

*Forest Lake
Community Development District*

Meeting Agenda

May 3, 2022

AGENDA

Forest Lake

Community Development District

219 East Livingston Street, Orlando, Florida 32801

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

April 26, 2022

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

Dear Board Members:

A meeting of the Board of Supervisors of the **Forest Lake Community Development District** will be held **Tuesday, May 3, 2022 at 1:45 PM at 346 E. Central Ave., Winter Haven, FL 33880.**

Zoom Video Link: <https://us06web.zoom.us/j/87095992098>

Zoom Call-In Number: 1-646-876-9923

Meeting ID: 870 9599 2098

Following is the advance agenda for the meeting:

Board of Supervisors Meeting

1. Roll Call
2. Public Comment Period
3. Approval of Minutes from the April 5, 2022 Board of Supervisors Meeting
4. Presentation and Approval of Supplemental Assessment Methodology for Assessment Area Two (dated May 3, 2022)
5. Consideration of Series 2022 Developer's Agreements and Notice of Special Assessments:
 - A. Completion Agreement
 - B. Acquisition Agreement
 - C. True-Up Agreement
 - D. Collateral Assignment Agreement
 - E. Declaration of Consent
 - F. Notice of Special Assessments
6. Consideration of Resolution 2022-04 Supplemental Assessment Resolution
7. Consideration of Resolution 2022-07 Approving the Proposed Fiscal Year 2022/2023 Budget (Suggested Date: August 2, 2022), Declaring Special Assessments, and Setting the Public Hearings on the Fiscal Year 2022/2023 Budget and Imposition of Operations and Maintenance Assessments (*Two versions of budget included*)
8. Consideration of Draft Fiscal Year 2021 Audit Report
9. Staff Reports

- A. Attorney
- B. Engineer
 - i. Consideration of Proposal for Stormwater Needs Analysis Report Services
- C. Field Manager's Report
 - i. Consideration of Proposal to Add Solar Lights to Amenity Area Mailboxes
- D. District Manager's Report
 - i. Approval of Check Register
 - ii. Balance Sheet and Income Statement
 - iii. Presentation of Number of Registered Voters—71
- 10. Other Business
- 11. Supervisors Requests and Audience Comments
- 12. Continuation of Meeting to Wednesday, May 18, 2022 at 12:45 PM at 346 E. Central Ave.,
Winter Haven, FL 33880

MINUTES

**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 Tuesday, **April 5, 2022** at 1:46 p.m. at 346 E. Central Ave., Winter Haven, Florida.

Present and constituting a quorum:

Lauren Schwenk
Andrew Rhinehart
Matthew Cassidy
Patrick Marone

Vice Chairman
Assistant Secretary
Assistant Secretary
Assistant Secretary

Also present were:

Jill Burns
Roy Van Wyk *via Zoom*
Marshall Tindall

District Manager, GMS
KE Law Group
GMS

FIRST ORDER OF BUSINESS

Roll Call

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

SECOND ORDER OF BUSINESS

Public Comment Period

Ms. Burns stated that there were no members of the public present or joining the meeting by Zoom.

THIRD ORDER OF BUSINESS

**Approval of the Minutes of the March 1,
2022 Board of Supervisors Meeting**

Ms. Burns asked for any questions, comments, or corrections to the March 1, 2022 meeting minutes. The Board had no changes or corrections.

On MOTION by Ms. Schwenk, seconded by Mr. Rhinehart, with all in favor, the Minutes of the March 1, 2022 Board of Supervisors Meeting, were approved.

FOURTH ORDER OF BUSINESS

**Consideration of Resolution 2022-04
Supplemental Assessment Resolution (to
be provided under separate cover)**

Ms. Burns noted she spoke with Dylan and on this one, he said that there is no need to continue. They could just plan to have this on the May 3rd meeting because that should line up with the pricing. She stated they will table this and add it to the May 3rd meeting.

FIFTH ORDER OF BUSINESS

Public Hearing

A. Public Hearing on the Adoption of Amenity Policies and Rates

Ms. Burns stated this public hearing has been advertised. They just need motion to open the public hearing.

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

i. Consideration of Resolution 2022-05 Adopting Amenity Policies and Rates

Ms. Burns stated that the Resolution 2022-05 Adopting Amenity Policies and Rates is included in a package for review. The only rates included here are the nonresident user fee, which would allow some of the outside of the community to utilize some the facility at a rate of \$2,500 a year. The only other fee is the replacement access card. Residents are given two access cards at the time they move in. If they lose them, there is a \$30 fee to get those replaced.

Ms. Burns noted the standard set of rules they have for the pool, the dog park, and playground policies and then the suspension and termination of privileges if anybody has any issues with the amenity rules. Ms. Burns stated that those will be in place so that they can handle any issues that come up. Ms. Burns asked if there were any questions on the rules and heard none.

On MOTION by Mr. Marone, seconded by Mr. Rhinehart, with all in favor, Resolution 2022-05 Adopting Amenity Policies and Rates, was approved.

Ms. Burns asked for a motion to close the public hearing.

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

SIXTH ORDER OF BUSINESS

**Consideration of Resolution 2022-06
Authorizing the Use of Electronic
Documents and Signatures**

Ms. Burns stated this would allow them to utilize electronic signatures for the majority of the District's records.

On MOTION by Mr. Marone, seconded by Ms. Schwenk, with all in favor, Resolution 2022-06 Authorizing the Use of Electronic Documents and Signatures, was approved.

SEVENTH ORDER OF BUSINESS

**Consideration of Proposal for Pool
Furniture**

Ms. Burns noted the total price is \$12,746.16. She noted they did previously approve the playground quote. She asked for any questions and heard none.

On MOTION by Mr. Marone, seconded by Mr. Cassidy, with all in favor, the Proposal for Pool Furniture, was approved.

EIGHTH ORDER OF BUSINESS

**Consideration of Equipment/Lease
Purchase Agreement Updated to Include
Playground Equipment and Pool
Furniture**

Ms. Burns stated that this is with WHFSLLC this is the standard terms that would utilize in other Districts as well. The payment amount is \$2,390 per month starting on 5/1. She asked for any questions. Hearing none, there was a motion to approve.

On MOTION by Mr. Marone, seconded by Mr. Cassidy, with all in favor, the Equipment/Lease Purchase Agreement Update to Include Playground Equipment and Pool Furniture, was approved.

NINTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Van Wyk had nothing further to report.

B. Engineer

There being none, the next item followed.

C. Field Manager's Report

Mr. Tindall presented the field manager's report to the Board. He stated the landscape scope is being maintained now. Someone had broken a bunch of glass in the parking lot, and they got that cleaned up.

Ms. Burns noted the amenity opened with the punch code and they haven't seen the issues that they have seen with some of the other communities with a punch code. Ms. Burns asked if they got the other pool furniture they were waiting on. Mr. Tindall stated they have a couple of tables.

D. District Manager's Report**i. Approval of the Check Register**

Ms. Burns presented the check register and asked for any questions. Hearing none, there was a motion to approve.

On MOTION by Ms. Schwenk, seconded by Mr. Cassidy, with all in favor, the Check Register, was approved.

ii. Balance Sheet and Income Statement

Ms. Burns stated the financials were in the package for review, and there was no action that needed to be taken.

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.

TWELFTH ORDER OF BUSINESS**Adjournment**

Ms. Burns asked for a motion to adjourn.

On MOTION by Mr. Marone, seconded by Mr. Rhinehart, with all in favor, the meeting was adjourned.

Secretary/Assistant Secretary

Chairman/Vice Chairman

SECTION IV

**SUPPLEMENTAL
ASSESSMENT METHODOLOGY

FOR
FOREST LAKE
COMMUNITY DEVELOPMENT DISTRICT
FOR ASSESSMENT AREA TWO**

Date: May 3, 2022

Prepared by

**Governmental Management Services - Central Florida, LLC
219 E. Livingston St.
Orlando, FL 32801**

Table of Contents

1.0 Introduction.....	3
1.1 Purpose.....	3
1.2 Background.....	4
1.3 Special Benefits and General Benefits	4
1.4 Requirements of a Valid Assessment Methodology	5
1.5 Special Benefits Exceed the Costs Allocated	5
2.0 Assessment Methodology	6
2.1 Overview	6
2.2 Allocation of Debt.....	6
2.3 Allocation of Benefit	7
2.4 Lienability Test: Special and Peculiar Benefit to the Property	7
2.5 Lienability Test: Reasonable and Fair Apportionment of the Duty to Pay Non-Ad Valorem Assessments	8
3.0 True-Up Mechanism.....	9
4.0 Assessment Roll.....	9
5.0 Appendix	10
Table 1: Development Program	10
Table 2: Capital Improvement Cost Estimates.....	11
Table 3: Bond Sizing.....	12
Table 4: Allocation of Improvement Costs	13
Table 5: Allocation of Total Par Debt to Each Product Type.....	14
Table 6: Par Debt and Annual Assessments	15
Table 7: Preliminary Assessment Roll	16

GMS-CF, LLC does not represent the Forest Lake Community Development District as a Municipal Advisor or Securities Broker nor is GMS-CF, LLC registered to provide such services as described in Section 15B of the Securities and Exchange Act of 1934, as amended. Similarly, GMS-CF, LLC does not provide the Forest Lake Community Development District with financial advisory services or offer investment advice in any form.

1.0 Introduction

The Forest Lake Community Development District (the “District”) is a local unit of special-purpose government organized and existing under Chapter 190, Florida Statutes as amended. The District anticipates issuing \$4,500,000 of tax exempt bonds in one or more series (the “Bonds”) for the purpose of financing certain Phase 3 infrastructure improvements (“Assessment Area Two Project”) within the District more specifically described in the First Supplemental Engineer’s Report dated February 10, 2022 , notated as Phase 3 (known as “Assessment Area Two”) on Exhibit 8 as prepared by Wood & Associates Engineering, LLC , as may be amended and supplemented from time to time (the “Engineer’s Report”). The District anticipates the construction of all or a portion of the Capital Improvements or Capital Improvement Plan (“Capital Improvements”) that benefit property owners within Assessment Area Two of the District.

1.1 Purpose

This Supplemental Assessment Methodology (the “Supplemental Report”) which supplements the certain Master Assessment Methodology dated December 17, 2019 (the “Master Report”) and together with the Supplemental Report (the “Assessment Report”) provides for an assessment methodology that allocates the debt to be incurred by the District to benefiting properties within Assessment Area Two of District. This Supplemental Report allocates the debt to properties based on the special benefits each receives from the Assessment Area Two Project. The Assessment Report may be supplemented with one or more supplemental methodology reports to reflect the actual terms and conditions at the time of the issuance of each series of Bonds issued to finance all or a portion of the Capital Improvements. This Assessment Report is designed to conform to the requirements of Chapters 190 and 170, Florida Statutes, with respect to special assessments and is consistent with our understanding of case law on this subject.

The District intends to levy, impose and collect non ad valorem special assessments (“Special Assessments”) on the benefited lands within Assessment Area Two of the District securing repayment of the Bonds based on this Assessment Report. It is anticipated that all of the proposed Special Assessments will be collected through the Uniform Method of Collection described in Section 197.3632, Florida Statutes or any other legal means available to the District. It is not the intent of this Assessment Report to address any other assessments, if applicable, that may be levied by the District including those for maintenance and operation of the Bonds, a homeowner’s association, or any other unit of government.

1.2 Background

The District currently includes approximately 117.53 acres within Polk County, Florida. Assessment Area Two comprises approximately 35.86 acres. The development program for Assessment Area Two of the District currently envisions approximately 186 residential units. The proposed development program is depicted in Table 1. It is recognized that such development plan may change, and this Assessment Report will be modified or supplemented accordingly.

The Capital Improvements contemplated by the District in the Assessment Area Two Project will provide facilities that benefit certain property within the District. Specifically, the District will construct and/or acquire certain offsite improvements, stormwater management facilities, utility facilities, roadways, entry features, and park and recreation features. The acquisition and construction costs are summarized in Table 2.

The assessment methodology is a four-step process.

1. The District Engineer must first determine the public infrastructure improvements that may be provided by the District and the costs to implement the Capital Improvements.
2. The District Engineer determines the assessable acres that benefit from the District's Capital Improvements.
3. A calculation is made to determine the funding amounts necessary to acquire and/or construct the Capital Improvements.
4. This amount is initially divided equally among the benefited properties on a prorated assessable acreage basis. Ultimately, as land is platted, this amount will be assigned to each of the benefited properties based on the number and type of platted units.

1.3 Special Benefits and General Benefits

Capital Improvements undertaken by the District create special and peculiar benefits to the property, different in kind and degree, for properties within its boundaries as well as general benefits to the public at large. However, as discussed within this Assessment Report, these general benefits are incidental in nature and are readily distinguishable from the special and peculiar benefits, which accrue to property within Assessment Area Two of the District. The implementation of the Assessment Area Two Project enables properties within the boundaries of Assessment Area Two of the District to be developed. Without the District's Assessment Area Two Project, there would be no infrastructure to support

development of land within Assessment Area Two of the District. Without these improvements, development of the property within Assessment Area Two of the District would be prohibited by law.

The general public and property owners outside of Assessment Area Two of the District may benefit from the provision of the Capital Improvements. However, any such benefit will be incidental for the purpose of the Assessment Area Two Project which is designed solely to meet the needs of property within the District. Properties outside of the District boundaries do not depend upon the District's Capital Improvements. The property owners within the District are therefore receiving special benefits not received by the general public and those outside the District's boundaries.

1.4 Requirements of a Valid Assessment Methodology

There are two requirements under Florida law for a valid special assessment:

- 1) The properties must receive a special benefit from the Capital Improvements being paid for.
- 2) The assessments must be fairly and reasonably allocated or apportioned to the properties being assessed based on the special benefit such properties receive.

Florida law provides for a wide application of special assessments that meet these two characteristics of special assessments.

1.5 Special Benefits Will Equal or Exceed the Costs Allocated

The special benefits provided to the property within Assessment Area Two of the District will be equal to or greater than the costs associated with providing these benefits. The District Engineer estimates that the District's Assessment Area Two Project that is necessary to support full development of property within Assessment Area Two of the District will cost approximately \$6,171,000. The District's Underwriter projects that financing costs required to fund a portion of the Assessment Area Two Project costs, the cost of issuance of the Bonds, the funding of a debt service reserve account and capitalized interest, will be \$4,500,000. Additional funding required to be complete the Assessment Area Two Project is anticipated to be funded by the developer. Without the Assessment Area Two Project, the property within Assessment Area Two of the District would not be able to be developed and occupied by future residents of the community.

2.0 Assessment Methodology

2.1 Overview

The District anticipates issuing \$4,500,000 in Bonds in one or more series to fund the District's Assessment Area Two Project, provide for capitalized interest, a debt service reserve account and pay cost of issuance. It is the purpose of this Assessment Report to allocate the \$4,500,000 in debt to the properties within Assessment Area Two benefiting from the Capital Improvements. This report will be supplemented to reflect actual bond terms.

Table 1 identifies the land uses and lot sizes in the development as identified by the Developer within the District. The District has commissioned an Engineer's Report that includes estimated construction costs for the Capital Improvements needed to support the development; these construction costs are outlined in Table 2. The Capital Improvements needed to support the development of Assessment Area Two are described in detail in the Engineer's Report and are estimated to cost \$6,171,000. Based on the estimated costs, the size of the Bond issue under current market conditions needed to generate funds to pay for the Capital Improvements and related costs was determined by the District's Underwriter to total approximately \$4,500,000. Table 3 shows the breakdown of the Bond sizing.

2.2 Allocation of Debt

Allocation of debt is a continuous process until the development plan for the District is completed. Until the platting process occurs, the Capital Improvements funded by District Bonds benefits all acres within Assessment Area Two of the District.

The initial assessments will be levied on an equal basis to all gross acreage within Assessment Area Two of the District. A fair and reasonable methodology allocates the debt incurred by the District proportionately to the properties receiving the special benefits within Assessment Area Two. At this point all of the lands within the Assessment Area Two of the District are benefiting from the Capital Improvements.

Once platting or the recording of a declaration of condominium of any portion of Assessment Area Two of the District into individual lots or units ("Assigned Properties") has begun, the Special Assessments will be levied to the Assigned Properties based on the benefits they receive, on a first platted, first assigned basis. The "Unassigned Properties" defined as property that has not been platted or

subjected to a declaration of condominium, will continue to be assessed on a per acre basis. Eventually the development plan will be completed and the debt relating to the Bonds will be allocated to the Assigned Property, as defined below, within Assessment Area Two of the District, which are the beneficiaries of the Assessment Area Two Project, as depicted in Table 5 and Table 6. If there are changes to development plan, a true up of the assessment will be calculated to determine if a debt reduction or true-up payment from the Developer is required. The process is outlined in Section 3.0.

The assignment of debt in this Assessment Report sets forth the process by which debt is apportioned. As mentioned herein, this Assessment Report will be supplemented from time to time.

2.3 Allocation of Benefit

The Assessment Area Two Project consists of offsite improvements, stormwater management facilities, utility facilities, roadways, entry features, and park and recreation features and professional fees along with related incidental costs. There is one product type within the planned development. The single-family home has been set as the base unit and has been assigned one equivalent residential unit ("ERU"). Table 4 shows the allocation of benefit to the particular product type. It is important to note that the benefit derived from the Capital Improvements on a particular unit will exceed the cost that the unit will be paying for such benefits.

2.4 Lienability Test: Special and Peculiar Benefit to the Property

Construction and/or acquisition by the District of its proposed Capital Improvements will provide several types of systems, facilities and services for its residents. These include offsite improvements, stormwater management facilities, utility facilities, roadways, entry features, and park and recreation features. The benefit from the Capital Improvements accrue in the same amounts to each product and are somewhat dependent on the product type receiving the special benefits peculiar to that property type, which flow from the logical relationship of the Capital Improvements to the assigned Assessment Area Two properties. Benefit would be reallocated if product mix changes.

Once these determinations are made, they are reviewed in the light of the special benefits peculiar to the property, which flow to the properties as a result of their logical connection from the Capital Improvements actually provided.

For the provision of the Assessment Area Two Project, the special and peculiar benefits are:

- 1) the added use of the property,
- 2) added enjoyment of the property, and
- 3) the increased marketability and value of the property.

These special and peculiar benefits are real and ascertainable but are not yet capable of being calculated as to value with mathematical certainty. However, each is more valuable than either the cost of, or the actual Special Assessment levied for the Capital Improvement as allocated.

2.5 Lienability Test: Reasonable and Fair Apportionment of the Duty to Pay Non-Ad Valorem Assessments

A reasonable estimate of the proportion of special and peculiar benefits received from the public improvements described in the Assessment Area Two Project is delineated in Table 5 (expressed as Allocation of Par Debt per Product Type). This is also shown on Table 7 depicting Allocation of Par Debt per Product Type.

The determination has been made that the duty to pay the non-ad valorem special assessments is fairly and reasonably apportioned because the special and peculiar benefits to the property derived from the acquisition and/or construction of Assessment Area Two Project have been apportioned to the property within the District according to reasonable estimates of the special and peculiar benefits provided consistent with the product type of assignable properties.

