

*Forest Lake  
Community Development District*

*Agenda*

*February 26, 2020*

# AGENDA

# *Forest Lake*

## *Community Development District*

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219 East Livingston Street, Orlando, Florida 32801  
Phone: 407-841-5524 – Fax: 407-839-1526

February 19, 2020

**Board of Supervisors**  
**Forest Lake**  
**Community Development District**

Dear Board Members:

The regular meeting of the Board of Supervisors of **Forest Lake Community Development District** will be held **Wednesday, February 26, 2020 at 11:45 AM at 346 E. Central Ave., Winter Haven, FL 33880**. Following is the advance agenda for the meeting:

### **Board of Supervisors Meeting**

1. Roll Call
2. Public Comment Period (<sup>1</sup>Speakers will fill out a card and submit it to the District Manager prior to the beginning of the meeting)
3. Approval of Minutes of the January 29, 2020 Landowners' and Board of Supervisors Meetings
4. Consideration of Resolution 2020-32 Adopting an Internal Controls Policy
5. Review of Proposals for Phase 1 and Phase 2 Construction (*rankings to be provided under separate cover by District Engineer*)
6. Consideration of Uniform Collection Agreement with Polk County Tax Collector
7. Staff Reports
  - A. Attorney
  - B. Engineer
  - C. District Manager's Report
8. Other Business
9. Supervisors Requests and Audience Comments
10. Adjournment

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<sup>1</sup> Comments will be limited to three (3) minutes

The second order of business is the Public Comment Period where the public has an opportunity to be heard on propositions coming before the Board as reflected on the agenda, and any other items. Speakers must fill out a Request to Speak form and submit it to the District Manager prior to the beginning of the meeting.

The third order of business is the approval of the minutes of the January 29, 2020 Landowners' and Board of Supervisors meetings. A copy of the minutes from each meeting are enclosed for your review.

The fourth order of business is the Consideration of Resolution 2020-32 Adopting an Internal Controls Policy. A copy of the resolution is enclosed for your review.

The fifth order of business is the Review of Proposals for Phase 1 and Phase 2 Construction. *Rankings to be provided under separate cover by the District Engineer.*

The sixth order of business is the Consideration of Uniform Collection Agreement with Polk County Tax Collector. A copy of the agreement is enclosed for your review.

The seventh order of business is Staff Reports. Any staff reports will be discussed at this time.

The balance of the agenda will be discussed at the meeting. In the meantime, if you should have any questions, please do not hesitate to contact me.

Sincerely,

Jill Burns  
District Manager

CC: Roy Van Wyk, District Counsel

Enclosures

# MINUTES

# LANDOWNERS' MEETING

**MINUTES OF MEETING  
FOREST LAKE  
COMMUNITY DEVELOPMENT DISTRICT**

The Landowners' Election meeting of the Forest Lake Community Development District was held Wednesday, **January 29, 2020** at 1:25 p.m. at 346 E. Central Ave. Winter Haven, Florida.

Present were:

Rennie Heath  
Lauren Schwenk  
Matthew Cassidy  
Patrick Marone  
Andrew Rhinehart  
Jill Burns  
Michelle Rigoni  
Dennis Wood *via phone*  
Jack Berry  
Mr. Edward Sloan

District Manager, GMS  
Hopping Green & Sams  
Wood & Associates Engineering  
Landowner  
Landowner

**FIRST ORDER OF BUSINESS**

**Determination of Number of Voting Units  
Represented**

Ms. Burns noted that she had proxy forms designating Rennie Heath as the proxy holder on behalf of MS IRA R, LLC which owns a 4.97 acre parcel and a 4.94 acre parcel, authorizing 10 votes. Cassidy Holdings, LLC authorizing 70 votes, Astoria Properties, LLC authorizing 15 votes, Astoria Investments, LLC authorizing 5 votes, JMBI Real Estate, LLC authorizing 5 votes, and Northeast Polk Land Investments, LLC authorizing 2 votes, giving Rennie Heath a total of 107 votes. Edward Sloan as the landowner representative of MEMOS Florida, LLC, is authorized to cast 15 votes.

