1,027.18
	1/5/23	1088-1089	\$ 1,950.00
	1/18/23	1090-1092	\$ 9,419.88
	1/24/23	1093	\$ 720.00
	1/27/23	1094	\$ 76,475.46
<b>Total Amount</b>			<b>\$ 93,872.58</b>

CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	....CHECK..... AMOUNT #
11/07/22	00043	8/12/22 2757	202208 320-53800-46100	650 BALES OF PINESTRAW	*	3,185.00	
EVERGLADES PINESTRAW, INC.							3,185.00 001085
11/07/22	00019	10/01/22 238	202210 310-51300-34000	MANAGEMENT FEES - OCT 22	*	672.42	
		10/01/22 238	202210 310-51300-35200	WEBSITE ADMIN - OCT 22	*	62.50	
		10/01/22 238	202210 310-51300-35100	INFO TECHNOLOGY - OCT 22	*	83.33	
		10/01/22 238	202210 310-51300-31300	DISSEMINATION - OCT 22	*	208.33	
		10/01/22 238	202210 310-51300-51000	OFFICE SUPPLIES	*	27.53	
		10/01/22 238	202210 310-51300-42000	POSTAGE	*	35.55	
		10/01/22 238	202210 310-51300-42500	COPIES	*	5.40	
GOVERNMENTAL MANAGEMENT SERVICES							1,095.06 001086
11/23/22	00019	11/01/22 239	202211 310-51300-34000	MANAGEMENT FEES - NOV 22	*	672.42	
		11/01/22 239	202211 310-51300-35200	WEBSITE MANAGEMENT-NOV 22	*	62.50	
		11/01/22 239	202211 310-51300-35100	INFORMATION TECH - NOV 22	*	83.33	
		11/01/22 239	202211 310-51300-31300	DISSEMINATION SVCS-NOV 22	*	208.33	
		11/01/22 239	202211 310-51300-51000	OFFICE SUPPLIES	*	.03	
		11/01/22 239	202211 310-51300-42000	POSTAGE	*	.57	
GOVERNMENTAL MANAGEMENT SERVICES							1,027.18 001087
1/05/23	00051	11/28/22 6675-11-	202211 310-51300-31400	ARBITRAGE SER. 2016 FY23	*	450.00	
AMTEC							450.00 001088
1/05/23	00005	11/15/22 2362	202211 310-51300-31500	PREP/ATTEND MEET-11/15/22	*	1,500.00	
COLEN & WAGONER P.A.							1,500.00 001089
1/18/23	00005	11/07/22 2336A	202205 310-51300-31500	PROF. SERVICES - 5/17/22	*	1,500.00	
		11/07/22 2336B	202208 310-51300-31500	PROF. SERVICES - 8/16/22	*	1,500.00	
COLEN & WAGONER P.A.							3,000.00 001090
CAND CANDLER HILLS CWRIGHT							

CHECK DATE	VEND#	INVOICE DATE	INVOICE	EXPENSED TO YRMO	DPT	ACCT#	SUB	SUBCLASS	VENDOR NAME	STATUS	AMOUNT	CHECK AMOUNT	CHECK #
1/18/23	00019	12/01/22	241	202212	310	51300	34000		MANAGEMENT FEES - DEC 22	*	672.42		
		12/01/22	241	202212	310	51300	35200		WEBSITE MANAGEMENT-DEC 22	*	62.50		
		12/01/22	241	202212	310	51300	35100		INFORMATION TECH - DEC 22	*	83.33		
		12/01/22	241	202212	310	51300	31300		DISSEMINATION SVCS-DEC 22	*	208.33		
		12/01/22	241	202212	310	51300	51000		OFFICE SUPPLIES	*	27.68		
		12/01/22	241	202212	310	51300	42000		POSTAGE	*	145.26		
		12/01/22	241	202212	310	51300	42500		COPIES	*	65.10		
		1/01/23	243	202301	310	51300	34000		MANAGEMENT FEES - JAN 23	*	672.42		
		1/01/23	243	202301	310	51300	35200		WEBSITE MANAGEMENT-JAN 23	*	62.50		
		1/01/23	243	202301	310	51300	35100		INFORMATION TECH - JAN 23	*	83.33		
		1/01/23	243	202301	310	51300	31300		DISSEMINATION SVCS-JAN 23	*	208.33		
		1/01/23	243	202301	310	51300	42500		POSTAGE	*	88.05		
GOVERNMENTAL MANAGEMENT SERVICES											2,379.25	001091	
1/18/23	00022	12/23/22	6771739	202301	310	51300	32300		TRUSTEE FEE FY23	*	3,367.19		
		12/23/22	6771739	202301	300	15500	10100		TRUSTEE FEE FY24	*	673.44		
USBANK											4,040.63	001092	
1/24/23	00040	1/16/23	2228390	202212	310	51300	31100		ENGINEER SERVICES-DEC 22	*	720.00		
DEWBERRY ENGINEERS, INC.											720.00	001093	
1/27/23	00033	1/26/23	01262023	202301	300	20700	10200		ASSESSMENT TRANSFER-S2016	*	76,475.46		
CANDLER HILLS EAST CDD C/O USBANK											76,475.46	001094	
TOTAL FOR BANK A											93,872.58		
TOTAL FOR REGISTER											93,872.58		