Accordingly, no acre or parcel of property within the boundaries of Assessment Area Two of the District will have a lien for the payment of any Special Assessment more than the determined special benefit particular to that property and therefore, the debt allocation will not be increased more than the debt allocation set forth in this Assessment Report.

In accordance with the benefit allocation suggested for the product types in Table 4, a total debt per unit and an annual assessment per unit have been calculated for each product type (Table 6). These amounts represent the preliminary anticipated per unit debt allocation assuming all anticipated assigned properties are built and sold as planned, and the entire proposed Assessment Area Two Project is constructed.

3.0 True Up Mechanism

Although the District does not process plats, declaration of condominiums, site plans or revisions thereto, it does have an important role to play during the course of platting and site planning. Whenever a plat, declaration of condominium or site plan is approved, the District must allocate a portion of its debt to the property according to this Assessment Report outlined herein ("Assigned Property"). In addition, the District must also prevent any buildup of debt on property or land that could be fully conveyed and/or platted without all of the debt being allocated ("Unassigned Property"). To preclude this, when platting for 25%, 50%, 75% and 100% of the units planned for platting has occurred within Assessment Area Two of the District, the District will determine the amount of anticipated Bond Special Assessment revenue that remains on the Unassigned Properties, taking into account the full development plan of the District. If the total anticipated Bond Special Assessment revenue to be generated from the Assigned and Unassigned Properties is greater than or equal to the maximum annual debt service then no debt reduction or true-up payment is required. In the case that the revenue generated is less than the required amount then a debt reduction or true-up payment by the landowner in the amount necessary to reduce the par amount of the outstanding Bonds plus accrued interest to a level that will be supported by the new net annual debt service assessments will be required.

If a true-up payment is made less than 45 days prior to an interest payment date, the amount of accrued interest will be calculated to the next succeeding interest payment date.

4.0 Assessment Roll

The District will initially distribute the Special Assessments across the property within Assessment Area Two of the District boundaries on a gross acreage basis. As Assigned Properties become known with certainty, the District will refine its allocation of debt from a per acre basis to a per unit basis as shown in Table 6. If the land use plan or product type changes, then the District will update Table 6 to reflect the changes as part of the foregoing true-up process. As a result, the assessment liens are not finalized with certainty on any acre of land in Assessment Area Two of the District prior to the time final Assigned Properties become known. The preliminary assessment roll is attached as Table 7.

TABLE 1
FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
DEVELOPMENT PROGRAM
SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR ASSESSMENT AREA TWO

Land Use	Phase 3	Total Assessable Units	ERUs per Unit (1)	Total ERUs
Single Family	186	186	1.00	186
Total Units		186		186

(1) Benefit is allocated on an ERU basis; based on density of planned development, with Single Family = 1 ERU

* Unit mix is subject to change based on marketing and other factors

TABLE 2
FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
DEVELOPMENT PROGRAM
SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR ASSESSMENT AREA TWO

Assessment Area One Project ("CIP") (1)	Phase 3 Cost Estimate
Offsite Improvements	\$ 220,000
Stormwater Management	\$ 885,000
Utilities (Water, Sewer, & Street Lighting)	\$ 2,475,000
Roadway	\$ 1,365,000
Entry Feature	\$ 340,000
Parks and Recreational Facilities	\$ 325,000
Contingencies	\$ 561,000
	\$ 6,171,000

(1) A detailed description of these improvements is provided in the First Supplemental Engineer's Report dated February 10, 2022

TABLE 3
FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
DEVELOPMENT PROGRAM
SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR ASSESSMENT AREA TWO

Description	Total
Construction Funds	\$ 3,790,749
Debt Service Reserve	\$ 301,126
Capitalized Interest	\$ 118,125
Underwriters Discount	\$ 90,000
Cost of Issuance	\$ 200,000
Par Amount*	\$ 4,500,000

Bond Assumptions:	
Average Coupon	5.25%
Amortization	30 years
Capitalized Interest	6 months
Debt Service Reserve	Max Annual
Underwriters Discount	2%

* Par amount is subject to change based on the actual terms at the sale of the bonds

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 4
 FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
 DEVELOPMENT PROGRAM
 SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR ASSESSMENT AREA TWO

Land Use	No. of Units *	ERU Factor	Total ERUs	% of Total ERUs	Total Improvements Costs Per Product Type	Improvement Costs Per Unit
Single Family	186	1	186	100.00%	\$ 6,171,000	\$ 33,177
Totals	186		186	100.00%	\$ 6,171,000	

* Unit mix is subject to change based on marketing and other factors

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 5
 FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
 DEVELOPMENT PROGRAM
 SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR ASSESSMENT AREA TWO

Land Use	No. of Units *	Total Improvements		Allocation of Par		Par Debt Per Unit
		Costs Per Product	Type	Debt Per Product	Type - Prior to Developer	
Single Family	186	\$	6,171,000	\$	4,500,000	\$ 24,194
Totals	186	\$	6,171,000	\$	4,500,000	

* Unit mix is subject to change based on marketing and other factors

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 6
FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
DEVELOPMENT PROGRAM
SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR ASSESSMENT AREA TWO

Land Use	No. of Units *	Allocation of Par Debt Per Product Type	Total Par Debt Per Unit	Maximum Annual Debt Service	Net Annual Debt Assessment Per Unit	Gross Annual Debt Assessment Per Unit (1)
Single Family	186	\$ 4,500,000	\$ 24,194	\$ 301,126	\$ 1,619	\$ 1,741
Totals	186	\$ 4,500,000		\$ 301,126		

(1) This amount includes estimated collection fees and early payment discounts when collected on the Polk County Tax Bill

* Unit mix is subject to change based on marketing and other factors

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 7
FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
DEVELOPMENT PROGRAM
SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR ASSESSMENT AREA TWO

Owner	Property ID #'s	Acres	Total Par Debt Allocation Per Acre	Total Par Debt Allocated	Net Annual Debt Assessment Allocation	Gross Annual Debt Assessment Allocation (1)
JMBI Real Estate, LLC	See Legal Description	35.86	\$ 125,478	\$ 4,500,000	\$ 301,126	\$ 323,791
Totals		35.86		\$ 4,500,000	\$ 301,126	\$ 323,791

(1) This amount includes an estimated 7% to cover collection fees and early payment discounts when collected utilizing the uniform method.

Annual Assessment Periods	30
Projected Bond Rate (%)	5.25%
Maximum Annual Debt Service	\$301,126

Prepared by: Governmental Management Services - Central Florida, LLC

EXHIBIT 10

LEGAL DESCRIPTION
FOREST LAKE PHASE 3

ALL OF TRACTS C, I, AND J AS DEPICTED ON THE PLAT OF "FOREST LAKE PHASE 1" AS RECORDED IN PLAT BOOK 183, PAGES 17 THROUGH 21 (INCLUSIVE), PUBLIC RECORDS OF POLK COUNTY, FLORIDA.

SUBJECT TO: EASEMENTS OF RECORD

CONTAINING: 35.863 ACRES, MORE OR LESS.

SECTION V

SECTION A

**AGREEMENT BY AND BETWEEN THE FOREST LAKE
COMMUNITY DEVELOPMENT DISTRICT AND
JMBI REAL ESTATE, LLC, REGARDING THE
COMPLETION OF CERTAIN IMPROVEMENTS**

(ASSESSMENT AREA TWO BONDS)

THIS AGREEMENT (“Agreement”) is made and entered into this ____ day of May 2022, by and between:

FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, being situated in the City of Davenport, Polk County, Florida, with a mailing address of 219 East Livingston Street, Orlando, Florida 32801 (the “District”), and

JMBI REAL ESTATE, LLC, a Florida limited liability company, the developer and owner of certain lands within the District, with a mailing address of 346 E. Central Avenue, Winter Haven, Florida 33880, and its successors and assigns (the “Landowner” and, together with the District, the “Parties”).

RECITALS

WHEREAS, the District was established by an ordinance adopted by the Board of County Commissioner of Polk County, Florida, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, *Florida Statutes*, as amended (the “Act”), and is validly existing under the Constitution and laws of the State of Florida; and

WHEREAS, the Act authorizes the District to issue bonds for the purpose, among others, of planning, financing, constructing, operating and/or maintaining certain infrastructure, including stormwater management facilities, water and sewer utilities, roadways, irrigation, off-site improvements, landscape and hardscape, street lighting, parks and recreation, and other infrastructure within or without the boundaries of the District, as described in that Engineer’s Report, as defined below (“Improvements”); and

WHEREAS, Landowner is the owner and developer of certain lands within the District described in the Engineer’s Report as Phase 3 (“Phase 3 Lands” or “Assessment Area Two”), described in **Exhibit A**, which will be subject to the proposed issuance of the Assessment Area Two Bonds, defined herein; and

WHEREAS, the District has adopted an improvement plan to finance the planning, design, acquisition, construction, and installation of certain infrastructure improvements, facilities, and services as described in the *Forest Lake Community Development District Engineer’s Report for Capital Improvements*, dated December 17, 2019, as supplemented by the *First Supplemental Engineer’s Report for Capital Improvements*, dated February 10, 2022, as updated on April 19, 2022 (together, the “Engineer’s Report”) attached to this Agreement as **Composite Exhibit B**,

and the estimated costs of the portion of the Improvements, described as Forest Lake Phase 3 (the “Assessment Area Two Project”), are identified therein; and

WHEREAS, the District has imposed debt special assessments on the Phase 3 Lands within the District (the “Assessment Area Two Special Assessments”), to secure financing for a portion of the construction of the Assessment Area Two Project described in **Composite Exhibit B**, and has validated \$17,500,000 in special assessment bonds to fund the planning, design, permitting, construction and/or acquisition of Improvements including a portion of the Assessment Area Two Project; and

WHEREAS, the District intends to finance all or a portion of the Assessment Area Two Project through the anticipated issuance of its Forest Lake Community Development District Special Assessment Bonds, Series 2022 (Assessment Area Two Project), in the principal amount of \$_____ (the “Assessment Area Two Bonds”); and

WHEREAS, Landowner has requested that the District limit the amount of debt special assessments imposed upon Assessment Area Two by allowing the Landowner to directly fund a portion of the Assessment Area Two Project; and

WHEREAS, Landowner has agreed to complete or cause funds to be provided to the District to complete the Assessment Area Two Project, as set forth in the Engineer’s Report, not funded by proceeds of the Assessment Area Two Bonds; and

WHEREAS, in consideration of the District limiting the amount of Assessment Area Two Special Assessments, Landowner has requested that the District enter into this Agreement and to provide the terms and conditions under which the Assessment Area Two Project shall be completed; and

WHEREAS, in order to ensure that the Assessment Area Two Project is completed and funding is available in a timely manner to provide for its completion, Landowner and the District hereby agree that the District will be obligated to issue no more than \$_____ in Assessment Area Two Bonds to fund the Assessment Area Two Project and Landowner will complete or will make provision for additional funds that may be needed in the future for the completion of the Assessment Area Two Project, over and above the amount of the Assessment Area Two Bonds including, but not limited to, all administrative, legal, warranty, engineering, permitting or other related soft costs.

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

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

2. COMPLETION OF IMPROVEMENTS. Landowner and the District agree and acknowledge that the District’s proposed Assessment Area Two Bonds will provide only a

portion of the funds necessary to complete the Assessment Area Two Project. Therefore, Landowner hereby agrees to complete the Assessment Area Two Project, or cause such funds to be provided to the District in an amount sufficient to allow the District to complete those portions of the which may remain unfunded including, but not limited to, all administrative, legal, warranty, engineering, permitting or other related soft costs (collectively, the “Remaining Improvements”), whether pursuant to existing contracts, including change orders thereto, or future contracts.

(a) Subject to Existing Contract. When all or any portion of the Remaining Improvements are subject to an existing District contract, the Landowner shall provide funds directly to the District in an amount sufficient to complete the Remaining Improvements pursuant to such contract, including change orders thereto.

(b) Not Subject to Existing Contract. When any portion of the Remaining Improvements is not the subject of an existing District contract, the Landowner may choose to complete, cause to be completed, or provide funds to the District in an amount sufficient to allow the District to complete or cause to be completed, those Remaining Improvements, subject to a formal determination by the District that the option selected by the Landowner will not materially and adversely impact the District.

Nothing herein shall cause or be construed to require the District to issue additional bonds or indebtedness to provide funds for any portion of the Remaining Improvements. The Parties hereby acknowledge and agree that the District’s execution of this Agreement constitutes the manner and means by which any and all portions of the Remaining Improvements are to be funded and completed. Notwithstanding the foregoing, in the event the Landowner, either jointly or individually, fails to timely provide funds or to complete the Remaining Improvements, the District may exercise its authority to issue additional bonds, notes or similar obligations, and certify for collection additional special assessments in an amount sufficient to complete the Remaining Improvements.

3. OTHER CONDITIONS AND ACKNOWLEDGMENTS.

(a) The District and Landowner agree and acknowledge that the exact location, size, configuration, and composition of the Assessment Area Two Project may change from that described in the Engineer’s Report depending upon final design of the development, permitting or other regulatory requirements over time, or other factors. Material changes to the Assessment Area Two Project shall be made by a written amendment to the Engineer’s Report, which shall include an estimate of the cost of the changes. Material changes to the Assessment Area Two Project shall require the prior written consent of the Trustee acting on behalf and at the direction of the bondholders owning more than 50% of an aggregate principal amount of the applicable Assessment Area Two Bonds then outstanding.

(b) The District and Landowner acknowledge and agree that the provision of funds under this Agreement or the completion of the Remaining Improvements will be considered a

contribution in lieu of the imposition of debt special assessments upon Assessment Area Two benefitted by the Assessment Area Two Project.

(c) (i) The Landowner agrees that all developable lands within the Assessment Area Two, including Landowner's property, benefit from the timely design, construction, or acquisition of the Assessment Area Two Project.

(ii) Landowner agrees that the Assessment Area Two Special Assessments which were imposed on Assessment Area Two within the District, have been validly imposed and constitute valid, legal, and binding liens upon the Phase 3 Land, which Assessment Area Two Special Assessments remain unsatisfied.

(d) Notwithstanding anything to the contrary contained in this Agreement, the payment or performance by Landowner of its obligations hereunder are expressly subject to, dependent and conditioned upon (a) the issuance of \$_____ par amount of Assessment Area Two Bonds and use of the proceeds thereof to fund a portion of the Assessment Area Two Project, and (b) the scope, configuration, size and/or composition of the Assessment Area Two Project not materially changing without the consent of Landowner. Such consent is not necessary, and Landowner must meet the completion obligations, or cause them to be met, when the scope, configuration, size and/or composition of the Assessment Area Two Project is materially changed in response to a requirement imposed by a regulatory agency.

4. DEFAULT AND PROTECTION AGAINST THIRD PARTY INTERFERENCE. A default by any Party under this Agreement shall entitle the others to all remedies available at law or in equity, which may include, but not be limited to, the right of actual damages and/or specific performance, but excluding special, consequential, or punitive damages. Except as expressly otherwise provided in this Agreement, the District shall be solely responsible for enforcing its rights under this Agreement against any interfering third party. Except as expressly otherwise provided in this Agreement, nothing contained in this Agreement shall limit or impair the District's right to protect its rights under this Agreement from interference by a third party.

5. ENFORCEMENT OF AGREEMENT. If any Party is required to enforce this Agreement by court proceedings or otherwise, then the Parties agree that the substantially prevailing party shall be entitled to recover from the other(s) all fees and costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

6. AMENDMENTS. Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by all Parties hereto, but only with the written consent of the Trustee acting at the direction of the bondholders owning more than 50% of an aggregate principal amount of the Assessment Area Two Bonds then outstanding, with respect to material amendments.

7. AUTHORIZATION. The execution of this Agreement has been duly authorized by the appropriate body or official of the District and Landowner, both the District and Landowner

have complied with all the requirements of law, and both the District and Landowner have full power and authority to comply with the terms and provisions of this Agreement.

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

(a) If to the District: Forest Lake
Community Development District
219 East Livingston Street
Orlando, Florida 32801
Attn: District Manager

With a copy to: KE Law Group, PLLC
2016 Delta Boulevard, Suite 101
Tallahassee, Florida 32303
Attn: Roy Van Wyk

(b) If to Landowner: JMBI Real Estate, LLC
346 E. Central Avenue
Winter Haven, Florida 33880
Attn: Jack M. Berry III

With a copy to: Straughn & Turner, P.A.
255 Magnolia Avenue SW
Winter Haven, Florida 33880
Attn: Richard E. Straughn

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

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

10. THIRD PARTY BENEFICIARIES. Except as otherwise provided in this Section 10 with respect to Trustee, this Agreement is solely for the benefit of the Parties and no right or cause of action shall accrue upon or by reason, to or for the benefit of any third party not a formal party to this Agreement. Except as otherwise provided in this Section 10 with respect to Trustee, nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or entity other than the Parties hereto any right, remedy, or claim under or by reason of this Agreement or any of the provisions or conditions of this Agreement; and all of the provisions, representations, covenants, and conditions contained in this Agreement shall inure to the sole benefit of and shall be binding upon the District and Landowner and the respective representatives, successors, and assigns of each. Notwithstanding anything herein to the contrary, the Trustee for the Assessment Area Two Bonds, shall be a direct third-party beneficiary of the terms and conditions of this Agreement and shall be entitled to enforce the obligations of Landowner hereunder. The Trustee shall not be deemed to have assumed any obligations hereunder.

11. ASSIGNMENT. No Party hereto may assign this Agreement or any monies to become due hereunder without the prior written approval of the other Parties and the Trustee acting on behalf and at the direction of the bondholders owning more than 50% of an aggregate principal amount of the applicable Assessment Area Two Bonds then outstanding.

12. APPLICABLE LAW AND VENUE. This Agreement and the provisions contained herein shall be construed, interpreted, and controlled according to the laws of the State of Florida. Each party consents that the exclusive venue for any litigation arising out of or related to this Agreement shall be in a court of appropriate jurisdiction, in and for Polk County, Florida.

13. EFFECTIVE DATE. This Agreement shall be effective upon execution by all Parties hereto.

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

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

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

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

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

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the Parties execute this Agreement on the day and year first written above.

ATTEST:

**FOREST LAKE COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Warren K. Heath II
Chairperson, Board of Supervisors

WITNESS:

JMBI REAL ESTATE, LLC,
a Florida limited liability company

[Print Name]

Jack M. Berry III, its Manager

Exhibit A:
Composite Exhibit B:

Legal Description of Assessment Area Two (Phase 3 Lands)
*Forest Lake Community Development District Engineer's Report
for Capital Improvements*, dated December 17, 2019, as
supplemented by the *First Supplemental Engineer's Report for
Capital Improvements*, dated February 10, 2022, as updated April
19, 2022

EXHIBIT A - LEGAL DESCRIPTION OF ASSESSMENT AREA TWO

LEGAL DESCRIPTION **FOREST LAKE PHASE 3**

ALL OF TRACTS C, I, AND J AS DEPICTED ON THE PLAT OF "FOREST LAKE PHASE 1" AS RECORDED IN PLAT BOOK 183, PAGES 17 THROUGH 21 (INCLUSIVE), PUBLIC RECORDS OF POLK COUNTY, FLORIDA.