**SECOND ORDER OF BUSINESS**

**Call to Order**

Ms. Burns called the meeting to order.

**THIRD ORDER OF BUSINESS**

**Election of Chairman for the Purpose of  
Conducting the Landowners' Meeting**

Ms. Burns was asked to conduct the meeting.

**FOURTH ORDER OF BUSINESS**

**Nominations for the Position of Supervisor**

Ms. Burns asked for nominations to fill the five vacancies. For Seat 1 Rennie Heath was nominated, for Seat 2 Lauren Schwenk was nominated. Edward Sloan and Matthew Cassidy were nominated for Seat 3. Patrick Marone and Adam Rhinehart were nominated for Seat 4. Andrew Rhinehart was nominated for Seat 5.

**FIFTH ORDER OF BUSINESS**

**Casting of Ballots**

Ms. Burns asked Mr. Sloan to fill out the ballot for how many votes each nominated supervisor would receive. Mr. Sloan gave Rennie Heath, Lauren Schwenk, Edward Sloan, Adam Rhinehart, and Andrew Rhinehart 15 votes each.

Ms. Burns asked Mr. Heath to fill out the ballot for how many votes each nominated supervisor would receive. Mr. Heath gave Rennie Heath and Lauren Schwenk 107 votes each and gave Mr. Cassidy, Mr. Marone, and Mr. Andrew Rhinehart 100 votes each.

There were 122 votes total for Seat 1 Mr. Heath and Seat 2 Ms. Schwenk. Seat 3 had 100 votes for Matthew Cassidy and 15 votes for Edward Sloan. Seat 4 had 100 votes for Patrick Marone and 15 votes for Adam Rhinehart. Seat 5 had 115 votes for Andrew Rhinehart.

**SIXTH ORDER OF BUSINESS**

**Ballot Tabulation**

Ms. Burns noted that Mr. Heath and Ms. Schwenk would serve four year terms, and Mr. Marone, Mr. Andrew Rhinehart, and Mr. Cassidy would serve two year terms.

**SEVENTH ORDER OF BUSINESS**

**Landowner’s Questions and Comments**

There were no questions or comments.

**EIGHTH ORDER OF BUSINESS**

**Adjournment**

Ms. Burns adjourned the meeting at 1:30 p.m.

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Secretary/Assistant Secretary

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Chairman/Vice Chairman



**BOARD OF  
SUPERVISORS  
MEETING**

**MINUTES OF MEETING  
FOREST LAKE  
COMMUNITY DEVELOPMENT DISTRICT**

The Regular meeting of the Board of Supervisors of the Forest Lake Community Development District was held Wednesday, **January 29, 2020** at 1:33 p.m. at 346 E. Central Ave. Winter Haven, Florida.

Present and constituting a quorum:

Rennie Heath	Chairman
Lauren Schwenk	Vice Chairman
Matthew Cassidy	Assistant Secretary
Patrick Marone	Assistant Secretary
Andrew Rhinehart	Assistant Secretary

Also present were:

Jill Burns	District Manager, GMS
Michelle Rigoni	Hopping Green & Sams
Dennis Wood <i>via phone</i>	Wood & Associates Engineering

**FIRST ORDER OF BUSINESS**

**Roll Call**

Ms. Burns called the meeting to order and called the roll. There were five members present, constituting a quorum.

**SECOND ORDER OF BUSINESS**

**Public Comment Period**

Ms. Burns asked for any public comments. There being none, the next item followed.

**THIRD ORDER OF BUSINESS**

**Organizational Matters**

**A. Administration of Oaths of Office to Newly Elected Board Members**

Ms. Burns swore in Mr. Heath, Ms. Schwenk, Mr. Marone, Mr. Cassidy and Mr. Rhinehart.