CAND CANDLER HILLS CWRIGHT

# SECTION 2



***Candler Hills East***  
***Community Development District***

***Unaudited Financial Reporting***  
***December 31, 2022***



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**Candler Hills East**  
**Community Development District**  
**Combined Balance Sheet**  
**December 31, 2022**

	<i>General Fund</i>	<i>Debt Service Fund</i>	<i>Capital Reserve Fund</i>	<i>Totals Governmental Funds</i>
<b>Assets:</b>				
<b>Cash:</b>				
Operating Account	\$ 136,801	\$ -	\$ -	\$ 136,801
<b>Investments:</b>				
State Board of Administration Series 2016	\$ -	\$ -	\$ 162,160	\$ 162,160
Reserve	\$ -	\$ 107,894	\$ -	\$ 107,894
Revenue	\$ -	\$ 147,632	\$ -	\$ 147,632
Prepayment	\$ -	\$ 63	\$ -	\$ 63
Due from General Fund	\$ -	\$ 76,475	\$ -	\$ 76,475
<b>Total Assets</b>	<b>\$ 136,801</b>	<b>\$ 332,064</b>	<b>\$ 162,160</b>	<b>\$ 631,025</b>
<b>Liabilities:</b>				
Accounts Payable	\$ 6,935	\$ -	\$ -	\$ 6,935
Due to Debt Service	\$ 76,475	\$ -	\$ -	\$ 76,475
<b>Total Liabilities</b>	<b>\$ 83,410</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 83,410</b>
<b>Fund Balance:</b>				
Assigned for:				
Capital Reserves	\$ -	\$ -	\$ 162,160	\$ 162,160
Restricted for:				
Debt Service 2016	\$ -	\$ 332,064	\$ -	\$ 332,064
Unassigned	\$ 53,391	\$ -	\$ -	\$ 53,391
<b>Total Fund Balances</b>	<b>\$ 53,391</b>	<b>\$ 332,064</b>	<b>\$ 162,160</b>	<b>\$ 547,615</b>
<b>Total Liabilities &amp; Fund Balance</b>	<b>\$ 136,801</b>	<b>\$ 332,064</b>	<b>\$ 162,160</b>	<b>\$ 631,025</b>