SUBJECT TO: EASEMENTS OF RECORD

CONTAINING: 35.863 ACRES, MORE OR LESS.

COMPOSITE EXHIBIT B – ENGINEER’S REPORT

SECTION B

**AGREEMENT BY AND BETWEEN THE EDEN HILLS COMMUNITY
DEVELOPMENT DISTRICT AND JMBI REAL ESTATE, LLC,
REGARDING THE ACQUISITION OF WORK PRODUCT,
IMPROVEMENTS, AND REAL PROPERTY**

(ASSESSMENT AREA TWO BONDS)

THIS AGREEMENT (“Agreement”) is made and entered into this ____ day of May 2022, by and between:

FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, being situated in the City of Davenport, Florida, with a mailing address of 219 East Livingston Street, Orlando Florida 32801 (the “District”); and

JMBI REAL ESTATE, LLC, a Florida limited liability company, the developer and owner of certain lands within the District, with a mailing address of 346 E. Central Avenue, Winter Haven, Florida 33880, and its successors and assigns (the “Landowner” or “Developer” and, together with the District, the “Parties”).

RECITALS

WHEREAS, the District was established for the purposes of planning, financing, constructing, acquiring, operating and/or maintaining certain public infrastructure, as authorized by Chapter 190, *Florida Statutes*; and

WHEREAS, the District has adopted an improvement plan to finance the planning, design, acquisition, construction, and installation of certain infrastructure improvements, facilities, and services as described in the *Forest Lake Community Development District Engineer’s Report for Capital Improvements*, dated December 17, 2019, as supplemented by the *First Supplemental Engineer’s Report for Capital Improvements*, dated February 10, 2022, as updated April 19, 2022 (together, the “Engineer’s Report”) attached to this Agreement as **Composite Exhibit A**, and the estimated costs of the portion of the Improvements, described as Forest Lake Phase 3 (the “Assessment Area Two Project”), are identified therein; and

WHEREAS, the Landowner is the owner and the developer of certain lands located within the boundaries of the District known as Phase 3 in the Engineer’s Report and further described in **Exhibit B** (“Assessment Area Two”), within which a portion of the District Improvements will be located; and

WHEREAS, the District intends to finance a portion of the Assessment Area Two Project, through the anticipated issuance of its Forest Lake Community Development District Special Assessment Bonds, Series 2022 (Assessment Area Two Project) in the principal amount of \$_____ (the “Assessment Area Two Bonds”); and

WHEREAS, because the Assessment Area Two Bonds have not yet been issued, the District has not had sufficient monies on hand to allow the District to fund the cost of preparation of the necessary surveys, reports, drawings, plans, permits, specifications, and related documents which would allow the timely commencement and completion of construction of the Improvements (the “Work Product”); and

WHEREAS, the District acknowledges the Landowner’s need to have the Improvements constructed in an expeditious and timely manner in order to develop the District lands including the lands encompassing the Assessment Area Two Project; and

WHEREAS, the District agrees that it will not have sufficient monies to proceed with either the preparation of the Work Product or the commencement of construction of the Improvements described in **Composite Exhibit A** until such time as the District has closed on the sale of the Assessment Area Two Bonds; and

WHEREAS, to avoid a delay in the commencement of the construction of the Improvements, the Landowner has advanced, funded, commenced, and completed and/or will complete certain work to enable the District to expeditiously provide the Improvements; and

WHEREAS, the District desires to commence the acquisition of certain Work Product and the Improvements, and accept assignment of certain agreements regarding the same; and

WHEREAS, in conjunction with the acquisition of the Work Product and/or Improvements, the Landowner desires to convey to the District interests in real property sufficient to allow the District to own, operate, maintain, construct, or install the Improvements, if any such conveyances are appropriate, and such conveyances shall be in fee simple, perpetual easement, or other interest as may be in the best interests of the District (the “Real Property”); and

WHEREAS, the Landowner and the District desire to enter into this Agreement to set forth the process by which the District may acquire the Work Product, Improvements, and/or Real Property.

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

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

SECTION 2. WORK PRODUCT. The District agrees to pay the lesser of actual cost incurred by the Landowner or fair market value, for preparation of the Work Product in accordance with the provisions of this Agreement. The Landowner shall provide copies of any and all invoices, bills, receipts, or other evidence of costs incurred by the Landowner for the Work Product. The Parties agree to cooperate and use good faith and best efforts to undertake and complete the acquisition process contemplated by this Agreement on such date as the Parties may jointly agree upon (the “Acquisition Date”). The Parties agree that separate or multiple

Acquisition Dates may be established for any portion of the acquisitions contemplated by this Agreement. The District Engineer shall review all evidence of cost and shall certify to the District's Board of Supervisors (the "Board") the total actual amount of cost, which, in the District Engineer's sole opinion, is reasonable for the Work Product. The District Engineer's opinion as to cost shall be set forth in an Engineer's Certificate which shall accompany the requisition for the funds from the trustee for the Assessment Area Two Bonds ("Trustee"). In the event that the Landowner disputes the District Engineer's opinion as to cost, the District and the Landowner agree to use good faith efforts to resolve such dispute. If the Parties are unable to resolve any such dispute, the Parties agree to jointly select a third-party engineer whose decision as to any such dispute shall be binding upon the Parties. Such decision by a third-party engineer shall be set forth in an Engineer's Affidavit which shall accompany the requisition for the funds from the Trustee. The Parties acknowledge that the Work Product is being acquired for use by the District in connection with the construction of the Improvements.

A. The Landowner agrees to convey to the District, and solely to the extent permitted by the terms of the Work Product, the Work Product upon payment of the sums determined to be acceptable by the District Engineer and approved by the District's Board pursuant to and as set forth in this Agreement.

B. The Landowner agrees to release to the District all right, title, and interest which the Landowner may have in and to the above described Work Product, as well as all common law, statutory, and other reserved rights, including all copyrights in the Work Product and extensions and renewals thereof under United States law and throughout the world, and all publication rights and all subsidiary rights and other rights in and to the Work Product in all forms, mediums, and media, now known or hereinafter devised; provided, however, that the District agrees and acknowledges that the Landowner shall retain the right, title and interest to use the Work Product, and the District shall grant the Landowner a license to use the Work Product to the extent reasonably required by the Landowner in connection with the ownership, construction, development, and management of the Assessment Area Two Project or other lands owned by Landowner to which such Work Product pertains. To the extent determined necessary by the District, the Landowner shall use commercially reasonable efforts to obtain all releases from any professional providing services in connection with the Work Product to enable the District to use and rely upon the Work Product. Such releases may include, but are not limited to, any architectural, engineering, or other professional services.

C. Except as otherwise separately agreed by the Parties with respect to any particular acquisition of Work Product, and without intending to modify any of the other terms of this Agreement, any conveyance of Work Product shall be on an "AS-IS" basis, and without any representation or warranty from the Landowner to the District in respect thereto.

D. The Landowner agrees to make reasonable good faith efforts, but without imposing any requirement on Landowner to pay for additional warranty rights on behalf of the District, to provide or cause to be provided to the District, either by assignment or directly from such third parties as may be necessary and desirable to the mutual satisfaction

of the Parties hereto, a warranty that the Work Product is fit for the purposes to which it will be put by the District, as contemplated by the Engineer's Report.

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

SECTION 3. IMPROVEMENTS. The Landowner has expended certain funds on behalf of the District relating to the Improvements. The District agrees to acquire or otherwise reimburse the Landowner for those portions of the Improvements which have been commenced or completed prior to the issuance of the Assessment Area Two Bonds. When a portion of the Improvements is ready for conveyance by the Landowner to the District, the Landowner shall notify the District in writing, describing the nature of the improvement, its general location, and its estimated cost. Landowner agrees to provide, at or prior to the Acquisition Date, the following: (i) documentation of actual costs paid; (ii) instruments of conveyance such as special warranty bills of sale or such other instruments as may be reasonably requested by the District; and (iii) any other releases, indemnifications, or documentation as may be reasonably requested by the District. Any real property interests necessary for the functioning of the Improvements to be acquired under this Section shall be reviewed and conveyed in accordance with the provisions of Section 5 herein. The District Engineer in consultation with District Counsel shall determine in writing whether the infrastructure to be conveyed is a part of the Improvements contemplated by the Engineer's Report, and if so, shall provide Landowner with a list of items necessary to complete the acquisition. Each such acquisition shall also be subject to the engineering review and certification process described in Section 2 above. The District Manager shall determine, in writing, whether the District has, based on the Landowner's estimate of cost, sufficient unencumbered funds to acquire the improvement.

A. All documentation of any acquisition (e.g., bills of sale, receipts, maintenance bonds, as-builts, evidence of costs, deeds or easements, etc.) shall be to the reasonable satisfaction of the District. If any item acquired is to be conveyed to a third-party governmental entity, then the Landowner agrees to cooperate and provide such certifications, warranties, representations or other items as may be required by that governmental entity, if any.

B. The District Engineer shall certify as to the actual cost of any improvement built or constructed by or at the direction of the Landowner, and the District shall pay no more than the actual cost incurred, or the fair market value of the improvement, whichever is less, as determined by the District Engineer.

C. The Landowner agrees to cooperate in the transfer of any permits to the District or another governmental entity with maintenance obligations for any Improvements conveyed pursuant to this Agreement.

D. Nothing herein shall require the District to accept any Work Product and/or Improvements unless the District Engineer, in his or her professional opinion, is able to

certify that, in addition to any other requirements of law: (i) the Work Product and/or Improvements are as set forth in the Engineer's Report; (ii) the price for such Work Product and/or Improvements is equal to or less than each of (a) the cost actually paid to develop and/or install the Work Product and/or Improvements by the Landowner and (b) the reasonable fair market value of the Work Product and/or Improvements; (iii) as to Work Product, the Work Product is capable of being used for the purposes intended by the District, and, as to any Improvements, the Improvements were installed in accordance with their specifications, and are capable of performing the functions for which they were intended; and (iv) as to any Improvements, all known plans, permits and specifications necessary for the operation and maintenance of the Improvements are complete and on file with the District, and have been transferred, or are capable of being transferred, to the District for operations and maintenance responsibilities.

SECTION 4. ASSIGNMENT OF CONTRACTS. The District may accept the assignment of certain contracts. Such acceptance is predicated upon: (i) each contractor providing a bond in the form and manner required by Section 255.05, *Florida Statutes*, or the Landowner providing adequate alternative security in compliance with Section 255.05, *Florida Statutes*, if required; and (ii) receipt by the District of a release from each general contractor acknowledging each assignment and the validity thereof, acknowledging the furnishing of the bond or other security required by Section 255.05, *Florida Statutes*, if any, and waiving any and all claims against the District arising as a result of or connected with such assignment. Until such time as the Assessment Area Two Bonds are actually issued, the Landowner agrees to provide such funds as are needed by the District to make all payments for any such assigned contracts when and as needed by the District.

SECTION 5. CONVEYANCE OF REAL PROPERTY.

A. Conveyance. In the event that real property interests are to be conveyed by the Landowner, or any other owner of lands within Assessment Area Two, and acquired by the District in connection with the acquisition or construction of the Improvements, and as mutually agreed upon by the District and the Landowner, then in such event, the Landowner agrees that it will convey or cause to be conveyed to the District at or prior to the Acquisition Date by a special warranty deed, or non-exclusive easement, as reasonably acceptable to the District together with a metes and bounds or other legal description, the Real Property upon which the Improvements are constructed or which are necessary for the operation and maintenance of, and access to the Improvements. The Parties agree that in no event shall the purchase price for the Real Property exceed the lesser of the actual cost to the Landowner or the value of an appraisal obtained by the District for this purpose. The Parties agree that the purchase price shall not include amounts attributable to the value of improvements on the Real Property and other improvements serving the Real Property that have been, or will be, funded by the District. The District may determine in its reasonable discretion that fee title is not necessary and in such cases shall accept such other interest in the lands upon which the Improvements are constructed as the District deems reasonably acceptable. Such special warranty deed or other instrument shall be subject to a reservation by Landowner of its right and privilege to use the area conveyed to construct any Improvements and any future improvements to such area for any related purposes

(including, but not limited to, construction traffic relating to the construction of the development) not inconsistent with the District's use, occupation or enjoyment thereof. The Landowner shall pay the cost for recording fees and documentary stamps required, if any, for the conveyance of the lands upon which the Improvements are constructed. The Landowner shall be responsible for all taxes and assessments levied on the lands upon which the Improvements are constructed until such time as the Landowner conveys said lands to the District. At the time of conveyance, the District may require, at Landowner's expense, an owner's title insurance policy in a form satisfactory to the District. In the event the title search reveals exceptions to title which render title unmarketable or which, in the District's reasonable discretion, would materially interfere with the District's use of such lands, the District shall not be required to accept such conveyance of Real Property and/or any related Improvements or Work Product.

B. *Boundary or Other Adjustments.* Landowner and the District agree that reasonable future boundary adjustments may be made as deemed necessary and approved by both Parties in order to accurately describe lands conveyed to the District and lands which remain in Landowner's ownership; provided, however, that such future boundary adjustments shall not affect the ability of the Landowner to have the lots developed. The Parties agree that any land transfers made to accommodate such adjustments shall be accomplished by donation. However, the party requesting such adjustment shall pay any transaction costs resulting from the adjustment, including but not limited to taxes, title insurance, recording fees or other costs.

SECTION 6. TAXES, ASSESSMENTS, AND COSTS.

A. *Taxes and Assessments on Property Being Acquired.* The District is an exempt governmental unit acquiring property pursuant to this Agreement for use exclusively for public purposes. Accordingly, in accordance with Florida law, the Landowner agrees to place in escrow with the Polk County Tax Collector an amount equal to the current ad valorem taxes and non-ad valorem assessments prorated to the date of transfer of title, based upon the expected assessment and millage rates giving effect to the greatest discount available for early payment.

1. If and only to the extent the property acquired by the District is subject to ad valorem taxes or non-ad valorem assessments, the Landowner agrees to reimburse the District for payment, or pay on its behalf, any and all ad valorem taxes and non-ad valorem assessments imposed during the calendar year in which each parcel of property is conveyed.

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

B. *Notice.* The Parties agree to provide notice to the other within ten (10) calendar days of receipt of any notice of potential or actual taxes, assessments, or costs, as a result of any transaction pursuant to this Agreement, or notice of any other taxes

assessments or costs imposed on the property acquired by the District as described in Subsection A above. The Landowner covenants to make any payments due hereunder in a timely manner in accordance with Florida law. In the event that the Landowner fails to make timely payment of any such taxes or costs, the Landowner acknowledges the District's right to make such payment. If the District makes such payment, the Landowner agrees to reimburse the District within thirty (30) calendar days of receiving notice of such payment, and to include in such reimbursement any fees, costs, penalties, or other expenses which accrued to the District as a result of making such a payment, including interest at the maximum rate allowed by law from the date of the payment made by the District.

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

SECTION 7. ACQUISITION IN ADVANCE OF RECEIPT OF PROCEEDS. The District and Landowner hereby agree that an acquisition by the District may be completed prior to the District obtaining proceeds from the Assessment Area Two Bonds ("Prior Acquisitions"). The District agrees to pursue the issuance of the Assessment Area Two Bonds in good faith and, within thirty (30) days from the issuance of such Assessment Area Two Bonds, to make payment for any Prior Acquisitions completed pursuant to the terms of this Agreement; provided, however, that in the event Bond Counsel determines that any such Prior Acquisitions are not properly compensable for any reason, including, but not limited to, federal tax restrictions imposed on tax-exempt financing, the District shall not be obligated to make payment for such Prior Acquisitions. Interest shall not accrue on the amounts owed for any Prior Acquisitions. In the event the District does not or cannot issue the Assessment Area Two Bonds within five (5) years from the date of this Agreement, and, thus does not make payment to the Landowner for the Prior Acquisitions, the Parties agree that the District shall have no reimbursement obligation whatsoever. The Landowner acknowledges that the District intends to convey some or all of the Improvements to the State of Florida, the City of Davenport, the City of Haines City, or Polk County and consents to the District's conveyance of such improvements prior to payment for any Prior Acquisitions.

SECTION 8. DEFAULT. A default by either Party under this Agreement shall entitle the other to all remedies available at law or in equity, which may include, but not be limited to, the right of damages and/or specific performance, but excluding special, consequential or punitive damages.

SECTION 9. INDEMNIFICATION. For all actions or activities which occur prior to the date of the acquisition of the relevant Real Property, Improvement or Work Product hereunder, the Landowner agrees to indemnify and hold harmless the District and its officers, staff, agents and employees from any and all liability, claims, actions, suits or demands by any person, corporation or other entity for injuries, death, property damage or claims of any nature arising out of, or in connection with, the use by the Landowner, its officers, agents, employees, invitees or affiliates, of the Real Property, Improvement, or Work Product, including litigation or any appellate

proceedings with respect thereto, irrespective of the date of the initiation or notice of the claim, suit, etc.; provided, however, that the Landowner shall not indemnify the District for a default by the District under this Agreement or the use of such Real Property, Improvement or Work Product by the District, its engineers, employees, contractors, or such persons' or entities' negligence.

SECTION 10. ENFORCEMENT OF AGREEMENT. In the event that any Party is required to enforce this Agreement by court proceedings or otherwise, then the Parties agree that the substantially prevailing party shall be entitled to recover from the other(s) all fees and costs incurred, including reasonable attorneys' fees, paralegal fees and expert witness fees, and costs for trial, alternative dispute resolution, or appellate proceedings.

SECTION 11. ENTIRE AGREEMENT. This instrument shall constitute the final and complete expression of the agreement between the District and the Landowner relating to the subject matter of this Agreement.

SECTION 12. AMENDMENTS. This Agreement shall constitute the entire agreement between the Parties regarding the subject matter hereof and may be modified in writing only by the mutual agreement of all Parties, and with regards to material amendments, with the prior written consent of the Trustee for the Assessment Area Two Bonds acting at the direction of the bondholders owning a majority of the aggregate principal amount of the Assessment Area Two Bonds then outstanding.

SECTION 13. AUTHORIZATION. The execution of this Agreement has been duly authorized by the appropriate body or official of the District and the Landowner. The District and the Landowner have complied with all the requirements of law. The District and the Landowner have full power and authority to comply with the terms and provisions of this Agreement.

SECTION 14. NOTICES. All notices, requests, consents and other communications under this Agreement ("Notices") shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or overnight delivery service, to the Parties, as follows:

A. If to the District: Forest Lake
Community Development District
219 East Livingston Street
Orlando, Florida 32801
Attn: District Manager

With a copy to: KE Law Group, PLLC
2016 Delta Boulevard, Suite 101
Tallahassee, Florida 32303
Attn: Roy Van Wyk

B. If to Landowner: JMBI Real Estate, LLC
346 E. Central Avenue
Winter Haven, Florida 33880
Attn: Jack M. Berry III

With a copy to:

Straughn & Turner, P.A.
255 Magnolia Avenue SW
Winter Haven, Florida 32060
Attn: Richard E. Straughn

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

SECTION 15. ARM'S LENGTH TRANSACTION. This Agreement has been negotiated fully between the District and the Landowner as an arm's length transaction. All Parties participated fully in the preparation of this Agreement and received the advice of counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, all Parties are deemed to have drafted, chosen, and selected the language, and the doubtful language will not be interpreted or construed against any Party hereto.