**B. Consideration of Resolution 2020-27 Canvassing and Certifying the Results of the Landowners' Election**

Ms. Burns noted that the results of the Landowners' Election were four-year terms for Mr. Heath and Ms. Schwenk, and two-year terms for Mr. Marone, Mr. Cassidy, and Mr. Rhinehart.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, Resolution 2020-27 Canvassing and Certifying the Results of the Landowners' Election, was approved.

**C. Election of Officers**

Ms. Burns noted that at the last meeting they elected Rennie Heath as Chairman, Lauren Schwenk as Vice Chairman, and Matthew Cassidy, Patrick Marone, and Andrew Rhinehart as Assistant Secretaries. Ms. Burns was also elected as Secretary and George Flint was elected as Assistant Secretary. The board chose to keep the same slate of officers.

**D. Consideration of Resolution 2020-28 Electing Officers**

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, Resolution 2020-28 Electing Officers, was approved.

**FOURTH ORDER OF BUSINESS**

**Approval of the Minutes of the December 17, 2019 Meeting**

Ms. Burns asked for any comments, questions, or changes to the December 17, 2019 meeting minutes. The board had no changes.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, the Minutes of the December 17, 2019 Meeting, were approved.

**FIFTH ORDER OF BUSINESS**

**Public Hearings**

**A. Public Hearing on the Imposition of Special Assessments**

On MOTION by Mr. Rhinehart, seconded by Mr. Heath, with all in favor, Opening the Public Hearing, was approved.

**i. Presentation of Engineer's Report**

Ms. Burns confirmed that the proper notices were made for the public hearings in accordance with Florida laws. Mr. Wood noted Forest Lake was approximately 117.53 acres within Polk County. They are predicted to have 574 single family lots. Mr. Wood noted the

Engineer's Report addresses all the infrastructure needed to construct the subdivision. There are three phases planned for construction. Phase 1 consists of 203 lots, Phase 2 consists of 185 lots, and Phase 3 consists of 186 lots, for a total of 574 lots. The Phase 1 total cost is \$4,988,500. The Phase 2 total cost is \$3,938,000. The Phase 3 total cost is \$4,248,200. The total of the three phases and all 574 lots is \$13,174,700.

Ms. Rigoni asked Mr. Wood if the cost estimates in the Engineer's Report were reasonable, just, and proper for the type and scope of the project. Mr. Wood answered yes. Ms. Rigoni asked Mr. Wood if he was aware of any reasons to believe the project could not be carried out by the district. Mr. Wood answered no.

## **ii. Presentation of Assessment Methodology**

Ms. Burns reviewed the methodology and noted that the report allocates the debt to properties based on the benefit they receive from the Capital Improvement Plan. The assessment report will be supplemented with at least one more Supplemental Methodology that will reflect the actual terms of the bonds at the time they are issued.

Ms. Burns reviewed the tables. Table 1 outlines units, and states that there are 574 units of similar size. The ERU for all 574 lots is 1. Table 2 shows the Capital Improvement Plan and outlines the costs that Mr. Wood reviewed in his report. Table 3 shows the bonds sizing of \$17,250,000 in order to generate the construction funds necessary to build the improvements in Table 2. Table 4 shows the improvement cost per unit. Table 5 shows the par debt per unit which is \$30,052 for each of the 574 units. Table 6 shows the Net and Gross Annual Debt Assessments per unit. The estimated Gross Annual Assessment Amount per unit is \$2,348, which includes the collection fees for early payment discounts for Polk County. Table 7 is the Preliminary Assessment Roll and it shows the owner and property ID's. Ms. Burns asked for any questions on the report, the board had none.

Ms. Rigoni asked Ms. Burns if the lands subject to the Special Assessments receive special benefits from the district's Capital Improvement Plan, and Ms. Burns answered yes. Ms. Rigoni asked if the special benefits the lands receive is equal to, or in excess of, the Special Assessments. Ms. Burns answered yes. Ms. Rigoni asked if the Special Assessments were reasonably and fairly apportioned among the lands within the district subject to those Special Assessments. Ms. Burns answered yes. Ms. Rigoni asked if it was reasonable, proper, and just to assess the costs of the

infrastructure improvements against the lands within the district in accordance with the methodology. Ms. Burns answered yes, it is. Ms. Rigoni asked if it was in the best interest of the district that the Special Assessments be levied and collected in accordance with the methodology. Ms. Burns answered yes.