**Candler Hills East**  
**Community Development District**  
**General Fund**

**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**For The Period Ending December 31, 2022**

	Adopted Budget	Prorated Budget Thru 12/31/22	Actual Thru 12/31/22	Variance
<b>Revenues:</b>				
Maintenance Assessments	\$ 55,051	\$ 21,710	\$ 21,710	\$ -
Interest	\$ 25	\$ 6	\$ 1	\$ (5)
<b>Total Revenues</b>	<b>\$ 55,076</b>	<b>\$ 21,716</b>	<b>\$ 21,711</b>	<b>\$ (5)</b>
<b>Expenditures:</b>				
<b><i>General &amp; Administrative:</i></b>				
Supervisor Fees	\$ 4,000	\$ 1,000	\$ 1,000	\$ -
FICA Expense	\$ 306	\$ 46	\$ 46	\$ -
Engineering	\$ 1,200	\$ 300	\$ 720	\$ (420)
Trustee Fees	\$ 2,050	\$ -	\$ -	\$ -
Dissemination	\$ 2,500	\$ 625	\$ 625	\$ 0
Arbitrage	\$ 450	\$ 450	\$ 450	\$ -
Assessment Roll	\$ 5,000	\$ 5,000	\$ 5,000	\$ -
Attorney	\$ 6,000	\$ 1,500	\$ 1,500	\$ -
Annual Audit	\$ 3,515	\$ -	\$ -	\$ -
Management Fees	\$ 8,069	\$ 2,017	\$ 2,017	\$ 0
Information Technology	\$ 1,000	\$ 250	\$ 250	\$ 0
Website Maintenance	\$ 750	\$ 188	\$ 188	\$ -
Telephone	\$ 50	\$ 13	\$ -	\$ 13
Postage	\$ 625	\$ 156	\$ 181	\$ (25)
Printing & Binding	\$ 300	\$ 75	\$ 71	\$ 5
Insurance	\$ 7,572	\$ 7,572	\$ 7,236	\$ 336
Legal Advertising	\$ 700	\$ 175	\$ -	\$ 175
Other Current Charges	\$ 400	\$ 100	\$ 202	\$ (102)
Office Supplies	\$ 150	\$ 38	\$ 55	\$ (18)
Dues, Licenses & Subscriptions	\$ 175	\$ 175	\$ 175	\$ -
<b>Total General &amp; Administrative</b>	<b>\$ 44,812</b>	<b>\$ 19,679</b>	<b>\$ 19,716</b>	<b>\$ (37)</b>
<b><i>Operations &amp; Maintenance</i></b>				
Mulch	\$ 7,650	\$ 1,913	\$ -	\$ 1,913
Contingency	\$ 3,097	\$ 774	\$ -	\$ 774
Stormwater	\$ 6,500	\$ 1,625	\$ -	\$ 1,625
<b>Total Operations &amp; Maintenance</b>	<b>\$ 17,247</b>	<b>\$ 2,687</b>	<b>\$ -</b>	<b>\$ 2,687</b>
<b>Total Expenditures</b>	<b>\$ 62,059</b>	<b>\$ 22,366</b>	<b>\$ 19,716</b>	<b>\$ 2,650</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>\$ (6,983)</b>		<b>\$ 1,995</b>	
<b>Fund Balance - Beginning</b>	<b>\$ 6,983</b>		<b>\$ 51,396</b>	
<b>Fund Balance - Ending</b>	<b>\$ (0)</b>		<b>\$ 53,391</b>	

# Candler Hills East

## Community Development District

### Debt Service Fund Series 2016

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

For The Period Ending December 31, 2022

	Adopted Budget	Prorated Budget Thru 12/31/22	Actual Thru 12/31/22	Variance
<b>Revenues:</b>				
Assessments - Tax Roll	\$ 210,807	\$ 76,475	\$ 76,475	\$ -
Interest	\$ -	\$ -	\$ 1,293	\$ 1,293
<b>Total Revenues</b>	<b>\$ 210,807</b>	<b>\$ 76,475</b>	<b>\$ 77,768</b>	<b>\$ 1,293</b>
<b>Expenditures:</b>				
Special Call - 11/1	\$ -	\$ -	\$ 25,000	\$ (25,000)
Interest - 11/1	\$ 44,075	\$ 43,688	\$ 43,688	\$ -
Principal - 5/1	\$ 125,000	\$ -	\$ -	\$ -
Interest - 5/1	\$ 44,075	\$ -	\$ -	\$ -
<b>Total Expenditures</b>	<b>\$ 213,150</b>	<b>\$ 43,688</b>	<b>\$ 68,688</b>	<b>\$ (25,000)</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>\$ (2,343)</b>		<b>\$ 9,081</b>	
<b>Fund Balance - Beginning</b>	<b>\$ 201,133</b>		<b>\$ 322,984</b>	
<b>Fund Balance - Ending</b>	<b>\$ 198,789</b>		<b>\$ 332,064</b>	