SECTION 16. THIRD PARTY BENEFICIARIES. This Agreement is solely for the benefit of the District and the Landowner and no right or cause of action shall accrue upon or by reason, to or for the benefit of any third party not a formal party to this Agreement. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or entity other than the District and the Landowner any right, remedy, or claim under or by reason of this Agreement or any of the provisions or conditions of this Agreement; and all of the provisions, representations, covenants, and conditions contained in this Agreement shall inure to the sole benefit of and shall be binding upon the District and the Landowner and their respective representatives, successors, and assigns. Notwithstanding the foregoing, nothing in this paragraph shall be construed as impairing or modifying the rights of any bondholders of Assessment Area Two Bonds issued by the District for the purpose of acquiring any Work Product, Improvements and/or Real Property. Also, notwithstanding anything herein to the contrary, the Trustee for the Assessment Area Two Bonds, on behalf of the owners of the Assessment Area Two Bonds, shall be a direct third-party beneficiary acting at the direction of the bondholders owning more than 50% of an aggregate principal amount of the applicable Assessment Area Two Bonds then outstanding, be entitled to cause the District to enforce the Landowner's obligations hereunder.

SECTION 17. ASSIGNMENT. This Agreement may be assigned, in whole or in part, by either Party only upon the written consent of the other, which consent shall not be unreasonably withheld, and the Trustee acting on behalf of the Bondholders owning a majority of the aggregate principal amount of the Assessment Area Two Bonds then outstanding. Such consent shall not be required in the event of a sale of the majority of the Assessment Area Two Project then-owned by

the Landowner pursuant to which the unaffiliated purchaser agrees to assume any remaining obligations of the Landowner under this Agreement. Upon the merger, amendment, or name change of the District, the Agreement will be assumed by operation of law by the District's successor in interest and no consent to such assumption shall be required.

SECTION 18. APPLICABLE LAW AND VENUE. This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida. Each Party consents that the exclusive venue for any litigation arising out of or related to this Agreement shall be in a court of appropriate jurisdiction, in and for Polk County, Florida.

SECTION 19. EFFECTIVE DATE. This Agreement shall be effective upon its execution by the District and the Landowner.

SECTION 20. TERMINATION. This Agreement may be terminated by the District without penalty in the event that the District does not issue its proposed Assessment Area Two Bonds within five (5) years from the date of this Agreement.

SECTION 21. PUBLIC RECORDS. The Landowner understands and agrees that all documents of any kind provided to the District in connection with this Agreement may be public records and will be treated as such in accordance with Florida law.

SECTION 22. SEVERABILITY. The invalidity or unenforceability of any one or more provisions of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any part of this Agreement not held to be invalid or unenforceable.

SECTION 23. LIMITATIONS ON GOVERNMENTAL LIABILITY. Nothing in this Agreement shall be deemed as a waiver of immunity or limits of liability of the District beyond any statutory limited waiver of immunity or limits of liability which may have been adopted by the Florida Legislature in Section 768.28, *Florida Statutes*, or other statute, and nothing in this Agreement shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred under the Doctrine of Sovereign Immunity or by operation of law.

SECTION 24. HEADINGS FOR CONVENIENCE ONLY. The descriptive headings in this Agreement are for convenience only and shall not control nor affect the meaning or construction of any of the provisions of this Agreement.

SECTION 25. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original; however, all such counterparts together shall constitute but one and the same instrument. Signature and acknowledgment pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document.

[Remainder of this page left intentionally blank]

IN WITNESS WHEREOF, the Parties execute this Agreement the day and year first written above.

ATTEST:

**FOREST LAKE COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Warren K. (Rennie) Heath II
Chairperson, Board of Supervisors

WITNESS:

JMBI REAL ESTATE, LLC, a Florida
limited liability company

[Print Name]

Jack M. Berry III, Manager

Composite Exhibit A: *Forest Lake Community Development District Engineer's Report*, dated December 17, 2019, as supplemented by the *First Supplemental Engineer's Report for Capital Improvements*, dated February 10, 2022, as updated April 19, 2022

Exhibit B: Legal Description of Assessment Area Two

COMPOSITE EXHIBIT A – ENGINEER’S REPORT

EXHIBIT B: LEGAL DESCRIPTION OF ASSESSMENT AREA TWO

LEGAL DESCRIPTION
FOREST LAKE PHASE 3

ALL OF TRACTS C, I, AND J AS DEPICTED ON THE PLAT OF "FOREST LAKE PHASE 1" AS RECORDED IN PLAT BOOK 183, PAGES 17 THROUGH 21 (INCLUSIVE), PUBLIC RECORDS OF POLK COUNTY, FLORIDA.

SUBJECT TO: EASEMENTS OF RECORD

CONTAINING: 35.863 ACRES, MORE OR LESS.

SECTION C

This instrument was prepared by and
upon recording should be returned to:

Roy Van Wyk, Esq.
KE LAW GROUP, PLLC
2016 Delta Boulevard, Suite 101
Tallahassee, Florida 32303

**AGREEMENT BY AND BETWEEN THE FOREST LAKE COMMUNITY
DEVELOPMENT DISTRICT AND JMBI REAL ESTATE, LLC, REGARDING
TRUE-UP AS TO ASSESSMENT AREA TWO SPECIAL ASSESSMENTS**

THIS TRUE-UP AGREEMENT (“Agreement”) is made and entered into this ____ day of May 2022, by and between:

FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, being situated in the City of Davenport, Florida, with a mailing address of 219 East Livingston Street, Orlando Florida 32801 (the “District”), and

JMBI REAL ESTATE, LLC, a Florida limited liability company, the developer and owner of certain lands within the District, with a mailing address of 346 E. Central Avenue, Winter Haven, Florida 33880, and its successors and assigns (the “Landowner” or “Developer” and, together with the District, the “Parties”).

RECITALS

WHEREAS, the District was established by an ordinance adopted by the Board of County Commissioners of Polk County, Florida, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, *Florida Statutes*, as amended (the “Act”), and is validly existing under the Constitution and laws of the State of Florida; and

WHEREAS, the District, pursuant to Chapter 190, *Florida Statutes*, is authorized to levy such taxes, special assessments, fees and other charges as may be necessary in furtherance of the District’s activities and services; and

WHEREAS, Landowner is the owner of a portion of the lands within the District and a developer of the same, which lands are described in **Exhibit A** (“Phase 3 Lands” or “Assessment Area Two”); and

WHEREAS, the District has adopted an improvement plan to finance the planning, design, acquisition, construction, and installation of certain infrastructure improvements, facilities, and services as described in the *Forest Lake Community Development District Engineer’s Report for Capital Improvements*, dated December 17, 2019, as supplemented by the *First Supplemental Engineer’s Report for Capital Improvements*, dated February 10, 2022, as revised on April 19, 2022 (together, the “Engineer’s Report”) attached to this Agreement as **Composite Exhibit B**, and

the estimated costs of the portion of the Improvements, described as Phase 3 (the “Assessment Area Two Project”), are identified therein; and

WHEREAS, the District intends to finance a portion of the Assessment Area Two Project, through the anticipated issuance of its Forest Lake Community Development District Special Assessment Bonds, Series 2022, (Assessment Area Two Project) in the principal amount of \$4,500,000 (the “Assessment Area Two Bonds”); and

WHEREAS, pursuant to Resolutions 2020-25, 2020-26, 2020-29, and 2022-__ the “Assessment Resolutions”), the District imposed special assessments on the Assessment Area Two (the “Assessment Area Two Special Assessments”) within the District to secure the repayment of the Assessment Area Two Bonds, including interest thereon; and

WHEREAS, Landowner agrees that all developable lands within the Assessment Area Two benefit from the timely design, construction, or acquisition of the Assessment Area Two Project; and

WHEREAS, Landowner agrees that the Assessment Area Two Special Assessments which were imposed on Assessment Area Two within the District, have been validly imposed and constitute valid, legal and binding liens upon Assessment Area Two, which Assessment Area Two Special Assessments remain unsatisfied; and

WHEREAS, to the extent permitted by law, Landowner waives any defect in notice or publication or in the proceedings to levy, impose and collect the Assessment Area Two Special Assessments on Assessment Area Two within the District; and

WHEREAS, the *Master Assessment Methodology* dated December 17, 2019, as supplemented by that *Supplemental Assessment Methodology – Assessment Area Two*, dated May 3, 2022 (together, the “Assessment Report”), provides that as the Assessment Area Two is platted or re-platted, the allocation of the amounts assessed to and constituting a lien upon the Assessment Area Two within the District would be allocated and calculated based upon certain density assumptions relating to the number of each lot type to be constructed on the Assessment Area Two within the District, which assumptions were provided by Landowner; and

WHEREAS, Landowner intends that the Phase 3 Lands within the District will be platted, planned and developed based on then-existing market conditions, and the actual densities developed may be at some density more or less than the densities assumed in the District's Assessment Report; and

WHEREAS, the District's Assessment Report anticipates a mechanism by which Landowner shall, if required, make certain payments to the District in order to satisfy, in whole or in part, the assessments allocated and the liens imposed pursuant to the Assessment Resolutions, the amount of such payments being determined generally by a calculation of the remaining unallocated debt prior to the recording of any plat or site plan for a parcel or tract, as described in the District's Assessment Report (which payments shall collectively be referenced as the “True-Up Payment”); and

WHEREAS, Landowner and the District desire to enter into an agreement to confirm Landowner's intention and obligation, if required, to make the True-Up Payment related to the Assessment Area Two Special Assessments on the Phase 3 Lands, subject to the terms and conditions contained herein.

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

SECTION 1. RECITALS. The recitals stated above are true and correct and by this reference are incorporated into and form a material part of this Agreement.

SECTION 2. COVENANTS.

A. The provisions of this Agreement shall constitute a covenant running with Phase 3 Lands, which lands are described herein in **Exhibit A**, and shall remain in full force and effect and be binding upon Landowner, its heirs, legal representatives, estates, successors, grantees, and assigns until released pursuant to the terms herein.

B. Landowner agrees that to the extent Landowner fails to timely pay all the Assessment Area Two Special Assessments on the Phase 3 Lands collected by mailed notice of the District, said unpaid Assessment Area Two Special Assessments (including True-Up Payments), may be placed on the tax roll by the District for collection by the Tax Collector pursuant to Section 197.3632, *Florida Statutes*, in any subsequent year.

SECTION 3. SPECIAL ASSESSMENT REALLOCATION.

A. *Assumptions as to the Assessment Area Two Special Assessments.* As of the date of the execution of this Agreement, Landowner has informed the District that Landowner intends to plat the Phase 3 Lands of Assessment Area Two into a total of 186 single family homes in Phase 3 Lands or 186 Equivalent Residential Units ("ERUs").

B. *Process for Reallocation of Assessments.* The Assessment Area Two Special Assessments on the Phase 3 Lands will be reallocated among the Phase 3 Lands as such lands are platted or re-platted (hereinafter referred to as "plat" or "platted"). In connection with such platting of Phase 3 Lands within the District, the 3 Assessment Area Two Special Assessments imposed on the lands being platted will be allocated based upon the precise number and type of lots within the area being platted. It is intended that all the Assessment Area Two Special Assessments will be assigned to the number and type of platted lots platted in Assessment Area Two. In furtherance thereof, at such time as any portion of the Phase 3 Lands are to be platted, Landowner covenants that such plat or plats shall be presented to the District. The District shall allocate the Assessment Area Two Special Assessments to the number and type of lots being platted and the remaining lands in Phase 3 in accordance with the District's Assessment Report and cause such reallocation to be recorded in the District's Improvement Lien Book.

(i) It is or will be an express condition of the liens established by the Assessment Resolutions that any and all plats containing any portion of Phase 3 Lands of

Assessment Area Two within the District owned by Landowner shall be presented to the District for review and allocation of the Assessment Area Two Special Assessments to the lots being platted and the remaining property within Phase 3 of Assessment Area Two in accordance with the Assessment Report (“Reallocation”). Landowner covenants to comply with this requirement for the Reallocation. The District agrees that no further action by the Board of Supervisors shall be required. The District’s review of the plats shall be limited solely to the Reallocation of the Assessment Area Two Special Assessments and enforcement of the District’s assessment liens. Nothing herein shall in any way operate to or be construed as providing any other plat and plan approval or disapproval powers to the District.

(ii) The purpose of the True-Up calculation is to ensure that the bond debt will be able to be assigned to at least the number and type of platted lots within Phase 3 of Assessment Area Two of the District. Thus, at the time of platting of any portion of the Phase 3 Lands, or any re-platting thereof, there must be at least the number of EAUs platted in the Assessment Area Two sufficient to assign the bond debt to. If not, subject to subsection (v) below, the District would require a True-Up Payment from Landowner or the person or entity seeking to file such plat in an amount sufficient to reduce the remaining bond debt to the actual number of lots platted in Phase 3 of Assessment Area Two in the par amount per platted lot as set forth in the Assessment Report.

(iii) The True-Up calculation shall be performed at the time any portion of Phase 3 Lands of the Assessment Area Two is platted.

(iv) If at the time the True-Up calculation is performed, it is determined that less than the number and type of lots are to be platted within Assessment Area Two, a True-Up Payment shall become immediately due and payable. Any such True-Up Payment determined to be due by shall be paid in full prior to approval of the plat. Such True-Up Payment shall be in addition to the regular Assessment Area Two Assessment installment payable for the Assessment Area Two. The District will take all necessary steps to ensure that True-Up Payments are made in a timely fashion to ensure its debt service obligations are met, and in all cases, Landowner agrees that such payments shall be made in order to ensure the District’s timely payment of the debt service obligations on the Assessment Area Two Bonds. The District shall record all True-Up Payments in its Improvement Lien book. If such True-Up Payment is made at least 45 days prior to an interest payment date on the Assessment Area Two Bonds, Landowner shall include accrued interest as part of the True-Up Payment to such interest payment date. If such True-Up Payment becomes due within 45 days of the next interest payment date, accrued interest shall be calculated to the next succeeding interest payment date.

(v) The foregoing is based on the District's understanding with Landowner that at least 186 ERUs will be assigned to Assessment Area Two, as identified in the Assessment Report and Engineer’s Report. However, the District agrees that nothing herein prohibits more or less than the anticipated number of ERUs to be assigned to Assessment Area Two. In the event Landowner plats less than 186 ERUs within Assessment Area two, the Landowner may either make a True-Up Payment or leave unassigned Assessment Area Two Special Assessments on un-platted lands within

Assessment Area Two, provided the maximum debt allocation per developable acre as set forth in the Assessment Resolution is not exceeded. In no event shall the District collect the Assessment Area Two Special Assessments pursuant to the Assessment Resolutions in excess of the total debt service related to the Assessment Area Two Project, including all costs of financing and interest. The District, however, may collect the Assessment Area Two Special Assessments in excess of the annual debt service related to the Assessment Area Two Project, including all costs of financing and interest, which shall be applied to prepay the Assessment Area Two Bonds. If the strict application of the True-Up methodology to any Reallocation for any plat pursuant to this paragraph would result in Assessment Area Two Special Assessments collected in excess of the District's total debt service obligation for the Assessment Area Two Project, the District agrees to take appropriate action by resolution to equitably Reallocate the assessments.

SECTION 4. ENFORCEMENT. This Agreement is intended to be an additional method of enforcement of Landowner's obligation to pay the Assessment Area Two Special Assessments and to abide by the requirements of the Reallocation of the Assessment Area Two Special Assessments, including the making of the True-Up Payment, if any, as set forth in the Assessment Resolutions. A default by any Party under this Agreement shall entitle any other Party to all remedies available at law or in equity, but excluding special, consequential or punitive damages.

SECTION 5. RECOVERY OF COSTS AND FEES. In the event any Party is required to enforce this Agreement by court proceedings or otherwise, then the substantially prevailing party, as determined by the applicable court or other dispute resolution provider, shall be entitled to recover from the other(s) all fees and costs incurred, including reasonable attorneys' fees and costs incurred prior to or during any litigation or other dispute resolution and including all fees and costs incurred in appellate proceedings.

SECTION 6. NOTICE. All notices, requests, consents and other communications hereunder ("Notices") shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, by overnight delivery service, or electronic or hand delivered to the Parties, as follows:

A. If to the District: Forest Lake
Community Development District
219 East Livingston Street
Orlando, Florida 32801
Attn: District Manager

With a copy to: KE Law Group, PLLC
2016 Delta Boulevard, Suite 101
Tallahassee, Florida 32303
Attn: Roy Van Wyk

B. If to Landowner: JMBI Real Estate, LLC
346 E. Central Avenue
Winter Haven, Florida 33880
Attn: Jack M. Berry III

With a copy to: Straughn & Turner, P.A.
255 Magnolia Avenue SW
Winter Haven, Florida 32060
Attn: Richard E. Straughn

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

Notwithstanding the foregoing, to the extent Florida law requires notice to enforce the collection of any assessments placed on the Assessment Area Two by the District, then the provision of such notice shall be in lieu of any additional notice required by this Agreement.

SECTION 7. ASSIGNMENT.

A. Landowner may not assign its duties or obligations under this Agreement except in accordance with the terms of this Section 7(C) below. This Agreement shall constitute a covenant running with title to all or any portion of the Assessment Area Two, binding upon Landowner and its successors and assigns including, without limitation, any purchaser and its successors and assigns as to the Assessment Area Two or portions thereof, and any transferee of any portion of the Assessment Area Two, but shall not be binding upon transferees permitted by Sections 7(B)(i), (ii) or (iii) below.

B. No portion of the Assessment Area Two may be transferred to any third party without complying with the terms of Section 7(C) below, other than:

- (i) Platted and fully-developed lots to homebuilders restricted from re-platting.
- (ii) Platted and fully-developed lots to end users.

(iii) Portions of the Assessment Area Two exempt from debt special assessments or to be dedicated to a City, the County, the District or other governmental agencies.

Any transfer of any portion of the Assessment Area Two pursuant to subsections (i), (ii) or (iii) of this Section 7(B), shall constitute an automatic release of such portion of the Assessment Area Two from the scope and effect of this Agreement.

C. Landowner shall not transfer any portion of Assessment Area Two to any third party, except as permitted by Sections 7(B)(i), (ii) or (iii) above, without satisfying the following conditions (“Transfer Conditions”):

- (i) delivering a recorded copy of this Agreement to such third party; and
- (ii) satisfying any True-Up Payment that results from a True-Up analysis that will be performed by the District Manager prior and as a condition to such transfer.

Any transfer that is consummated pursuant to this Section 7(C) shall operate as a release of Landowner from its obligations under this Agreement as to such portion of Assessment Area Two only arising from and after the date of such transfer and satisfaction of all of the Transfer Conditions including payment of any True-Up Payment due pursuant to subsection 7(C)(ii) above, and the transferee shall be deemed to have assumed Landowner’s obligations in accordance herewith and shall be deemed the “Landowner” from and after such transfer for all purposes as to such portion of the Assessment Area Two so transferred.