Ms. Burns asked for any public comments. Hearing none, the next item followed.

**iii. Consideration of Resolution 2020-29 Levying Special Assessments**

Ms. Rigoni explained that Resolution 2020-29 levies the Special Assessments. Section 1 sets forth the board’s authority to adopt the resolution including taking on the project. Section 2 makes certain findings, including findings made at the public hearing that took place today. Section 3 authorizes the district’s project for construction and acquisition of the infrastructure improvements as set forth in the Engineer’s Report. Section 4 sets forth the estimated costs of the project. Section 5 equalizes, approves, confirms, and levies the Special Assessments. Section 6 addresses the finalization of the Special Assessments once the project has been completed. Section 7 provides for the payment and collection of the Special Assessments. Section 8 provides for application of true-up payments in certain circumstances when true-up may be required. Section 9 provides that certain property owned by HOA’s, POA’s, and governments are exempt from the Special Assessments. Section 10 provides for the recording of an Assessment Notice, which will be presented after the resolution.

On MOTION by Ms. Schwenk, seconded by Mr. Rhinehart, with all in favor, Resolution 2020-29 Levying Special Assessments, was approved.

**iv. Consideration of Notice of Special Assessments**

Ms. Burns stated this notice will be recorded to show there is a governmental lien on the lands within the district.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, the Notice of Special Assessments and Authorization for Staff to Record the Notice, was approved.

On MOTION by Ms. Schwenk, seconded by Mr. Heath, with all in favor, Closing the Public Hearing, was approved.

**B. Public Hearing on Adoption of District Rules of Procedure**

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, Opening the Public Hearing, was approved.

Ms. Burns confirmed that proper notices of rule development and rulemaking were published in accordance with Florida law.

**i. Consideration of Resolution 2020-30 Adopting the Rules of Procedure**

Ms. Burns presented Resolution 2020-30 and noted that the rules had not changed since the board saw them at the prior meeting. Ms. Burns asked for any questions from the board, the board had no questions. Ms. Burns also asked for any public comments, hearing none.

On MOTION by Mr. Heath, seconded by Ms. Schwenk, with all in favor, Resolution 2020-30 Adopting the Rules of Procedure, was approved.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, Closing the Public Hearing, was approved.

**C. Public Hearing on the District’s Use of the Uniform Method of Levying, Collection, & Enforcement of Non Ad-Valorem Assessments**

On MOTION by Mr. Rhinehart, seconded by Mr. Heath, with all in favor, Opening the Public Hearing, was approved.

Ms. Burns confirmed proper notices were provided for the Uniform Method public hearing in accordance with Florida law.

**i. Consideration of Resolution 2020-31 Expressing the District’s Intent to Utilize the Uniform Method of Collection**

Ms. Burns presented Resolution 2020-31 and noted that this would allow the district to use the Polk County tax bill to collect assessments. It does not obligate them to do so until they are ready.

On MOTION by Mr. Cassidy, seconded by Mr. Heath, with all in favor, Resolution 2020-31 Expressing the District’s Intent to Utilize the Uniform Method of Collection, was approved.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, Closing the Public Hearing, was approved.

**SIXTH ORDER OF BUSINESS**

**Ranking of Proposals for District Engineering Services and Selection of District Engineer**

Ms. Burns stated that they received one proposal from Wood & Associates, and she suggested ranking them #1 in accordance with the evaluation criteria.

On MOTION by Mr. Heath, seconded by Mr. Cassidy, with all in favor, Ranking Wood & Associates #1 and Authorization for Staff to send a Notice of Intent to Award, Authorization for Counsel to Draft the Agreement, and Authorization for the Chairman to Sign the Form of Agreement once Drafted, was approved.

**SEVENTH ORDER OF BUSINESS**

**Consideration of Website Services Agreement**

Ms. Burns noted the board had previously approved the quote at the last meeting, this was the form of agreement that needed approval.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, the Website Services Agreement, was approved.