# Candler Hills East

## Community Development District

### Capital Reserves Fund

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

For The Period Ending December 31, 2022

	Adopted Budget	Prorated Budget Thru 12/31/22	Actual Thru 12/31/22	Variance
<b>Revenues</b>				
Interest	\$ 240	\$ 60	\$ 1,541	\$ 1,481
<b>Total Revenues</b>	<b>\$ 240</b>	<b>\$ 60</b>	<b>\$ 1,541</b>	<b>\$ 1,481</b>
<b>Expenditures:</b>				
Capital Outlay	\$ -	\$ -	\$ -	\$ -
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>\$ 240</b>		<b>\$ 1,541</b>	
<b>Fund Balance - Beginning</b>	<b>\$ 159,504</b>		<b>\$ 160,619</b>	
<b>Fund Balance - Ending</b>	<b>\$ 159,744</b>		<b>\$ 162,160</b>	

**Candler Hills East**  
Community Development District  
Month to Month

	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sept	Total
<b>Revenues:</b>													
Maintenance Assessments	\$ -	\$ 1,442	\$ 20,268	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,710
Interest	\$ 0	\$ -	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1
<b>Total Revenues</b>	<b>\$ 0</b>	<b>\$ 1,442</b>	<b>\$ 20,269</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 21,711</b>
<b>Expenditures:</b>													
<b>General &amp; Administrative:</b>													
Supervisor Fees	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000
FICA Expense	\$ -	\$ 46	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46
Engineering	\$ -	\$ -	\$ 720	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 720
Trustee Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dissemination	\$ 208	\$ 208	\$ 208	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 625
Arbitrage	\$ -	\$ 450	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 450
Assessment Roll	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000
Attorney	\$ -	\$ 1,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,500
Annual Audit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Management Fees	\$ 672	\$ 672	\$ 672	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,017
Information Technology	\$ 83	\$ 83	\$ 83	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250
Website Maintenance	\$ 63	\$ 63	\$ 63	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 188
Telephone	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Postage	\$ 36	\$ 1	\$ 145	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 181
Printing & Binding	\$ 5	\$ -	\$ 65	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 71
Insurance	\$ 7,236	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,236
Legal Advertising	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Current Charges	\$ 68	\$ 65	\$ 70	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 202
Office Supplies	\$ 28	\$ 0	\$ 28	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55
Dues, Licenses & Subscriptions	\$ 175	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 175
<b>Total General &amp; Administrative</b>	<b>\$ 13,574</b>	<b>\$ 4,088</b>	<b>\$ 2,054</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 19,716</b>
<b>Operations &amp; Maintenance</b>													
Mulch	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Stormwater	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Operations &amp; Maintenance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Expenditures</b>	<b>\$ 13,574</b>	<b>\$ 4,088</b>	<b>\$ 2,054</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 19,716</b>
<b>Excess Revenues (Expenditures)</b>	<b>\$ (13,574)</b>	<b>\$ (2,646)</b>	<b>\$ 18,215</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,995</b>

**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	\$111,288	
Reserve Fund Balance	\$107,894	
Bonds Outstanding - 11/17/16		\$3,380,000
Less: Principal Payment 5/1/17		(\$55,000)
Less: Special Call 5/1/17		(\$55,000)
Less: Special Call 11/1/17		(\$55,000)
Less: Principal Payment 5/1/18		(\$125,000)
Less: Special Call 5/1/18		(\$10,000)
Less: Special Call 11/1/18		(\$25,000)
Less: Principal Payment 5/1/19		(\$105,000)
Less: Special Call 5/1/19		(\$15,000)
Less: Special Call 11/1/19		(\$25,000)
Less: Principal Payment 5/1/20		(\$125,000)
Less: Special Call 5/1/20		(\$10,000)
Less: Special Call 11/1/20		(\$65,000)
Less: Principal Payment 5/1/21		(\$125,000)
Less: Special Call 5/1/21		(\$30,000)
Less: Special Call 11/1/21		(\$60,000)
Less: Special Call 5/1/22		(\$20,000)
Less: Special Call 11/1/22		(\$25,000)
<b>Current Bonds Outstanding</b>		<b>\$2,450,000</b>