SECTION 8. AMENDMENT. This Agreement shall constitute the entire agreement between the Parties regarding the subject matter discussed herein and may be modified in writing only by the mutual agreement of all Parties. This Agreement may not be amended without the prior written consent of the Trustee on behalf and acting at the direction of the bondholders owning more than 50% of the aggregate principal amount of the applicable the Assessment Area Two Bonds then outstanding with regard to material amendments.

SECTION 9. AUTHORIZATION. The execution of this Agreement has been duly authorized by the appropriate body or official of the District and Landowner, both the District and Landowner have complied with all the requirements of law, and both the District and Landowner have full power and authority to comply with the terms and provisions of this Agreement.

SECTION 10. TERMINATION. This Agreement shall continue in effect until it is rescinded in writing by the mutual assent of each Party, provided, however, that this Agreement and the covenants contained herein may not be terminated or released prior to platting and development of all the Assessment Area Two without the prior written consent of the Trustee on behalf and acting at the direction of bondholders owning more than 50% of the aggregate principal amount of the applicable Assessment Area Two Bonds then outstanding with regard to amendments having a material effect on the District’s ability to pay debt service on the Assessment Area Two Bonds.

SECTION 11. NEGOTIATION AT ARM'S LENGTH. This Agreement has been negotiated fully between the Parties as an arm's length transaction. The Parties participated fully in the preparation of this Agreement and received the advice of counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, The Parties are deemed to have drafted, chosen and selected the language, and the doubtful language will not be interpreted or construed against either Party.

SECTION 12. THIRD PARTY BENEFICIARIES. This Agreement is solely for the benefit of the District and Landowner and no right or cause of action shall accrue upon or by reason, to or for the benefit of any third party not a formal party to this Agreement. Except as provided in the immediately succeeding sentence, nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or entity other than the District and Landowner any right, remedy or claim under or by reason of this Agreement or any provisions or conditions of this Agreement; and all of the provisions, representations, covenants and conditions contained in this Agreement shall inure to the sole benefit of and shall be binding upon the District and Landowner and their respective representatives, successors and assigns. Notwithstanding anything herein to the contrary, the Trustee for the Assessment Area Two Bonds, on behalf of the owners of the Assessment Area Two Bonds, shall be a direct third-party beneficiary of the terms and conditions of this Agreement and shall be entitled to enforce Landowner's obligations hereunder. The Trustee shall not be deemed to have assumed any obligations hereunder.

SECTION 13. LIMITATIONS ON GOVERNMENTAL LIABILITY. Nothing in this Agreement shall be deemed as a waiver of immunity or limits of liability of the District beyond any statutory limited waiver of immunity or limits of liability which may have been adopted by the Florida Legislature in Section 768.28, *Florida Statutes*, or other statute, and nothing in this Agreement shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred under the Doctrine of Sovereign Immunity or by operation of law.

SECTION 14. APPLICABLE LAW AND VENUE. This Agreement and the provisions contained herein shall be construed, interpreted, and controlled according to the laws of the State of Florida. Each Party consents that the exclusive venue for any litigation arising out of or related to this Agreement shall be in a court of appropriate jurisdiction, in and for Polk County, Florida.

SECTION 15. PUBLIC RECORDS. Landowner understands and agrees that all documents of any kind provided to the District in connection with this Agreement may be public records and may require treatment as such in accordance with Florida law.

SECTION 16. EXECUTION IN COUNTERPARTS. This instrument may be executed in any number of counterparts, each of which, when executed and delivered, shall constitute an original, and such counterparts together shall constitute one and the same instrument. Signature and acknowledgment pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document.

SECTION 17. SEVERABILITY. The invalidity or unenforceability of any one or more provisions of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any part of this Agreement not held to be invalid or unenforceable.

SECTION 18. EFFECTIVE DATE. This Agreement shall become effective after execution by the Parties hereto on the date reflected above.

[Signature pages follow]

IN WITNESS WHEREOF, Landowner and District have caused this Agreement to be executed and delivered on the day and year first written above.

WITNESSES:

JMBI REAL ESTATE, LLC,
a Florida limited liability company

[Print Name]

Jack M. Berry III, Manager

[Print Name]

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization this ____ day of _____, 2022, by Jack M. Berry III, as Manager of JMBI Real Estate, LLC, on behalf of the Corporation.

[notary seal]

(Official Notary Signature)
Name: _____
Personally Known _____
OR Produced Identification _____
Type of Identification _____

WITNESSES:

**FOREST LAKE
COMMUNITY DEVELOPMENT
DISTRICT**

[Print Name]

Warren K. Heath II
Chairperson, Board of Supervisors

[Print Name]

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization this ____ day of _____, 2022, by Warren K. Heath II, as Chairperson of the Board of Supervisors of Forest Lake Community Development District.

[notary seal]

(Official Notary Signature)
Name: _____
Personally Known _____
OR Produced Identification _____
Type of Identification _____

Exhibit A:
Composite Exhibit B:

Legal Description of Assessment Area Two (Phase 3 Lands)
Forest Lake Community Development District Engineer's Report for Capital Improvements, dated December 17, 2019, as supplemented by the *First Supplemental Engineer's Report for Capital Improvements*, dated February 10, 2022, and updated May, 3, 2022

EXHIBIT A - LEGAL DESCRIPTION OF THE ASSESSMENT AREA TWO

LEGAL DESCRIPTION
FOREST LAKE PHASE 3

ALL OF TRACTS C, I, AND J AS DEPICTED ON THE PLAT OF "FOREST LAKE PHASE 1" AS RECORDED IN PLAT BOOK 183, PAGES 17 THROUGH 21 (INCLUSIVE), PUBLIC RECORDS OF POLK COUNTY, FLORIDA.

SUBJECT TO: EASEMENTS OF RECORD

CONTAINING: 35.863 ACRES, MORE OR LESS.

COMPOSITE EXHIBIT B – ENGINEER’S REPORT

SECTION D

This instrument was prepared by and
upon recording should be returned to:

(This space reserved for Clerk)

Roy Van Wyk, Esq.
KE LAW GROUP, PLLC
2016 Delta Boulevard, Suite 101
Tallahassee, Florida 32303

**COLLATERAL ASSIGNMENT AND ASSUMPTION OF
DEVELOPMENT RIGHTS RELATING TO THE
ASSESSMENT AREA TWO PROJECT**

THIS COLLATERAL ASSIGNMENT AND ASSUMPTION OF DEVELOPMENT RIGHTS RELATING TO THE ASSESSMENT AREA TWO PROJECT (“Assignment”) is made this ____ day of May 2022, by and between:

FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, being situated in the City of Davenport, Florida, with a mailing address of 219 East Livingston Street, Orlando Florida 32801 (the “District”), and

JMBI REAL ESTATE, LLC, a Florida limited liability company, the developer and owner of certain lands within the District, with a mailing address of 346 E. Central Avenue, Winter Haven, Florida 33880, and its successors and assigns (the “Landowner” or “Developer” and, together with the District, the “Parties”).

RECITALS

WHEREAS, Landowner is the owner and the developer of that certain real property within the District as more particularly described in **Exhibit A**, attached hereto and incorporated herein (“Phase 3 Lands” or “Assessment Area Two”); and

WHEREAS, the District proposes to issue its \$_____ Forest Lake Community Development District Special Assessment Bonds, Series 2022 (Assessment Area Two Project) (“Assessment Area Two Bonds”), to finance certain improvements which will benefit all of Assessment Area Two; and

WHEREAS, among the security for the repayment of the Assessment Area Two Bonds are the debt special assessments levied against Assessment Area Two (“Assessment Area Two Special Assessments”); and

WHEREAS, the Parties intend that Assessment Area Two will be platted and fully developed into a total of 186 single family residential units (the “Lots”), and the Lots will be ultimately owned by homebuilders or end users, unrelated to the Landowner or its affiliated entities (“Development Completion”), as contemplated by the *Forest Lake Community Development District Engineer’s Report for Capital Improvements*, dated December 19, 2019,

as supplemented by the *First Supplemental Engineer's Report for Capital Improvements*, dated February 10, 2022, as updated April 19, 2022 (together, the "Engineer's Report") and in the *Master Assessment Methodology* dated December 17, 2019, as supplemented by that *Supplemental Assessment Methodology – Assessment Area Two*, dated May 3, 2022 (together, the "Assessment Methodology"), all of such Lots and associated improvements being referred to herein as the "Development"; and

WHEREAS, the Development which is being partially financed with the proceeds of the Assessment Area Two Bonds is described as Phase 3, in the Engineer's Report and is referred to as the "Assessment Area Two Project"; and

WHEREAS, the failure to achieve Development Completion may increase the likelihood that the purchasers of the Assessment Area Two Bonds will not receive the full benefit of their investment in the Assessment Area Two Bonds; and

WHEREAS, during the period in which the Development is being developed and the Assessment Area Two Project has yet to reach Development Completion, there is an increased likelihood that adverse changes to local or national economic conditions may result in a default in the payment of the Assessment Area Two Special Assessments securing the Assessment Area Two Bonds; and

WHEREAS, in the event of default in the payment of the Assessment Area Two Special Assessments securing the Assessment Area Two Bonds, or in the payment of a True-Up Obligation (as defined in the *Agreement by and between the Forest Lake Community Development District and JMBI Real Estate, LLC, Regarding True-Up as to Assessment Area Two Special Assessments*, dated May __, 2022, or in the event of any other Event of Default (as defined herein), the District requires, in addition to the remedies afforded the District under the *Master Trust Indenture* dated as of September 1, 2020 (the "Master Indenture"), as supplemented by that *Second Supplemental Trust Indenture* dated as of May 1, 2022 (the "Second Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), pursuant to which the Assessment Area Two Bonds are being issued, and the other Agreements being entered into by Landowner concurrent herewith with respect to the Assessment Area Two Bonds and the Assessment Area Two Special Assessments (the Indentures and Agreements being referred to collectively as the "Bond Documents", and such remedies being referred to collectively as the "Remedial Rights"), certain remedies with respect to the Development Rights (defined below) in order to complete or enable a third party to complete development of the Assessment Area Two Project.

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

1. RECITALS. The recitals stated above are true and correct and by this reference are incorporated herein and form a material part of this Assignment.

2. COLLATERAL ASSIGNMENT.

(a) Subject to the terms and conditions of this Assignment, Landowner hereby collaterally assigns to the District, to the extent assignable, all of Landowner's development rights, permits, entitlements and work product relating to development of Assessment Area Two Project, and the Landowner's rights as declarant of any property owner or homeowner association with respect to Assessment Area Two Project (collectively, the "Development Rights"), as security for Landowner's payment and performance of all of its obligations arising under the Bond Documents, including, without limitation, payment of the Assessment Area Two Special Assessments as a result of the Assessment Area Two Project that is owned by Landowner, its successors and assigns, and any True-Up Obligation. The Development Rights shall include, without limitation, the items listed in subsections (i) through (viii) below as they pertain to development of the Assessment Area Two Project, but shall specifically exclude any portion of the Development Rights which relate solely to (x) Lots which have been or are conveyed to homebuilders unaffiliated with the Landowner or homebuyers effective as of such conveyance, or (y) any portion of Assessment Area Two Project which has been transferred, dedicated and/or conveyed, or is in the future conveyed, to the City of Haines City, Florida or the City of Davenport, Florida (together, the "Cities"), Polk County, Florida (the "County"), the District, any utility provider, governmental or quasi-governmental entity, any homeowner's or property owner's association or other governing entity or association as may be required by applicable permits, approvals, plats or entitlements or regulations affecting the District, if any, in each case effective as of such transfer, conveyance and/or dedication, as applicable:

(i) Zoning approvals, density approvals and entitlements, concurrency and capacity certificates, and development assignments;

(ii) Engineering and construction plans and specifications for grading, roadways, site drainage, storm water drainage, signage, water distribution, wastewater collection, recreational facilities and other improvements;

(iii) Preliminary and final site plans and plats;

(iv) Architectural plans and specifications for recreational buildings and other improvements to the developable property within the District;

(v) Permits, approvals, resolutions, variances, licenses, and franchises granted by governmental authorities, or any of their respective agencies, for or affecting the Assessment Area Two Project or the construction of improvements within the Assessment Area Two Project, or off-site to the extent such off-site improvements are necessary or required to complete the Assessment Area Two Project;

(vi) Contracts with engineers, architects, land planners, landscape architects, consultants, contractors, and suppliers for or relating to the construction of the Series 2022 Project or the construction of improvements within the Assessment Area Two Project;

(vii) All prepaid impact fees and impact fee credits; and

(viii) All future creations, changes, extensions, revisions, modifications, substitutions, and replacements of any of the foregoing.

(b) This Assignment is not intended to and shall not impair or interfere with the development of the Assessment Area Two Project, including, without limitation, Landowner's contracts with homebuilders, if any, and end users (collectively, "Sales Contracts"), and shall only be inchoate and shall become an effective and absolute assignment and assumption of the Development Rights, from time to time, only upon the District's exercise of its rights hereunder upon a failure of Landowner to pay the Assessment Area Two Special Assessments levied against the portion of Assessment Area Two owned by the Landowner, from time to time, failure of Landowner to satisfy a True-Up Obligation, or any other Event of Default hereunder. The District shall not be deemed to have assumed any obligations associated with the Development Rights unless and until the District exercises its rights under this Assignment, and then only to the extent of such exercise.

(c) If this Assignment has not become absolute, it shall automatically terminate upon the earliest to occur of the following events: (i) payment in full of the principal and interest associated with the Assessment Area Two Bonds; (ii) Development Completion; (iii) transfer of any Development Rights to the Cities, the County, the State, the District, any utility provider, any other governmental or quasi-governmental entity, or any homeowners' or property owner's association but only to the extent of such transfer; or (iv) transfer of any portion of the Assessment Area Two Project to an unaffiliated homebuilder or end user but only as to such portion transferred, from time to time.

3. WARRANTIES BY LANDOWNER. Landowner represents and warrants to the District that:

(a) Landowner is not prohibited under any agreement with any other person or under any judgment or decree from the execution, delivery and performance of this Assignment.

(b) No action has been brought or threatened which would in any way interfere with the right of Landowner to execute this Assignment and perform all of Landowner's obligations herein contained.

(c) Any transfer, conveyance or sale of the Assessment Area Two Project shall subject any and all affiliates or successors-in-interest of Landowner as to the Assessment Area Two Project or any portion thereof, to this Assignment to the extent of the portion of the Assessment Area Two Project so conveyed, except to the extent described in Section 2 above.

4. COVENANTS. Landowner covenants with the District that for so long as this Assignment shall remain in effect pursuant to the terms hereof:

(a) Landowner will use reasonable, good faith efforts to (i) fulfill, perform, and observe each and every material condition and covenant of Landowner relating to the Development Rights, and (ii) give notice to District of any default with respect to any of the Development Rights.

(b) The Development Rights include all of Landowner's rights to modify the Development Rights, to terminate the Development Rights, and to waive or release the performance or observance of any obligation or condition of the Development Rights; provided, however, that this Assignment does not and shall not (i) pertain to lands outside of the District not relating or necessary to development of the Assessment Area Two Project, or (ii) limit Landowner's right, from time to time, to modify, waive or release the Development Rights, subject to Section 4(c) below and Landowner's obligations under the Bond Documents.

(c) Landowner agrees not to take any action that would decrease the development entitlements to a level below the amount necessary to support the then-outstanding Assessment Area Two Special Assessments or would materially impair or impede the ability to achieve Development Completion.

5. EVENTS OF DEFAULT. Any breach of Landowner's warranties contained in Section 3 hereof, any breach of covenants contained in Section 4 hereof which is not cured within sixty (60) days after receipt of written notice thereof, or any breach of Landowner under any other Bond Documents, which default is not cured within any applicable cure period, will constitute an "Event of Default", under this Assignment.

6. REMEDIES UPON DEFAULT. Upon an Event of Default, or the transfer of title to any portion of the Assessment Area Two Project owned by Landowner to the District or its designee pursuant to a judgment of foreclosure entered by a court of competent jurisdiction or a deed in lieu of foreclosure to the District or its designee or the acquisition of title to such property through the sale of tax certificates, the District may, as the District's sole and exclusive remedies under this Assignment, take any or all of the following actions, at the District's option:

(a) Perform or cause to be performed any and all obligations of Landowner relating to the Development Rights and exercise or cause to be exercised any and all rights of Landowner therein as fully as Landowner could;

(b) Initiate, appear in, or defend any action arising out of or affecting the Development Rights; and,

(c) Further assign any and all of the Development Rights to a third-party acquiring title to the Assessment Area Two Project or any portion thereof from the District or at a District foreclosure sale.

7. AUTHORIZATION IN EVENT OF DEFAULT. In the Event of Default, Landowner does hereby authorize and shall direct any party to any agreements relating to the Development Rights to tender performance thereunder to the District upon written notice and request from the District. Any such performance in favor of the District shall constitute a full release and discharge to the extent of such performance as fully as though made directly to Landowner. Notwithstanding the foregoing or anything to the contrary set forth in this Assignment, no exercise by the District or the District's rights under this Assignment shall operate to release Landowner from its obligations under this Assignment.

8. ATTORNEYS' FEES AND COSTS. In the event that any Party is required to enforce this Assignment by court proceedings or otherwise, then the Parties agree that the substantially prevailing party shall be entitled to recover from the other(s) all fees and costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

9. AUTHORIZATION. The execution of this Assignment has been duly authorized by the appropriate body or official of the Parties; the Parties have complied with all the requirements of law; and the Parties have full power and authority to comply with the terms and provisions of this instrument.

10. NOTICES. All notices, requests, consents and other communications under this Assignment ("Notices") shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or overnight delivery service, to the Parties at the addresses first set forth above. Except as otherwise provided in this Assignment, any Notice shall be deemed received only upon actual delivery at the address set forth above. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Assignment would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the District and counsel for the Landowner may deliver Notice on behalf of the District and the Landowner, respectively. Any Party or other person to whom Notices are to be sent or copied may notify the other parties and addressees of any change in name or address to which Notices shall be sent by providing the same on five (5) days written notice to the Parties and addressees set forth in this Assignment.

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

12. THIRD PARTY BENEFICIARIES. The Parties hereto agree that the trustee under the Indenture ("Trustee"), on behalf of the bondholders, shall be a direct third-party beneficiary of the terms and conditions of this Assignment and entitled to enforce Landowner's obligations hereunder at the direction of the bondholders owning more than 50% of the aggregate principal amount of the applicable Assessment Area Two Bonds then outstanding. The Trustee shall not be deemed by virtue of this Assignment to have assumed any obligations or duties.

13. AMENDMENT. This Assignment may be amended by an instrument in writing executed by all of the Parties hereto, but only with the written consent of the Trustee acting at the direction of bondholders owning more than 50% of the aggregate principal amount of the Assessment Area Two Bonds then outstanding with respect to material amendments.