**EIGHTH ORDER OF BUSINESS**

**Ratification of 2020 Data Sharing and Usage Agreement with Polk County Property Appraiser**

Ms. Burns noted this is an agreement that they send for all districts. It is related to not disclosing exempt parcels.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, the 2020 Data Sharing and Usage Agreement with the Polk County Property Appraiser, was ratified.

**NINTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

Ms. Rigoni noted that the bond validation was scheduled to be held on February 26<sup>th</sup> at 10:45 a.m.

**B. Engineer**

Mr. Wood had nothing further to report.

**C. District Manager’s Report**

Ms. Burns had nothing further to report.

**TENTH ORDER OF BUSINESS**

**Other Business**

There being none, the next item followed.

**ELEVENTH ORDER OF BUSINESS**

**Supervisors Requests and Audience Comments**

There being none, the next item followed.

**TWELTH ORDER OF BUSINESS**

**Adjournment**

Ms. Burns adjourned the meeting at 1:45 p.m.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, the meeting was adjourned at 1:45 p.m.

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

\_\_\_\_\_  
Chairman/Vice Chairman



# SECTION IV

**RESOLUTION 2020-32**

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

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

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

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

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT:**

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

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

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

**PASSED AND ADOPTED THIS 18<sup>TH</sup> DAY OF FEBRUARY, 2020.**

**ATTEST:**

**FOREST LAKE  
COMMUNITY DEVELOPMENT DISTRICT**

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

\_\_\_\_\_  
Chairperson, Board of Supervisors

## **EXHIBIT “A”**

### **FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT INTERNAL CONTROLS POLICY**

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

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

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

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

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

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

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

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

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

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

## 5. Control Activities.

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

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

5.1.1.1. Identifying and segregating incompatible duties and/or implementing mitigating controls.

5.1.1.2. Performing accounting functions in accordance with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB) standards.

5.1.1.3. Requiring proper authorizations to access and/or modify accounting software.

5.1.1.4. Implementing computerized accounting techniques (e.g. to help identify coding errors, avoid duplicate invoices, etc.).

5.1.1.5. Maintaining a schedule of the District's material fixed Assets.

5.1.1.6. Maintaining physical control over the District's material and vulnerable Assets (e.g. lock and key, computer passwords, network firewalls, etc.).

5.1.1.7. Retaining and restricting access to sensitive documents.

5.1.1.8. Performing regular electronic data backups.

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

5.1.2.1. Preparing financial reports in accordance with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB) standards.

5.1.2.2. Reviewing financial statements and investigating any material variances between budgeted expenses and actual expenses.

5.1.2.3. Establishing and implementing periodic reconciliations of bank, trust, and petty cash accounts.

- 5.1.2.4. Establishing an internal protocol for reporting and investigating known or suspected acts of Fraud, Waste, or Abuse.
- 5.1.2.5. Engaging in periodic physical inventory counts and comparisons with inventory records.
- 5.1.2.6. Monitoring all ACH (electronic) transactions and the sequencing of checks.

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

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

- 6.1. Information and Communication. District Management shall communicate to its employees (needing to know) information relevant to the Internal Controls, including but not limited to any changes to the Internal Controls and/or changes to laws, rules, contracts, grant agreements, and best practices.
- 6.2. Training. District Management shall regularly train its employees (needing the training) in connection with the Internal Controls described herein and promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices.

## **7. Monitoring Activities.**

- 7.1. Internal Reviews. District Management shall internally review the District's Internal Controls at least once per year. In connection with this internal review, District Management shall:
  - 7.1.1.1. Review its operational processes.
  - 7.1.1.2. Consider the potential risk of Fraud, Waste, or Abuse inherent in each process.
  - 7.1.1.3. Identify the controls included in the process, or controls that could be included, that would result in a reduction in the inherent risk.
  - 7.1.1.4. Assess whether there are Internal Controls that need to be improved or added to the process under consideration.