**CANDLER HILLS EAST**  
**COMMUNITY DEVELOPMENT DISTRICT**  
**SPECIAL ASSESSMENTS FY2023 RECEIPTS**

**MAINTENANCE**

Gross Assessments      \$58,567.28  
 Certified Net Assessments      \$55,053.24  
 100%

Date	ACH	Gross Assessments Received	Collection Fee	Commissions Paid	Interest Income	Net Assessments Received
11/4/22	ACH	\$1,112.95	\$22.26	\$0.00	\$0.00	\$1,090.69
11/23/22	ACH	\$358.12	\$7.16	\$0.00	\$0.00	\$350.96
12/16/22	ACH	\$11,191.42	\$223.83	\$0.00	\$0.00	\$10,967.59
12/23/22	ACH	\$9,490.26	\$189.81	\$0.00	\$0.00	\$9,300.45
<b>Total Collected</b>		\$ 22,152.75	\$ 443.06	\$ -	\$ -	\$ 21,709.69
Percentage Collected						39%

**DEBT SERVICE**

Gross Assessments      \$223,712.50  
 Certified Net Assessments      \$210,289.75  
 100%

Date	ACH	Gross Assessments Received	Collection Fee	Commissions Paid	Interest Income	Net Assessments Received
11/4/22	ACH	\$4,775.73	\$95.51	\$0.00	\$0.00	\$4,680.22
12/16/22	ACH	\$36,300.23	\$726.00	\$0.00	\$0.00	\$35,574.23
12/16/22	ACH	\$36,960.21	\$739.20	\$0.00	\$0.00	\$36,221.01
<b>Total Collected</b>		\$ 78,036.17	\$ 1,560.71	\$ -	\$ -	\$ 76,475.46
Percentage Collected						36%

# SECTION 3

# **REBATE REPORT**

**\$3,380,000**

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

**Dated: November 17, 2016  
Delivered: November 17, 2016**

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**Rebate Report to the Computation Date  
October 31, 2022  
Reflecting Activity Through  
October 31, 2022**



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**AMTEC**

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# AMTEC

American Municipal Tax-Exempt Compliance

90 Avon Meadow Lane  
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November 28, 2022

Candler Hills East Community Development District  
c/o Ms. Katie Costa  
Director of Operations – Accounting Division  
Governmental Management Services-CF, LLC  
6200 Lee Vista Boulevard, Suite 300  
Orlando, FL 32822

Re: \$3,380,000 Candler Hills East Community Development District,  
Special Assessment Revenue Refunding Bonds, Series 2016

Dear Ms. Costa:

AMTEC has prepared certain computations relating to the above referenced bond issue (the “Bonds”) at the request of the Candler Hills East Community Development District (the “District”).

The scope of our engagement consisted of preparation of the computations shown in the attached schedules to determine the Rebtable Arbitrage as described in Section 103 of the Internal Revenue Code of 1954, Section 148(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and all applicable Regulations issued thereunder. The methodology used is consistent with current tax law and regulations and may be relied upon in determining the rebate liability. Certain computational methods used in the preparation of the schedules are described in the Summary of Computational Information and Definitions.

Our engagement was limited to the computation of Rebtable Arbitrage based upon the information furnished to us by the District. In accordance with the terms of our engagement, we did not audit the information provided to us, and we express no opinion as to the completeness, accuracy or suitability of such information for purposes of calculating the Rebtable Arbitrage.

We have scheduled our next Report as of October 31, 2023. Thank you for this engagement and should you have any questions, please do not hesitate to contact us.