14. MISCELLANEOUS. Unless the context requires otherwise, whenever used herein, the singular number shall include the plural, the singular, and the use of any gender shall include

all genders. The terms “person” and “party” shall include individuals, firms, associations, joint ventures, partnerships, estates, trusts, business trusts, syndicates, fiduciaries, corporations, and all other groups and combinations. Titles of paragraphs contained herein are inserted only as a matter of convenience and for reference and in no way define, limit, extend, or describe the scope of this Assignment or the intent of any provisions hereunder. This Assignment shall be construed under Florida law.

15. APPLICABLE LAW AND VENUE. This Assignment and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida. Each party consents that the exclusive venue for any litigation arising out of or related to this Assignment shall be in a court of appropriate jurisdiction, in and for Polk County, Florida.

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

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

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

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

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

[Signature pages follow]

IN WITNESS WHEREOF, Landowner and the District have caused this Assignment to be executed and delivered on the day and year first written above.

WITNESS:

JMBI REAL ESTATE, LLC,
a Florida limited liability company

[Print Name]

Jack M. Berry III, its Manager

[Print Name]

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization this ____ day of _____, 2022, by Jack M. Berry III, as Manager of JMBI Real Estate, LLC, on behalf of the company.

[notary seal]

(Official Notary Signature)
Name: _____
Personally Known _____
OR Produced Identification _____
Type of Identification _____

WITNESSES:

**FOREST LAKE COMMUNITY
DEVELOPMENT DISTRICT**

[Print Name]

Warren K. (Rennie) Heath II
Chairperson, Board of Supervisors

[Print Name]

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence
or ☐ online notarization this ____ day of _____, 2022, by Warren K. (Rennie) Heath II,
as Chairperson of the Board of Supervisors of Forest Lake Community Development District.

[notary seal]

(Official Notary Signature)
Name: _____
Personally Known _____
OR Produced Identification _____
Type of Identification _____

Exhibit A: Legal Description of Assessment Area Two (Phase 3 Lands)

Exhibit A: Legal Description of Assessment Area Two

LEGAL DESCRIPTION
FOREST LAKE PHASE 3

ALL OF TRACTS C, I, AND J AS DEPICTED ON THE PLAT OF "FOREST LAKE PHASE 1" AS RECORDED IN PLAT BOOK 183, PAGES 17 THROUGH 21 (INCLUSIVE), PUBLIC RECORDS OF POLK COUNTY, FLORIDA.

SUBJECT TO: EASEMENTS OF RECORD

CONTAINING: 35.863 ACRES, MORE OR LESS.

SECTION E

This instrument was prepared by and
upon recording should be returned to:

Roy Van Wyk, Esq.
KE LAW GROUP, PLLC
P.O. Box 6386
Tallahassee, Florida 32314

**DECLARATION OF CONSENT TO JURISDICTION OF
FORREST LAKE COMMUNITY DEVELOPMENT DISTRICT
AND TO IMPOSITION OF SPECIAL ASSESSMENTS**

(ASSESSMENT AREA TWO SPECIAL ASSESSMENTS)

JMBI REAL ESTATE, LLC, a Florida limited liability company (the “Landowner”), is the owner of those lands as more particularly described in **Exhibit A** attached hereto (the “Property” also known as “Assessment Area Two”), located within the boundaries of the Forest Lake Community Development District (the “District”). The Landowner, intending that it and its successors in interest and assigns shall be legally bound by this Declaration, hereby declares, acknowledges and agrees as follows:

1. The District is, and has been at all times, on and after December 3, 2019, a legally created, duly organized, and validly existing community development district under the provisions of Chapter 190, *Florida Statutes*, as amended (the “Act”). Without limiting the generality of the foregoing, the Landowner acknowledges that: (a) the petition filed with the Polk County Board of County Commissioners (“County”), relating to the creation of the District contained all matters required by the Act to be contained therein and was filed in the manner and by the persons required by the Act; (b) Ordinance No. 19-071, enacted by the County and effective on December 3, 2019, was duly and properly adopted by the County in compliance with all applicable requirements of law; (c) the members of the Board of Supervisors of the District (the “Board”) were and are duly and properly designated and/or elected pursuant to the Act to serve in their official capacities and had the authority and right to authorize, approve and undertake all actions of the District approved and undertaken from December 3, 2019, to and including the date of this Declaration.

2. The Landowner, for itself and its heirs, successors and assigns, hereby confirms and agrees, that the debt special assessments (the “Assessment Area Two Special Assessments”) imposed by, but not limited to, Resolutions 2020-25, 2020-26, 2020-29, and 2022-__ (collectively, the “Assessment Resolutions”) have been duly adopted by the Board, and all proceedings undertaken by the District with respect thereto have been in accordance with applicable Florida law, that the District has taken all action necessary to levy and impose the Assessment Area Two Special Assessments, and the Assessment Area Two Special Assessments are legal, valid and binding first liens upon the Property co-equal with the lien of all state,

county, city, district and municipal taxes, superior in dignity to all other liens, titles and claims, until paid.

3. The Landowner, for itself and its heirs, successors and assigns, hereby waives the right granted in Chapter 170.09, *Florida Statutes*, to prepay the Assessment Area Two Special Assessments without interest within thirty (30) days after the improvements are completed, in consideration of the rights granted by the District to prepay the Assessment Area Two Special Assessments in full at any time or in part at any time, but with interest, under the circumstances set forth in the Assessment Resolutions of the District levying the Assessment Area Two Special Assessments.

4. The Landowner hereby expressly acknowledges, represents and agrees that (i) the Assessment Area Two Special Assessments, the Assessment Resolutions, and the terms of the financing documents related to the District's issuance of the Forest Lake Community Development District Special Assessment Bonds, Series 2022 (Assessment Area Two Project), in the principal amount of \$ _____ (the "Assessment Area Two Bonds"), or securing payment thereof and all other documents and certifications relating to the issuance of the Assessment Area Two Bonds (the "Financing Documents"), are valid and binding obligations enforceable in accordance with their terms; (ii) there are no claims or offsets whatsoever against, or defenses or counterclaims whatsoever to, payments of the Assessment Area Two Special Assessments or claims of invalidity, deficiency or unenforceability of the Assessment Area Two Special Assessments and Financing Documents (and the Landowner hereby expressly waives any such claims, offsets, defenses or counterclaims); (iii) the Landowner expressly waives and relinquishes any argument, claim or defense that foreclosure proceedings cannot be commenced until One (1) year after the date of the Landowner's default and agrees that, immediate use of remedies in Chapter 170, *Florida Statutes*, is an appropriate and available remedy, notwithstanding the provisions of Section 190.026, *Florida Statutes*; (iv) to the extent Landowner fails to timely pay any Assessment Area Two Special Assessments collected by mailed notice of the District, such unpaid Assessment Area Two Special Assessments and future Assessment Area Two Special Assessments may be placed on the tax roll by the District for collection by the Tax Collector pursuant to Section 197.3632, *Florida Statutes*, in any subsequent year; and (v) any and all rights to challenge the validity of: any argument, claim or defense resulting from any defect or omission of any and all District notices, meetings, workshops, public hearings and other proceedings in relation to the Assessment Area Two Special Assessments or the Assessment Area Two Bonds that were conducted on or prior to the date hereof whether pursuant to Florida law or any waiver of Florida law granted in said Executive Order, including any extensions thereof.

5. This Declaration shall represent a lien of record for purposes of Chapter 197, *Florida Statutes*, including, without limitation, Section 197.573, *Florida Statutes*. Other information regarding the Assessment Area Two Special Assessments is available from the District Manager (Governmental Management Services – Central Florida, LLC), 219 E. Livingston Street, Orlando, Florida 32801.

THE DECLARATIONS, ACKNOWLEDGEMENTS AND AGREEMENTS CONTAINED HEREIN SHALL BE BINDING ON THE LANDOWNER AND ON ALL PERSONS (INCLUDING CORPORATIONS, ASSOCIATIONS, TRUSTS AND OTHER LEGAL ENTITIES) TAKING TITLE TO ALL OR ANY PART OF THE PROPERTY, AND THEIR SUCCESSORS IN INTEREST, WHETHER OR NOT THE PROPERTY IS PLATTED AT SUCH TIME. BY TAKING SUCH TITLE, SUCH PERSONS SHALL BE DEEMED TO HAVE CONSENTED AND AGREED TO THE PROVISIONS OF THIS DECLARATION TO THE SAME EXTENT AS IF THEY HAD EXECUTED IT AND BY TAKING SUCH TITLE, SUCH PERSONS SHALL BE ESTOPPED FROM CONTESTING, IN COURT OR OTHERWISE, THE VALIDITY, LEGALITY AND ENFORCEABILITY OF THIS DECLARATION.

[Signature page to follow]

IN WITNESS WHEREOF, Landowner and District have caused this Agreement to be executed and delivered on the day and year first written above.

WITNESSES:

JMBI REAL ESTATE, LLC,
a Florida limited liability company

[Print Name]

Jack M. Berry III, Manager

[Print Name]

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization this ____ day of _____, 2022, by Jack M. Berry III, as Manager of JMBI Real Estate, LLC, on behalf of the company

[notary seal]

(Official Notary Signature)
Name: _____
Personally Known _____
OR Produced Identification _____
Type of Identification _____

EXHIBIT A – LEGAL DESCRIPTION OF ASSESSMENT AREA TWO

LEGAL DESCRIPTION
FOREST LAKE PHASE 3

ALL OF TRACTS C, I, AND J AS DEPICTED ON THE PLAT OF "FOREST LAKE PHASE 1" AS RECORDED IN PLAT BOOK 183, PAGES 17 THROUGH 21 (INCLUSIVE), PUBLIC RECORDS OF POLK COUNTY, FLORIDA.

SUBJECT TO: EASEMENTS OF RECORD

CONTAINING: 35.863 ACRES, MORE OR LESS.

SECTION F

This instrument was prepared by and
upon recording should be returned to:

(This space reserved for Clerk)

Roy Van Wyk, Esq.
KE Law Group, PLLC
2016 Delta Boulevard, Suite 101
Tallahassee, Florida 32303

**NOTICE OF LIEN OF SPECIAL ASSESSMENTS FOR
FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
SPECIAL ASSESSMENT BONDS, SERIES 2022
(ASSESSMENT AREA TWO PROJECT)**

PLEASE TAKE NOTICE that the Board of Supervisors of the Forest Lake Community Development District (the “District”), in accordance with Chapters 170, 190, and 197, *Florida Statutes*, adopted Resolution Numbers 2020-25, 2020-26, 2020-29, and 2022-04 (the “Assessment Resolutions”), confirming and certifying the lien of non ad-valorem special assessments on certain real property located within the boundaries of the District that will be specially benefitted by the Assessment Area Two Project, described in such Assessment Resolutions. Said assessments are pledged to secure the Forest Lake Community Development District, Special Assessment Bonds, Series 2022 (Assessment Area Two Project). The legal description of the lands on which said special assessments are imposed is attached to this Notice (“Notice”), as **Exhibit A**. The special assessments are imposed on benefitted property within the District as described in the *Forest Lake Community Development District Master Assessment Methodology*, dated December 17, 2019 (the “Master Methodology”), as supplemented by that *Supplemental Assessment Methodology for Forest Lake Community Development District for Assessment Area Two*, dated May 3, 2022 (the “Supplemental Methodology”, and together with the Master Methodology, the “Assessment Report”), approved by the District. A copy of the Assessment Report and the Assessment Resolutions may be obtained by contacting the Forest Lake Community Development District, c/o Governmental Management Services Central Florida, LLC, 219 East Livingston Street; Orlando, Florida 32801, Ph.: 407-841-5524. The non ad-valorem special assessments provided for in the Assessment Resolutions were legally and validly determined and levied in accordance with all applicable

requirements of Florida law, and these non-ad valorem special assessments constitute and will at all relevant times in the future constitute, legal, valid, and binding first liens on the land against which assessed until paid, coequal with the lien of all state, county, district, and municipal taxes, and superior in dignity to all other liens, titles, and claims.

The District is a special purpose form of local government established pursuant to and governed by Chapter 190, Florida Statutes, as amended. Pursuant to Section 190.048, Florida Statutes, you are hereby notified that: **THE FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT MAY IMPOSE AND LEVY TAXES OR ASSESSMENTS, OR BOTH TAXES AND ASSESSMENTS, ON THIS PROPERTY. THESE TAXES AND ASSESSMENTS PAY THE CONSTRUCTION, OPERATION, AND MAINTENANCE COSTS OF CERTAIN PUBLIC FACILITIES AND SERVICES OF THE DISTRICT AND ARE SET ANNUALLY BY THE GOVERNING BOARD OF THE DISTRICT. THESE TAXES AND ASSESSMENTS ARE IN ADDITION TO COUNTY AND OTHER LOCAL GOVERNMENTAL TAXES AND ASSESSMENTS AND ALL OTHER TAXES AND ASSESSMENTS PROVIDED FOR BY LAW.**

[Signature page follows]

IN WITNESS WHEREOF, this Notice has been executed on the ____ day of ____, 2022, and recorded in the Official Records of Polk County, Florida.

**FOREST LAKE
COMMUNITY DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Warren K (Rennie) Heath II
Chairperson, Board of Supervisors

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization this ____ day of _____, 2022, by Warren K. (Rennie) Heath II as Chairperson of Forest Lake Community Development District.

(Official Notary Signature & Seal)
Name: _____
Personally Known _____
OR Produced Identification _____
Type of Identification _____

EXHIBIT A: Legal Description of Assessment Area Two

EXHIBIT A - LEGAL DESCRIPTION OF ASSESSMENT AREA TWO

FOREST LAKE CDD PHASE 3

ALL OF TRACTS C, I, AND J AS DEPICTED ON THE PLAT OF "FOREST LAKE PHASE 1" AS RECORDED IN PLAT BOOK 183, PAGES 17 THROUGH 21 (INCLUSIVE), PUBLIC RECORDS OF POLK COUNTY, FLORIDA.

SUBJECT TO: EASEMENTS OF RECORD

CONTAINING: 35.863 ACRES, MORE OR LESS.

SECTION VI

RESOLUTION 2022-04

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT SETTING FORTH THE SPECIFIC TERMS OF THE DISTRICT'S SPECIAL ASSESSMENT BONDS, SERIES 2022 (ASSESSMENT AREA TWO PROJECT); CONFIRMING THE DISTRICT'S PROVISION OF IMPROVEMENTS; CONFIRMING THE SUPPLEMENTAL ENGINEER'S REPORT AND SUPPLEMENTAL ASSESSMENT METHODOLOGY REPORT; CONFIRMING, ALLOCATING AND AUTHORIZING THE COLLECTION OF SPECIAL ASSESSMENTS SECURING THE ASSESSMENT AREA TWO BONDS; PROVIDING FOR THE APPLICATION OF TRUE-UP PAYMENTS; PROVIDING FOR THE SUPPLEMENTATION OF THE IMPROVEMENT LIEN BOOK; PROVIDING FOR THE RECORDING OF A NOTICE OF ASSESSEMENT AREA TWO SPECIAL ASSESSMENTS; PROVIDING FOR CONFLICTS, SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the Forest Lake Community Development District ("**District**") has previously indicated its intention to undertake, install, establish, construct or acquire certain public improvements and to finance such public improvements through the imposition of special assessments on benefited property within the District and the issuance of bonds; and

WHEREAS, the District's Board of Supervisors ("**Board**") has previously adopted, after notices and public hearings, Resolution No. 2020-29, relating to the imposition, levy, collection and enforcement of such special assessments; and

WHEREAS, pursuant to and consistent with the terms of Resolution No. 2020-29, this Resolution shall set forth the terms of bonds actually issued by the District, and apply the adopted special assessment methodology to the actual scope of the project to be completed with such series of bonds and the terms of the bond issue; and

WHEREAS, on _____, 2022, the District entered into a Bond Purchase Contract, whereby it agreed to sell \$_____ of its Special Assessment Bonds, Series 2022 (Assessment Area Two Project) (the "**Assessment Area Two Bonds**"); and

WHEREAS, pursuant to and consistent with Resolution No. 2020-29, the District desires to set forth the particular terms of the sale of the Assessment Area Two Bonds and to confirm the liens of the levy of special assessments securing the Assessment Area Two Bonds.

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

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of Florida law, including Chapters 170, 190 and 197, *Florida Statutes*, and Resolution 2020-29.

SECTION 2. FINDINGS. The Board of Supervisors of the Forest Lake Community Development District hereby finds and determines as follows:

(a) On January 29, 2020, the District, after due notice and public hearing, adopted Resolution 2020-29 which, among other things, equalized, approved, confirmed and levied special assessments on property benefiting from the improvements authorized by the District. Each Resolution provides that as each series of bonds is issued to fund all or any portion of the District's improvements, a supplemental resolution will be adopted to set forth the specific terms of each series of the bonds and certifying the amount of the liens of the special assessments securing any portion of the bonds, including interest, costs of issuance, the number of payments due, any True-Up amounts and the application of receipt of any True-Up proceeds.

(b) The *Forest Lake Community Development District Engineer's Report for Capital Improvements*, dated December 17, 2019, as supplemented by the *Forest Lake Community Development District First Supplemental Engineer's Report for Capital Improvements*, dated February 10, 2022 (the "**Engineer's Report**"), attached to this Resolution as **Composite Exhibit A**, identifies and describes the presently expected components of the infrastructure improvements for Phase 3 ("**Assessment Area Two Project**"), to be financed all or in part with the Assessment Area Two Bonds (the "**Improvements**"), and indicates the estimated costs of the Assessment Area Two Project as \$6,171,000. The District hereby confirms that the Assessment Area Two Project serves a proper, essential and valid public purpose. The Engineer's Report is hereby approved, adopted, and confirmed. The District ratifies its use in connection with the sale of the Assessment Area Two Bonds.

(c) The *Forest Lake Community Development District Master Assessment Methodology*, dated December 17, 2019 (the "**Master Methodology**"), as supplemented by that *Supplemental Assessment Methodology for Forest Lake Community Development District for Assessment Area Two*, dated May 3, 2022 ("**Supplemental Methodology**"), and together with the Master Methodology, the "**Assessment Report**", attached to this Resolution as **Composite Exhibit B**, applies the Assessment Report to the Improvements and the actual terms of the Assessment Area Two Bonds. The Assessment Report is hereby approved, adopted and confirmed. The District ratifies its use in connection with the sale of the Assessment Area Two Bonds.

(d) The Assessment Area Two Project will specially benefit certain property within the District known as Phase 3 ("**Assessment Area Two Assessment Area**"), the legal description of the assessable property therein is attached hereto as **Exhibit C**. It is reasonable, proper, just and right to assess the portion of the costs of the Assessment Area Two Project financed with the Assessment Area Two Bonds, the specially benefited properties within the District as set forth in Resolution 2020-29, and this Resolution.

SECTION 3. SETTING FORTH THE TERMS OF THE ASSESSMENT AREA TWO BONDS; CONFIRMATION OF MAXIMUM ASSESSMENT LIEN FOR

ASSESSMENT AREA TWO BONDS. As provided in Resolution 2020-29, this Resolution is intended to set forth the terms of the Assessment Area Two Bonds and the final amount of the liens of the special assessments securing those bonds.