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

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

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

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

**Effective date:** February 18, 2020

# SECTION V



*This item will be provided under  
separate cover*

# SECTION VI

UNIFORM COLLECTION  
AGREEMENT  
DISTRICT

THIS AGREEMENT made and entered into this 11 day of, February 2020  
by and between Forest Lake Community Development District (“District”),  
whose address is 219 East Livingston Street Orlando FL 32801  
and the Honorable Joe G. Tedder, State Constitutional Tax Collector in and for the Polk County  
Political Subdivision, whose address is Polk County Tax Collectors Office, P.O. Box 1189,  
Bartow, Florida 33831-1189 (“Tax Collector”).

SECTION I

Findings and Determinations

The parties find and determine:

1. District is authorized to impose and levy, and by appropriate Resolution has expressed its intent to use the statutory uniform methodology of collection for, certain non-ad valorem special assessments for Lakeside Preserve Community Development District as authorized by constitutional and statutory municipal home rule and by section 197.3632, Florida Statutes (2012) and Rule 12D-18, Florida Administrative Code.

2. The term “Assessments” means those certain levies by the District which purport to constitute non-ad valorem special assessments for Forest Lake CDD  
improvements and related systems, facilities and services pursuant to Ordinance 19-071  
a non-ad valorem special assessment is lienable under Section 4, Article X, Florida Constitution, if it results in a special benefit peculiar to the parcels of property involved, over and above general community benefit, as a result of a logical connection to the property involved from the system, facility and service provided by the District and if it is apportioned to the property fairly and reasonably.

3. The uniform statutory collection methodology is provided in section 197.3632, Florida Statutes, and Rule 12D-18, Florida Administrative Code (“uniform methodology”), with its enforcement provisions, including the use of tax certificates and tax deeds for enforcing against any delinquencies; and

4. The uniform methodology is more fair to the delinquent property owner than traditional lien foreclosure methodology.

5. The uniform methodology provides for more efficiency of collection by virtue of the Assessment being on the official tax notice issued by the Tax Collector which will produce positive economic benefits to the District and its citizens; and

6. The uniform methodology, through use of the official tax notice, will tend to eliminate confusion.

7. The Tax Collector, as the State Constitutional Officer for the county political subdivision, charged by general law in Chapter 197, Florida Statutes, and related rules and regulations, to function as the agent of the Florida Department of Revenue for purposes of the uniform methodology for the Assessments.

8. The sole and exclusive responsibility to determine, impose and levy the Assessments and to determine that it is a legal, constitutional and lienable non-ad valorem special assessment for Forest Lake CDD and related systems, facilities and services is that of the District and no other person, entity or officer.

## SECTION II

### Applicable Law and Regulations

1. Section 2, Article VIII, Florida Constitution; Chapter 170, Florida Statutes; sections 197.3631, 3632 and 3635, Florida Statutes; Rule 12D-18, Florida Administrative Code; and all other applicable provisions of constitutional and statutory law, govern the exercise by the District of its local self-government power to render and pay for municipal services.

2. Section 1(d), Article VIII, Florida Constitution; Chapter 197, Florida and other applicable provisions of constitutional and statutory law apply to Tax Collector in his capacity as a state constitutional county officer and agent of the Florida Department of Revenue for purpose the of collecting and enforcing the collection of non-ad valorem special assessments levied by District.

3. Section 197.3631, Florida Statutes, constitutes supplemental authority for District to levy non-ad valorem assessments including such non-ad valorem special assessments as the “Assessments” for Forest Lake CDD and related systems, facilities and services.

4. Section 197.3632, Florida Statutes, and Rule 12D-18, Florida Administrative Code, have provisions that apply both to District and to Tax Collector, as well as, to the Department of Revenue and the Property Appraiser in and for the county.