Very truly yours,

Michael J. Scarfo  
Senior Vice President

## SUMMARY OF REBATE COMPUTATIONS

Our computations, contained in the attached schedules, are summarized as follows:

For the October 31, 2022 Computation Date  
Reflecting Activity from November 17, 2016 through October 31, 2022

Fund Description	Taxable Inv Yield	Net Income	Rebatable Arbitrage
Reserve Account	0.170727%	383.22	(8,116.26)
<b>Totals</b>	<b>0.170727%</b>	<b>\$383.22</b>	<b>\$(8,116.26)</b>
<b>Bond Yield</b>	<b>3.686688%</b>		
Prior Rebate Liability			(19,165.65)
Rebate Computation Credits			(3,676.23)
		<b>Net Rebatable Arbitrage</b>	<b>\$(30,958.14)</b>

**Based upon our computations, no rebate liability exists.**

# SUMMARY OF COMPUTATIONAL INFORMATION AND DEFINITIONS

## COMPUTATIONAL INFORMATION

1. For the purpose of computing Rebatale Arbitrage, investment activity is reflected from November 17, 2016, the date of the closing, to October 31, 2022, the Computation Date. The activity from November 17, 2016 through October 31, 2020 was taken from the prior consultant's rebate report dated November 20, 2020, which included the following (as reported by the initial consultant):
  - a. Cumulative rebate liability from November 17, 2016 through October 31, 2020 - \$(17,815.29).
2. Computations of yield are based on a 360-day year and semiannual compounding on the last day of each compounding interval. Compounding intervals end on a day in the calendar year corresponding to Bond maturity dates or six months prior.
3. For investment cash flow, debt service and yield computation purposes, all payments and receipts are assumed to be paid or received respectively, as shown on the attached schedules.
4. Purchase prices on investments are assumed to be at fair market value, representing an arm's length transaction.
5. During the period between November 17, 2016 and October 31, 2022, the District made periodic payments into the Revenue, Sinking, Principal and Interest Funds (collectively, the "Debt Service Fund") that were used, along with the interest earned, to provide the required debt service payments.

Under Section 148(f)(4)(A), the rebate requirement does not apply to amounts in certain bona fide debt service funds. The Regulations define a bona fide debt service fund as one that is used primarily to achieve a proper matching of revenues with principal and interest payments within each bond year. The fund must be depleted at least once each bond year, except for a reasonable carryover amount not to exceed the greater of the earnings on the fund for the immediately preceding bond year or 1/12<sup>th</sup> of the principal and interest payments on the issue for the immediately preceding bond year.

We have reviewed the Debt Service Fund and have determined that the funds deposited have functioned as a bona fide debt service fund and are not subject to the rebate requirement.
6. According to the prior consultant's rebate report dated November 20, 2020, the yield on the Bonds is 3.686688%.

## **DEFINITIONS**

### **7. Computation Date**

October 31, 2022.

### **8. Computation Period**

The period beginning on November 17, 2016, the date of the closing, and ending on October 31, 2022, the Computation Date.

### **9. Bond Year**

Each one-year period (or shorter period from the date of issue) that ends at the close of business on October 31<sup>st</sup>, the day in the calendar year that was selected by the Issuer, or the final redemption date of the Bonds.

### **10. Bond Yield**

The discount rate that, when used in computing the present value of all the unconditionally payable payments of principal and interest with respect to the Bonds, produces an amount equal to the present value of the issue price of the Bonds. Present value is computed as of the date of issue of the Bonds.

### **11. Taxable Investment Yield**

The discount rate that, when used in computing the present value of all receipts of principal and interest to be received on an investment during the Computation Period, produces an amount equal to the fair market value of the investment at the time it became a nonpurpose investment.

### **12. Issue Price**

The price determined on the basis of the initial offering price to the public at which price a substantial amount of the Bonds were sold.

### **13. Rebatable Arbitrage**

The Code defines the required rebate as the excess of the amount earned on all nonpurpose investments over the amount that would have been earned if such nonpurpose investments were invested at the Bond Yield, plus any income attributable to the excess. Accordingly, the Regulations require that this amount be computed as the excess of the future value of all the nonpurpose receipts over the future value of all the nonpurpose payments. The future value is computed as of the Computation Date using the Bond Yield.