(a) The Assessment Area Two Bonds, in a par amount of \$_____, shall bear such rates of interest and maturity as shown on **Exhibit D**, attached hereto. The final payment on the Assessment Area Two Bonds shall be due on _____. The estimated sources and uses of funds of the Assessment Area Two Bonds shall be as set forth in **Exhibit E**. The debt service due on the Assessment Area Two Bonds is set forth on **Exhibit F** attached hereto.

(b) The lien of the special assessments securing the Assessment Area Two Bonds on Assessment Area Two Assessment Area (the “**Assessment Area Two Special Assessments**”), shall be the principal amount due on the Assessment Area Two Bonds, together with accrued but unpaid interest thereon, and together with the amount by which annual assessments are grossed up to include early payment discounts required by law and costs of collection. The Assessment Area Two Bonds are secured solely by the Assessment Area Two Assessment Area Pledged Revenues (as defined in the Indenture (hereinafter defined)), which is comprised in part by the lien against Assessment Area Two Assessment Area.

SECTION 4. ALLOCATION OF ASSESSMENTS SECURING THE ASSESSMENT AREA TWO BONDS; ADDRESSING COLLECTION OF THE SAME.

(a) The special assessments for the Assessment Area Two Bonds shall be allocated in accordance with Composite Exhibit B, which allocation shall initially be on an acreage basis and further allocated as lands are platted. The Supplemental Methodology is consistent with the District’s Master Methodology. The Supplemental Methodology, considered herein, reflects the actual terms of the issuance of the District’s Assessment Area Two Bonds. The estimated costs of collection of the special assessments for the Assessment Area Two Bonds are as set forth in the Supplemental Methodology.

(b) The lien of the special assessments securing the Assessment Area Two Bonds includes all property within Assessment Area Two Assessment Area, and as such land is ultimately defined and set forth in any plats, certificates of occupancy or other designations of developable acreage.

(c) Taking into account capitalized interest and earnings on certain funds and accounts as set forth in the Assessment Report, the District shall, for Fiscal Year 2022/2023, begin annual collection of special assessments for the Assessment Area Two Bonds debt service payments due starting _____, using the methods available to it by law. Debt service payments, including semi-annual installments of interest, are reflected on **Exhibit F** for Assessment Area Two Assessment Area. The Assessment Area Two Bonds include an amount for capitalized interest through _____.

(d) The Assessment Area Two Special Assessments may be paid in not more than thirty (30) substantially equal consecutive annual installments of principal and interest. Assessment Area Two Special Assessments may be paid in full without interest at any time within thirty (30) days after the completion of the Improvements and the adoption by the Board

of a resolution accepting the Improvements; provided, however, that the Board shall at any time make such adjustments by resolution, at a noticed meeting of the Board, to that payment schedule as may be necessary and in the best interests of the District to account for changes in long and short term debt as actually issued by the District. All impact fee credits received shall be applied against the outstanding indebtedness of any debt issuance that funded the improvement giving rise to the credits which application may be addressed by such resolutions. At any time subsequent to thirty (30) days after the Improvements have been completed and a resolution accepting the Improvements has been adopted by the Board, the Assessment Area Two Special Assessments may be prepaid in full including interest amounts to the next succeeding interest payment date or to the second succeeding interest payment date if such a prepayment is made within forty-five (45) calendar days before an interest payment date (or such other time as set forth in the supplemental indenture for the applicable series of bonds secured by the debt assessment in question). The owner of property subject to Assessment Area Two Special Assessments may prepay the entire remaining balance of the Assessment Area Two Special Assessments at any time, or a portion of the remaining balance of the Assessment Area Two Special Assessments one time if there is also paid, in addition to the prepaid principal balance of the Assessment Area Two Special Assessments, an amount equal to the interest that would otherwise be due on such prepaid amount on the next succeeding interest payment date, or, if prepaid during the forty-five day period preceding such interest payment date, to the interest payment date following such next succeeding interest payment date (or such other time as set forth in the supplemental indenture for the applicable series of bonds secured by the debt assessment in question). Prepayment of Assessment Area Two Special Assessments does not entitle the property owner to any discounts for early payment.

(e) The District hereby certifies the Assessment Area Two Special Assessments for collection and directs staff to take all actions necessary to meet the time and other deadlines imposed by Polk County and Florida law for collection. The District intends, to the extent possible and subject to entering into the appropriate agreements with the Polk County Tax Collector and Polk County Property Appraiser (or other appropriate Polk County, Florida officials) to collect the Assessment Area Two Special Assessments on platted lands contained within a plat or certificate of occupancy using the Uniform Method in Chapter 197, *Florida Statutes*. The District intends, to the extent possible, to directly bill, collect and enforce the Assessment Area Two Special Assessments on lands not included within an approved plat or certificate of occupancy unless in any year, the District determines it to be in its best interest to collect such assessments using the Uniform Method in Chapter 197, *Florida Statutes*. The District Manager shall prepare or cause to be prepared each year an assessment roll for purposes of effecting the collection of the Assessment Area Two Special Assessments and present same to the District Board as required by law. The District Manager is further directed and authorized to take all actions necessary to collect special assessments on property using methods available to the District authorized by Florida law in order to provide for the timely payment of debt service.

SECTION 5. APPROVAL OF TRUE-UP PROCESS AND APPLICATION OF TRUE-UP PAYMENTS.

(a) Pursuant to Resolution 2020-29, there may be required from time to time certain True-Up payments. As parcels of land are included in a plat or certificate of occupancy, the special assessments securing the Assessment Area Two Bonds shall be allocated as set forth in

Resolution 2020-29, this Resolution and the Assessment Report, including, without limitation, the application of the True-Up process set forth in the Assessment Report.

(b) Based on the final par amount of \$_____ in Assessment Area Two Bonds, the True-Up calculations will be made in accordance with the process set forth in the Assessment Report. The District shall apply all True-Up payments related to the Assessment Area Two Bonds only to the credit of the Assessment Area Two Bonds. All True-Up payments, as well as all other prepayments of assessments, shall be deposited into the accounts specified in the Supplemental Indenture.

SECTION 6. IMPROVEMENT LIEN BOOK. Immediately following the adoption of this Resolution, these special assessments as reflected herein shall be recorded by the Secretary of the Board of the District in the District's Improvement Lien Book. The special assessment or assessments against each respective parcel shall be and shall remain a legal, valid and binding first lien on such parcel until paid and such lien shall be coequal with the lien of all state, county, district, municipal or other governmental taxes and superior in dignity to all other liens, titles, and claims.

SECTION 7. OTHER PROVISIONS REMAIN IN EFFECT. This Resolution is intended to supplement Resolution 2020-29, both of which remain in full force and effect. This Resolution and Resolution 2020-29 shall be construed to the maximum extent possible to give full force and effect to the provisions of each resolution. All District resolutions or parts thereof in actual conflict with this Resolution are, to the extent of such conflict, superseded and repealed.

SECTION 8. ASSESSMENT NOTICE. The District's Secretary is hereby directed to record a Notice of Assessment Area Two Special Assessments securing the Assessment Area Two Bonds, in the Official Records of Polk County, Florida, or such other instrument evidencing the actions taken by the District.

SECTION 9. SEVERABILITY. If any section or part of a section of this Resolution be declared invalid or unconstitutional, the validity, force and effect of any other section or part of a section of this resolution shall not thereby be affected or impaired unless it clearly appears that such other section or part of a section of this resolution is wholly or necessarily dependent upon the section or part of a section so held to be invalid or unconstitutional.

SECTION 10. EFFECTIVE DATE. This Resolution shall become effective upon its adoption.

[Remainder of page intentionally left blank]

APPROVED AND ADOPTED this _____ day of _____, 2022.

ATTEST:

**FOREST LAKE COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chairperson, Board of Supervisors

Comp. Exhibit A: *Forest Lake Community Development District Engineer's Report for Capital Improvements*, dated December 17, 2019, as supplemented by the *Forest Lake Community Development District First Supplemental Engineer's Report for Capital Improvements*, dated February 10, 2022

Comp. Exhibit B: *Forest Lake Community Development District Master Assessment Methodology*, dated December 17, 2019; and *Supplemental Assessment Methodology for Forest Lake Community Development District for Assessment Area Two*, dated May 3, 2022

Exhibit C: Legal Description of Assessment Area Two Assessment Area

Exhibit D: Maturities and Coupons of Assessment Area Two Bonds

Exhibit E: Sources and Uses of Funds for Assessment Area Two Bonds

Exhibit F: Debt Service for Assessment Area Two Bonds

Composite Exhibit A:

**FOREST LAKE
COMMUNITY DEVELOPMENT DISTRICT**

**ENGINEER'S REPORT
FOR CAPITAL IMPROVEMENTS**

Prepared for:

**BOARD OF SUPERVISORS
FOREST LAKE
COMMUNITY DEVELOPMENT DISTRICT**

Prepared by:

**WOOD & ASSOCIATES ENGINEERING, LLC
1925 BARTOW ROAD
LAKELAND, FL 33801
PH: 863-940-2040**

December 17, 2019

LIST OF EXHIBITS

EXHIBIT 1- Location Map

EXHIBIT 2- Legal Description

EXHIBIT 3- District Boundary Map

EXHIBIT 4- Zoning Map

EXHIBIT 5- Land Use Map

EXHIBIT 6- Utility Location Map & Drainage Flow Pattern Map

EXHIBIT 7- Summary of Opinion of Probable Costs

EXHIBIT 8- Summary of Proposed District Facilities

EXHIBIT 9- Overall Site Plan

**ENGINEER'S REPORT
FOREST LAKE
COMMUNITY DEVELOPMENT DISTRICT**

I. INTRODUCTION

The Forest Lake Community Development District (the "District") is north of Forest Lake Drive, east of Holly Hill Road, and south of Florida Development Road in Polk County (the "County"). The District currently contains approximately 117.53 acres and is expected to consist of 574 single family lots, recreation / amenity areas, parks, and associated infrastructure.

The CDD was established under County Ordinance No. 19-071 which was approved by the Polk County Board of County Commission on December, 3, 2019. The District will own and operate the public roadways and stormwater management facilities, as well as the landscape, irrigation, signage, and recreational facilities within the development.

Public improvements and facilities financed, acquired, and/or constructed by the District will be designed and constructed to conform to regulatory criteria from the City, the County, Southwest Florida Water Management District (SWFWMD), and other applicable agencies with regulatory jurisdiction over the development. An overall estimate of probable cost of the public improvements is provided in Exhibit 7 of this report.

This "Capital Improvement Plan" or "Report" reflects the present intentions of the District and the landowners. It should be noted that the location of proposed facilities and improvements may be adjusted during the final design, permitting, and implementation phases. It should also be noted that these modifications are not expected to diminish the benefits received by the property within the District. The District reserves the right to make reasonable adjustments to the development plan to meet applicable regulatory requirements of agencies with jurisdiction over the development, while maintaining comparable level of benefits to the lands served by the improvements. Changes and modifications are expected as changes in regulatory criteria are implemented.

Implementation of any proposed facilities or improvements outlined in this Report requires written approval from the District's Board of Supervisors. Estimated costs outlined in this report are based on best available information, which includes but is not limited to previous experience with similar projects. Actual costs could be different than estimates because final engineering and specific field conditions may affect construction costs.

All roadway improvements including sidewalks in the right-of-way and storm drainage collection systems (from the curb inlets to their connection to the Stormwater ponds) within the development will be maintained by the District. Water distribution and wastewater collection systems (gravity lines, force mains, and lift stations) will, upon completion, be dedicated to the City for ownership and maintenance.

II. PURPOSE AND SCOPE

The purpose of this Report is to provide engineering support to fund improvements in the District. This Report will identify the proposed public infrastructure to be constructed or acquired by the District along with an opinion of probable cost.

Contained within this Report is a brief description of the public infrastructure to be constructed or acquired by the District. The District will finance, construct, acquire, operate, and maintain all or specific portions of the proposed public infrastructure. An assessment methodology consultant has been retained by the District, who will develop the assessment and financing methodology to be applied using this Report.

The predominant portion of this Report provides descriptions of the proposed public infrastructure improvements, determination of estimated probable construction costs, and the corresponding benefits associated with the implementation of the described improvements. Detailed site construction plans and specifications have not yet been completed and permitted for the improvements described herein. The engineer has considered, and in specific instances has relied upon, the information and documentation prepared or supplied by others, and information that may have been provided by public entities, public employees, the landowner, site construction contractors, other engineering professionals, land surveyors, the District Board of Supervisors, and its staff and consultants.

III. THE DEVELOPMENT

The development will consist of 574 single family homes and associated infrastructure ("Development"). The Development is a planned residential community located north of Forest Lake Drive, east of Holly Hill Road, south of Florida Development Road within the County. The Development has a land use of RL-4X (Residential Low) and a zoning of RL-4X. The development will be constructed in three (3) phases.

IV. THE CAPITAL IMPROVEMENTS

The Capital Improvement Plan, (the "CIP"), consists of public infrastructure in Phases 1, 2, and 3. The primary portions of the CIP will entail stormwater pond construction, roadways built to an "urban" typical section, water and sewer facilities and off-site improvements (including turn lanes and extension of water and sewer mains to serve the development).

There will also be stormwater structures and conveyance culverts within the CIP which will outfall into the on-site retention ponds. These structures and pond areas comprise the overall stormwater facilities of the CIP. Installation of the water distribution and wastewater collection system will also occur at this time. Below ground installation of telecommunications and cable TV will occur, but will not be funded by the District. The CDD will enter into a lighting agreement with Duke Energy for the street light poles and lighting service. Only undergrounding of wire in public right-of-way on District Land is included.

As a part of the recreational component of the CIP, a public park/amenity center will be within the development. The public park/amenity center will have connectivity via sidewalks to the other portions of the District. The public park/amenity center will be accessed by the public roadways and sidewalks.

V. CAPITAL IMPROVEMENT PLAN COMPONENTS

The Capital Improvement Plan includes the following:

Stormwater Management Facilities

Stormwater management facilities consisting of storm conveyance systems and retention ponds are contained within the District boundaries. Stormwater runs off via roadway curb and gutter to storm inlets. Storm culverts convey the runoff into the proposed retention ponds for water quality treatment and attenuation. The proposed stormwater systems will utilize dry retention and wet retention for biological pollutant assimilation to achieve water quality treatment. The design criteria for the District's stormwater management systems is regulated by the City, the County, and the SWFWMD. There are no known surface waters.

Federal Emergency Management Agency Flood Insurance Rate Map (FEMA FIRM) Panel No. 12105C-0220G (dated 12/22/2016) demonstrates that the property is located within Flood Zone X. Based on this information and the site topography, it does not appear that floodplain compensation will be required.

During the construction of stormwater management facilities, utilities and roadway improvements, the contractor will be required to adhere to a *Stormwater Pollution Prevention Plan* (SWPPP) as required by Florida Department of Environmental Protection (FDEP) as delegated by the Environmental Protection Agency (EPA). The SWPPP will be prepared to depict for the contractor the proposed locations of required erosion control measures and staked turbidity barriers specifically along the down gradient side of any proposed construction activity. The site contractor will be required to provide the necessary reporting on various forms associated with erosion control, its maintenance and any rainfall events that occur during construction activity.

Public Roadways

The proposed public roadway sections are to be 50' R/W with 24' of asphalt and Miami curb or Type F curb and gutter on both sides. The proposed roadway section will consist of stabilized subgrade, lime rock, crushed concrete or cement treated base and asphalt wearing surface. The proposed curb is to be 2' wide and placed along the edge of the proposed roadway section for purposes of protecting the integrity of the pavement and also to provide stormwater runoff conveyance to the proposed stormwater inlets.

The proposed roadways will also require signing and pavement markings within the public rights-of-way, as well as street signs depicting street name identifications, and addressing, which will be utilized by the residents and public. As stated above, the District's funding of roadway construction will occur for all public roadways.

Water and Wastewater Facilities

A potable water system inclusive of water main, gate valves, fire hydrants and appurtenances will be installed for the Development. The water service provider will be the City of Haines City Public Utilities. The water system will be a "looped" system. These facilities will be installed within the proposed public rights-of-way within the District. This water will provide the potable (domestic) and fire protection services which will serve the entire District.

A domestic wastewater collection system inclusive of gravity sanitary sewer mains and sewer laterals will be installed. The sewer service provider will be City of Haines City Public Utilities. The gravity sanitary sewer mains will be 8" diameter PVC. The gravity sanitary sewer lines will be placed inside of the proposed public rights-of-way, under the proposed paved roadways. Branching off from these sewer lines will be laterals to serve the individual lots. Lift stations are anticipated for this CIP. Flow from the lift station shall be connected to a proposed force main along Forest Lake Drive.

Reclaimed water is not available for this site. An irrigation well to be funded by the District will be installed onsite to provide irrigation within the public right of way or irrigation water service shall be provided as part of the domestic water system design. Any water, sewer, or reclaim water pipes or facilities placed on private property will not be publicly funded.

Off-Site Improvements

The District will provide funding for the anticipated turn lanes at the development entrance. The site construction activities associated with the CIP are anticipated for completion by phases based on the following estimated schedule: Phase 1 in 2020; Phase 2 in 2021; Phase 3 2022. Upon completion of each phase of these improvements, inspection/certifications will be obtained from the SWFWMD; the Polk County Health Department (water distribution system), Florida Department of Environmental Protection (FDEP) (wastewater collection) and the City/County.

Public Amenities and Parks

The District will provide funding for a public Amenity Center to include the following: pavilion with tot lot, dog park/all-purpose play field, and walking trails between the phases to provide connectivity to the public Amenity Center, and passive parks through out the development which will include benches and walking trails.

Electric and Lighting

The electric distribution system thru the District is currently planned to be underground. The District presently intends to fund the difference between overhead and underground service to the CDD. Electric facilities funded by the District will be owned and maintained by the District, with Duke Energy providing underground electrical service to the Development. The CDD will enter into a lighting agreement with Duke Energy for the street light poles and lighting service. Only undergrounding of wire in public right-of-way on District land is included.

Entry Feature, Landscaping, and Irrigation

Landscaping, irrigation, entry features and walls at the entrances and along the outside boundary of the Development will be provided by the District. The irrigation system will use an irrigation well. The well and irrigation watermain to the various phases of the development will be constructed or acquired by the CDD with District funds and operated and maintained by the CDD. Landscaping for the roadways will consist of sod, annual flowers, shrubs, ground cover and trees for the internal roadways within the CDD. Perimeter fencing will be provided at the site entrances and perimeters. These items will be funded, owned and maintained by the CDD.

Miscellaneous

The stormwater improvements, landscaping and irrigation, recreational improvements, street lighting, and certain permits and professional fees as described in this report, are being financed by the District with the intention for benefiting all of the developable real property within the District. The construction and maintenance of the proposed public improvements will benefit the development for the intended use as a single-family planned development.

VI. PERMITTING

Construction permits for all phases are required and include the SWFWMD Environmental Resource Permit (ERP), Polk County Health Department, Florida Department of Environmental Protection (FDEP), Army Corps of Engineer Permit (ACOE), and City construction plan approval.