## SECTION III

### Purpose

The purpose of this Agreement under Rule 12D-18, Florida Administrative Code, is to establish the terms and conditions under which the Tax Collector shall collect and enforce the collection of those certain non-ad valorem special assessments, the “Assessments,” levied by District to include compensation by District to the Tax Collector for actual costs of collection pursuant to section 197.3632(8)(c), Florida Statutes; payment by District of any costs involved in separate mailings because of non-merger of any non-ad valorem special assessment roll as certified by the Chair of the Board of Forest Lake Community Development District

or his or her designee, pursuant to section 197.3632(7), Florida Statutes; and reimbursement by District for necessary administrative costs, including, but not limited to, those costs associated with personnel, forms, supplies, data processing, computer equipment, postage and programming which attend all of the collection and enforcement duties imposed upon the Tax Collector by the uniform methodology, as provided in section 197.3632(2), Florida Statutes.

#### SECTION IV

##### Term

The term of this Agreement shall commence upon execution, effective for 2020 tax notice purposes, and shall continue and extend uninterrupted from year-to-year, automatically renewed for successive periods not to exceed one (1) year each, unless District shall inform the Tax Collector, as well as Property Appraiser and the Department of Revenue, by 10 January of each calendar year, if District intends to discontinue using the uniform methodology for such Assessments pursuant to section 197.3632(6), Florida Statutes (2012) and Rule 12D-18.006(3), Florida Administrative Code, using form DR-412 promulgated by the Florida Department of Revenue.

#### SECTION V

##### Duties and Responsibilities of District

District agrees, covenants and contracts to:

1. Compensate the Tax Collector for collections on behalf of the special assessment district in the amount of two percent (2%) on the balance pursuant to 192.091(2)(b), Florida Statutes and 12D-18.004(2), Florida Administrative Code. The Authority agrees the 2% will be deducted from the balance at the time of each distribution.
2. To pay for or alternatively to reimburse the Tax Collector for any separate tax notice necessitated by the inability of the Tax Collector to merge the non-ad valorem special assessment roll certified by District pursuant to section 197.3632(7), Florida Statutes and Rule 12D-18.004(2) Florida Administrative Code.
3. District upon being timely billed shall pay directly for necessary advertising relating to implementation of the uniform non-ad valorem special assessment law pursuant to sections 197.3632 and 197.3635, Florida Statutes, and Rule 12D-18.004(2), Florida Administrative Code.
4. By 15 September of each calendar year, the Chair of the Board of the Forest Lake Community Development District, or his or her designee, shall certify, using DR Form 408 to the Tax Collector the non-ad valorem assessment (“Assessment”) roll on compatible electronic medium, tied to the property parcel identification number, and otherwise in conformance with the ad valorem tax rolls submitted by the Property Appraiser in July to the Department of Revenue. District, or its agent on behalf of District, shall post the non-ad valorem special assessment for each parcel on the said non-ad valorem assessment roll and shall exercise

its responsibility that such non-ad valorem assessment roll be free of errors and omissions. Section 197.3632(10), Florida Statutes, and Rule 12D-18.006, Florida Administrative Code.

5. District agrees to abide by and implement its duties under the uniform law pursuant to all the provisions of sections 197.3632 and 197.3635, Florida Statutes, or its successor of statutory provisions and all applicable rules promulgated by the Department of Revenue and their successor rules.

6. District acknowledges that the Tax Collector has no duty, authority or responsibility in the imposition and levy of any non-ad valorem special assessments, including the District's "Assessment" and that it is the sole responsibility and duty of District to follow all procedural and substantive requirements for the levy and imposition of constitutionally lienable non-ad valorem special assessments, including the Assessments.

7. District shall indemnify and hold harmless Tax Collector to the extent of any legal action which may be filed in local, state or federal courts against Tax Collector regarding the imposition, levy, roll preparation and certification of the Assessments; District shall pay for or reimburse Tax Collector for fees for legal services rendered to Tax Collector with regard to any such legal action. Nothing herein shall be deemed or construed as a waiver of sovereign immunity by the Tax Collector or the District, and the parties shall have and maintain at all times and for all purposes any and all rights, immunities and protections available under controlling legal precedent as provided under Section 768.28, Florida Statute, or its successor and as provided under other applicable law.