#### **14. Funds and Accounts**

The Funds and Accounts activity used in the compilation of this Report was provided from the District and U.S. Bank National Association, the Trustee, as follows:

<b>Account</b>	<b>Number</b>
Revenue	226226000
Interest	226226001
Sinking	226226002
Principal	226226003
Reserve	226226004
Prepayment	226226005

### **METHODOLOGY**

#### **Bond Yield**

The methodology used to calculate the bond yield was to determine the discount rate that produces the present value of all payments of principal and interest from November 17, 2016 through the maturity date of the Bonds.

#### **Investment Yield and Rebate Amount**

The methodology used to calculate the Rebatable Arbitrage, as of October 31, 2022, was to calculate the future value of the disbursements from all funds, subject to rebate, and the value of the remaining bond proceeds, at the yield on the Bonds, to October 31, 2022. This figure was then compared to the future value of the deposit of bond proceeds into the various investment Funds at the same yield. The difference between the future values of the two cash flows, on October 31, 2022, is the Rebatable Arbitrage.

\$3,380,000  
Candler Hills East Community Development District  
Special Assessment Revenue Refunding Bonds  
Series 2016  
Reserve Account

ARBITRAGE REBATE CALCULATION  
DETAIL REPORT

DATE	DESCRIPTION	RECEIPTS (PAYMENTS)	FUTURE VALUE @ BOND YIELD OF (3.686688%)
10/31/20	Bal	-115,400.00	-124,147.05
11/03/20		0.49	0.53
12/02/20		0.47	0.50
01/05/21		0.49	0.52
02/02/21		0.49	0.52
03/02/21		0.44	0.47
04/02/21		0.49	0.52
05/03/21		2,718.75	2,871.30
05/04/21		0.47	0.50
06/02/21		0.48	0.51
07/02/21		0.46	0.48
08/03/21		0.48	0.50
09/02/21		0.48	0.50
10/04/21		0.46	0.48
11/01/21		1,393.75	1,445.61
11/02/21		0.48	0.50
12/02/21		0.46	0.48
01/04/22		0.47	0.48
02/02/22		0.47	0.48
03/02/22		0.43	0.44
04/04/22		0.47	0.48
05/02/22		2,287.50	2,329.43
05/03/22		0.46	0.47
06/02/22		0.46	0.47
07/05/22		0.45	0.46
08/02/22		0.46	0.46
09/02/22		71.89	72.32
10/04/22		134.38	134.75
10/31/22	RA Balance	109,000.00	109,000.00
10/31/22	RA Accrual	166.64	166.64
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10/31/22	TOTALS:	383.22	-8,116.26
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ISSUE DATE: 11/17/16      REBATABLE ARBITRAGE: -8,116.26  
COMP DATE: 10/31/22      NET INCOME: 383.22  
BOND YIELD: 3.686688%      TAX INV YIELD: 0.170727%

\$3,380,000  
 Candler Hills East Community Development District  
 Special Assessment Revenue Refunding Bonds  
 Series 2016  
 Prior Rebate Liability

ARBITRAGE REBATE CALCULATION  
 DETAIL REPORT

DATE	DESCRIPTION	RECEIPTS (PAYMENTS)	FUTURE VALUE @ BOND YIELD OF (3.686688%)
10/31/20		-17,815.29	-19,165.65
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10/31/22	TOTALS:	-17,815.29	-19,165.65
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ISSUE DATE: 11/17/16    REBATABLE ARBITRAGE: -19,165.65  
 COMP DATE: 10/31/22  
 BOND YIELD: 3.686688%

\$3,380,000  
 Candler Hills East Community Development District  
 Special Assessment Revenue Refunding Bonds  
 Series 2016  
 Rebate Computation Credits

ARBITRAGE REBATE CALCULATION  
 DETAIL REPORT

DATE	DESCRIPTION	RECEIPTS (PAYMENTS)	FUTURE VALUE @ BOND YIELD OF (3.686688%)
10/31/21		-1,780.00	-1,846.23
10/31/22		-1,830.00	-1,830.00
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10/31/22	TOTALS:	-3,610.00	-3,676.23
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ISSUE DATE: 11/17/16      REBATABLE ARBITRAGE: -3,676.23  
 COMP DATE: 10/31/22  
 BOND YIELD: 3.686688%