## SECTION VI

### Duties of the Tax Collector

1. The Tax Collector or its agent shall merge timely the legally certified "Assessment" roll of the District with all non-ad valorem assessment rolls, merge said rolls with the tax roll, prepare a collection roll and prepare a combined notice (the tax notice) for both ad valorem taxes and non-ad valorem special assessments for all levying authorities within the county political subdivision, pursuant to sections 197.3632 and 197.3635, Florida Statutes, and its successor provisions, and any applicable rules, and their successor rules, promulgated by the Department of Revenue, and in accordance with any specific ordinances or resolutions adopted by district, so long as said ordinances and resolutions shall themselves each and every one clearly state intent to use the uniform method for collecting such assessments and so long as they are further not inconsistent with, or contrary to, the provisions of sections 197.3632 and 197.3635, Florida Statutes, and their successor provisions, and any applicable rules.

2. Tax Collector shall collect the Assessments of District as certified by the Chair of the Forest Lake Community Development District or his or her designee, to the Tax Collector no later than 15 September of each calendar year on compatible electronic medium, tied to the property identification number for each parcel, and in the format used in July by the Property

Appraiser for the ad valorem rolls submitted to the Department of Revenue, using, DR Form 408, and free of errors or omissions.

3. The Tax Collector agrees to cooperate with District in implementation of the uniform methodology for collecting Assessments pursuant to sections 197.3632 and 197.3635, Florida Statutes, and any successor provisions and applicable rules. The Tax Collector shall not accept any non-ad valorem assessment roll for the Assessments of District that is not officially, timely and legally certified to the Tax Collector pursuant to Chapter 197, Florida Statutes, and Rule 12D-18, Florida Administrative Code.

4. If the Tax Collector discovers errors or omissions on such roll, Tax Collector may request District to file a corrected roll or a correction of the amount of any assessment and District shall bear the cost of any such error or omission.

5. If Tax Collector determines that a separate mailing is authorized pursuant to section 197.3632(7), Florida Statutes, and any applicable rules promulgated by the Department of Revenue, and any successor provision to said law or rules, the Tax Collector shall either mail a separate notice of the particular non-ad valorem special assessment (“Assessment”) or shall direct District to mail such a separate notice. In making this decision, the Tax Collector shall consider all costs to District and to the taxpayers of such a separate mailing as well as the adverse effect to the taxpayers of delay in multiple notices. If such a separate mailing is effected, District shall bear all costs associated with the separate notice for the non-ad valorem special assessment that could not be merged, upon timely billing by the Tax Collector.

## SECTION VII

### Entire Agreement

1. The parties shall perform all their obligations under this agreement in accordance with good faith and prudent practice.

2. This agreement constitutes the entire agreement between the parties with respect to the subject matter contained herein and may not be amended, modified or rescinded, unless otherwise provided in this Agreement, except in writing and signed by all the parties hereto. Should any provision of this Agreement be declared to be invalid, the remaining provisions of this Agreement shall remain in full force and effect, unless such provision found to be invalid alter substantially the benefits of the Agreement for either of the parties or renders the statutory and regulatory obligations unperformable.

3. This Agreement shall be governed by the laws of the State of Florida.

4. Written notice shall be given to the parties at the following addresses, or such other place or person as each of the parties shall designate by similar notice:

a. As to Tax Collector: Address

Joe G. Tedder  
P.O. Box 1189  
Bartow, FL 33831-1189

b. As to District: Address

Forest Lake Community Development District  
219 East Livingston Street  
Orlando FL 32801

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals and such of them as are corporations have caused these presents to be signed by their duly authorized officers.

ATTEST:

**POLK COUNTY TAX COLLECTOR**

\_\_\_\_\_  
Joe G. Tedder, Tax Collector

By: Joe G. Tedder  
\_\_\_\_\_  
Printed Name

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

ATTEST:

\_\_\_\_\_

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

ATTEST:

\_\_\_\_\_

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

As authorized for execution by the District \_\_\_\_\_ of \_\_\_\_\_ City  
at its \_\_\_\_\_ regular meeting.