Following is a summary of required permits obtained and pending for the construction of the public infrastructure improvements for the District:

PHASE 1 (203 Lots)

Permits / Approvals	Approval / Expected Date
Zoning Approval	Approved
Preliminary Plat	N/A
SWFWMD ERP	March 2020
Construction Permits	March 2020
Polk County Health Department Water	March 2020
FDEP Sewer	March 2020
FDEP NOI	March 2020
ACOE	N/A

PHASE 2 (185 Lots)

Permits / Approvals	Approval / Expected Date
Zoning Approval	Approved
Preliminary Plat	N/A
SWFWMD ERP	March 2020
Construction Permits	March 2020
Polk County Health Department Water	March 2020
FDEP Sewer	March 2020
FDEP NOI	March 2020
ACOE	N/A

PHASE 3 (183 Lots)

Permits / Approvals	Approval / Expected Date
Zoning Approval	Approved
Preliminary Plat	N/A
SWFWMD ERP	March 2020
Construction Permits	March 2020
Polk County Health Department Water	March 2020
FDEP Sewer	March 2020
FDEP NOI	March 2020
ACOE	N/A

VII. RECOMMENDATION

As previously described within this report, the public infrastructure as described is necessary for the development and functional operation as required by the County. The site planning, engineering design and construction plans for the infrastructure are in accordance with the applicable requirements of the County, City of Haines City, and the SWFWMD. It should be noted that the infrastructure will provide its intended use and function so long as the construction and installation is in substantial conformance with the design construction plans and regulatory permits.

Items utilized in the *Opinion of Probable Costs* for this report are based upon proposed plan infrastructure as shown on construction drawings incorporating specifications in the most current SWFWMD and the City regulations.

VIII. REPORT MODIFICATION

During development and implementation of the public infrastructure improvements as described for the District, it may be necessary to make modifications and/or deviations for the plans. However, if such deviations and/or revisions do not change the overall primary objective of the plan for such improvements, then the costs differences would not materially affect the proposed cost estimates.

IX. CONCLUSION

It is our professional opinion that the public infrastructure costs for the CIP provided in this Report are reasonable to complete the construction of the public infrastructure improvements. Furthermore, the public infrastructure improvements will benefit and add value to lands within the District at least equal to the costs of such improvements.

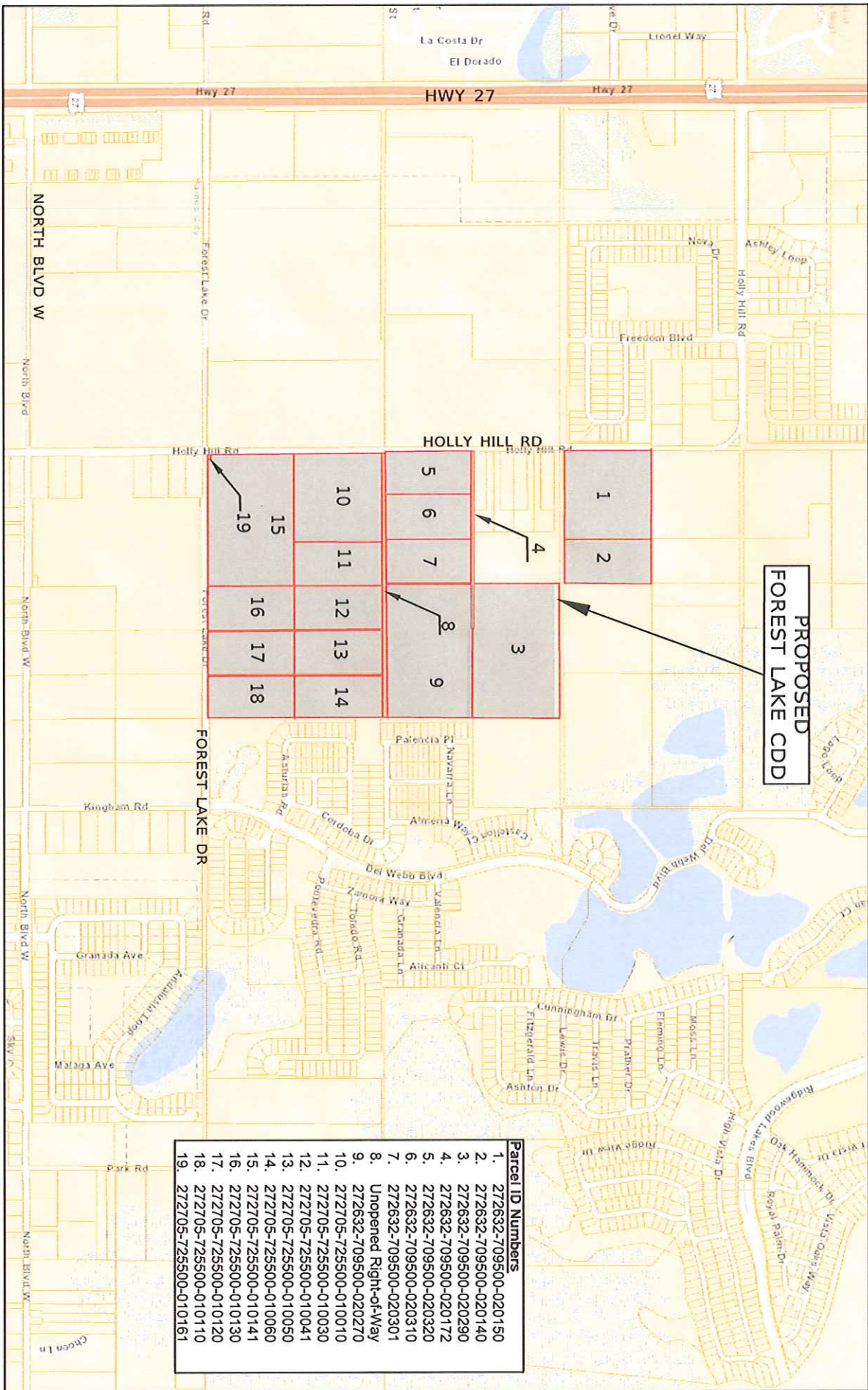
The *Opinion of Probable Costs* of the public infrastructure improvements is only an estimate and is not a guaranteed maximum price. The estimated costs are based upon unit prices currently experienced on an ongoing and similar basis for work in the County. However, labor market, future costs of equipment, materials, changes to the regulatory permitting agencies activities, and the actual construction processes employed by the chosen site contractor are beyond the engineer's control. Due to this inherent opportunity for changes (upward or downward) in the construction costs, the total, final construction cost may be more or less than this estimate.

Based upon the presumption that the CIP construction continues in a timely manner, it is our professional opinion that the proposed public infrastructure improvements when constructed and built in substantial conformance with the approved plans and specifications, can be completed and used for their intended function. Be advised that we have utilized historical costs and direct unit costs from site contractors and consultants in the County, which we believe to be necessary in order to facilitate accuracy associated with the *Opinion of Probable Costs*. Based upon the information above, it is our professional opinion that the acquisition and construction costs of the proposed CIP can be completed at the cost as stated.



1925 BARTOW ROAD • LAKELAND, FL 33801
 OFFICE: (863) 940-2040 • FAX: (863) 940-2044 • CELL: (863) 562-0018
 EMAIL: INFO@WOODCIVIL.COM

EXHIBIT 1 FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT LOCATION MAP



LEGAL DESCRIPTION

HOLLY HILL PARCEL (MAP # 10-18)

ALL THAT PART OF TRACTS 1 THRU 6, AND TRACTS 11 THRU 16 IN THE NORTHEAST 1/4 OF SECTION 5, TOWNSHIP 27 SOUTH, RANGE 27 EAST, OF HOLLY HILL GROVE & FRUIT COMPANY ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 22, PAGE 10 OF THE PUBLIC RECORDS OF POLK COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE NORTHWEST CORNER OF THE AFORESAID TRACT 1, HOLLY HILL GROVE & FRUIT COMPANY; THENCE NORTH 89°44'09" EAST, ALONG THE NORTH BOUNDARY OF THE AFOREMENTIONED TRACTS 1, 2, 3, 4, 5, AND 6, THE SAME ALSO BEING THE SOUTH BOUNDARY OF THAT PLATTED, UN-OPENED RIGHT-OF-WAY LYING NORTH OF SAID TRACTS, A DISTANCE OF 1948.98 FEET TO THE NORTHEAST CORNER OF SAID TRACT 6; THENCE SOUTH 00°21'34" EAST, ALONG THE EAST BOUNDARY OF SAID TRACT 6 AND THE AFOREMENTIONED TRACT 11, THE SAME ALSO BEING THE WEST BOUNDARY OF DEL WEBB ORLANDO PHASE 1, AS RECORDED IN PLAT BOOK 154, PAGE 1 AND THE WEST BOUNDARY OF DEL WEBB ORLANDO PHASE 4 AS RECORDED IN PLAT BOOK 161, PAGE 20 AND THE WEST BOUNDARY OF DEL WEBB ORLANDO PHASE 3 AS RECORDED IN PLAT BOOK 159, PAGE 13, ALL BEING RECORDED IN THE PUBLIC RECORDS OF POLK COUNTY, FLORIDA, A DISTANCE OF 1279.51 FEET TO THE NORTH RIGHT-OF-WAY LINE OF FOREST LAKE DRIVE AS RECORDED IN OFFICIAL RECORDS BOOK 8650, PAGE 1214, PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE SOUTH 89°57'45" WEST, ALONG SAID NORTH RIGHT-OF-WAY LINE AND THE NORTH RIGHT-OF-WAY LINE AS RECORDED IN OFFICIAL RECORDS BOOK 8650, PAGE 1215, PUBLIC RECORDS OF POLK COUNTY, FLORIDA, A DISTANCE OF 653.31 FEET TO THE WEST BOUNDARY OF THE AFOREMENTIONED TRACT 12; THENCE SOUTH 00°24'17" EAST, ALONG SAID WEST BOUNDARY, A DISTANCE OF 5.75 FEET TO THE NORTHERLY MAINTAINED RIGHT-OF-WAY LINE OF THE AFORESAID FOREST LAKE DRIVE AS RECORDED IN MAP BOOK 17, PAGES 100-108 OF THE PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE WESTERLY ALONG SAID MAINTAINED THE FOLLOWING THREE (3) COURSES: 1.) NORTH 89°56'11" WEST, A DISTANCE OF 486.54 FEET; THENCE 2.) NORTH 89°54'02" WEST, A DISTANCE OF 428.09 FEET; THENCE 3.) NORTH 89°50'34" WEST, A DISTANCE OF 352.87 FEET TO THE EAST LINE OF THE WEST 25 FEET OF THE AFOREMENTIONED TRACT 16; THENCE NORTH 00°30'15" WEST, ALONG SAID LINE, A DISTANCE OF 17.67 FEET TO THE NORTH LINE OF THE SOUTH 25 FEET OF SAID TRACT 16; THENCE SOUTH 89°57'45" WEST, ALONG SAID NORTH LINE, A DISTANCE OF 25.00 FEET TO THE WEST BOUNDARY OF SAID TRACT 16 AND THE EASTERLY PLATTED RIGHT-OF-WAY OF HOLLY HILL ROAD; THENCE NORTH 00°30'15" WEST, ALONG SAID WEST BOUNDARY AND SAID EAST RIGHT-OF-WAY, A DISTANCE OF 1256.82 FEET TO THE POINT OF BEGINNING.

SAID LANDS CONTAIN 57.15 ACRES, MORE OR LESS.

AND

RIGHT-OF-WAY PARCEL (MAP #8)

ALL THAT PART OF THAT CERTAIN 30 FOOT WIDE PLATTED, UNOPENED RIGHT-OF-WAY LYING NORTH OF AND CONTIGUOUS WITH THE NORTH BOUNDARY OF TRACTS 1 THRU 6, HOLLY HILL GROVE & FRUIT COMPANY IN THE NORTHEAST 1/4 OF SECTION 5, TOWNSHIP 27 SOUTH, RANGE 27 EAST, AS RECORDED IN PLAT BOOK 22, PAGE 10 AND SOUTH OF AND CONTIGUOUS WITH THE SOUTH BOUNDARY OF TRACTS 27 THRU 32, IN THE SOUTHEAST 1/4 OF SECTION 32, TOWNSHIP 26 SOUTH, RANGE 27 EAST, FLORIDA DEVELOPMENT CO. TRACT AS RECORDED IN PLAT BOOK 3, PAGES 60-63, BOTH RECORDED IN THE PUBLIC RECORDS OF POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE NORTHWEST CORNER OF THE AFORESAID TRACT 1, HOLLY HILL GROVE & FRUIT COMPANY; THENCE NORTH 00°30'15" WEST, ALONG THE NORTHERLY EXTENSION OF THE WEST BOUNDARY OF SAID TRACT 1, A DISTANCE OF 30.00 FEET TO THE NORTH BOUNDARY OF SAID RIGHT-OF-WAY, AND THE SOUTH BOUNDARY OF THE AFORESAID TRACT 32, FLORIDA DEVELOPMENT CO. TRACT; THENCE NORTH 89°44'09" EAST, ALONG SAID NORTH RIGHT-OF-WAY LINE, AND THE SOUTHERN BOUNDARY OF THE AFOREMENTIONED TRACTS 27 THRU 32, FLORIDA DEVELOPMENT CO. TRACT, A DISTANCE OF 1955.66 FEET TO THE SOUTHEAST CORNER OF THE AFOREMENTIONED TRACT 27, THE SAME ALSO BEING THE WEST BOUNDARY OF DEL WEBB ORLANDO PHASE 1 AS RECORDED IN PLAT BOOK 154, PAGE 17 OF THE PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE SOUTHERLY ALONG THE WEST BOUNDARY OF SAID DEL WEBB ORLANDO PHASE 1 THE FOLLOWING THREE (3) COURSES: 1.) SOUTH 00°01'54" EAST, A DISTANCE OF 15.00 FEET; THENCE 2.) SOUTH 89°44'09" WEST, A DISTANCE OF 6.52 FEET; THENCE 3.) SOUTH 00°21'34" EAST, A DISTANCE OF 15.00 FEET TO THE SOUTH LINE OF SAID PLATTED RIGHT-OF-WAY AND THE NORTHEAST CORNER OF THE AFOREMENTIONED TRACT 6, HOLLY HILL GROVE & FRUIT COMPANY; THENCE SOUTH 89°44'09" WEST, ALONG SAID SOUTH RIGHT-OF-WAY, AND THE NORTH BOUNDARY OF THE AFOREMENTIONED TRACTS 1 THRU 6, HOLLY HILL GROVE AND FRUIT COMPANY, A DISTANCE OF 1948.98 FEET TO THE POINT OF BEGINNING.

SAID LANDS CONTAIN 1.34 ACRES, MORE OR LESS.

SEE PAGE 2 FOR CONTINUATION



1925 BARTOW ROAD • LAKELAND, FL 33801
OFFICE: (863) 940-2040 • FAX: (863) 940-2044 • CELL: (863) 662-0018
EMAIL: INFO@WOODCIVIL.COM

EXHIBIT 2 FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT LEGAL DESCRIPTION

AND

FLORIDA DEVELOPMENT COMPANY PARCEL ONE (MAP # 3, 4, 5, 6, 7, AND 9)

ALL THAT PART OF TRACTS 17 THRU 22 AND TRACTS 27 THRU 32 IN THE SOUTHEAST 1/4 OF SECTION 32, TOWNSHIP 26 SOUTH RANGE 27 EAST, FLORIDA DEVELOPMENT CO. TRACT AS RECORDED IN PLAT BOOK 3, PAGES 60-63, PUBLIC RECORDS OF POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHWEST CORNER OF THE AFOREMENTIONED TRACT 32; THENCE NORTH 00°15' 54" WEST, ALONG THE WEST BOUNDARY THEREOF, THE SAME ALSO BEING THE EAST RIGHT-OF-WAY LINE OF HOLLY HILL ROAD, A DISTANCE OF 659.15 FEET TO THE NORTH LINE OF THE SOUTH 10 FEET OF THE AFOREMENTIONED TRACT 17; THENCE NORTH 89°45'26" EAST, ALONG SAID NORTH LINE AND THE NORTH LINE OF THE SOUTH 10 FEET OF TRACTS 18 AND 19, A DISTANCE OF 979.14 FEET TO THE WEST BOUNDARY OF THE AFOREMENTIONED TRACT 20; THENCE NORTH 00°08'54" WEST, ALONG THE WEST BOUNDARY OF SAID TRACT 20, A DISTANCE OF 638.79 FEET TO THE NORTHWEST CORNER OF SAID TRACT; THENCE NORTH 89°46'42" EAST, ALONG THE NORTH BOUNDARY OF TRACTS 20 THRU 22, A DISTANCE OF 995.44 FEET TO THE NORTHEAST CORNER OF SAID TRACT 22; THENCE SOUTH 00°01'54" EAST, ALONG THE EAST BOUNDARY OF SAID TRACT 22 AND THE EAST BOUNDARY OF THE AFOREMENTIONED TRACT 27, THE SAME ALSO BEING THE WEST BOUNDARY OF DEL WEBB ORLANDO PHASE ONE AS RECORDED IN PLAT BOOK 154, PAGE 17, PUBLIC RECORDS OF POLK COUNTY, FLORIDA, A DISTANCE 1296.85 FEET TO THE SOUTHEAST CORNER OF SAID TRACT 27; THENCE SOUTH 89°44'09" WEST, ALONG THE SOUTH BOUNDARY OF THE AFOREMENTIONED TRACTS 27 THRU 32, AND THE NORTH RIGHT-OF-WAY LINE OF THAT PLATTED, UN-OPENED RIGHT-OF-WAY LYING SOUTH OF SAID TRACTS, A DISTANCE OF 1970.60 FEET TO THE POINT OF BEGINNING.

SAID LANDS CONTAIN 44.41 ACRES, MORE OR LESS.

AND

FLORIDA DEVELOPMENT COMPANY PARCEL TWO (MAP #1 AND 2)

ALL OF TRACTS 14 THRU 16 IN THE SOUTHEAST 1/4 OF SECTION 32, TOWNSHIP 26 SOUTH RANGE 27 EAST, FLORIDA DEVELOPMENT CO. TRACT AS RECORDED IN PLAT BOOK 3, PAGES 60-63, PUBLIC RECORDS OF POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHWEST CORNER OF SAID TRACT 16; THENCE NORTH 00°16'22" WEST, ALONG THE WEST BOUNDARY THEREOF, THE SAME ALSO BEING THE EAST RIGHT-OF-WAY LINE OF HOLLY HILL ROAD, A DISTANCE OF 649.20 FEET TO THE NORTHWEST CORNER THEREOF; THENCE NORTH 89°47'59" EAST, ALONG THE NORTH BOUNDARY OF SAID TRACTS 14 THRU 16, A DISTANCE OF 981.82 FEET TO THE NORTHEAST CORNER OF THE AFOREMENTIONED TRACT 14; THENCE SOUTH 00°08'54" EAST, ALONG THE EAST BOUNDARY OF SAID TRACT 14, A DISTANCE OF 648.79 FEET TO THE SOUTHEAST CORNER THEREOF; THENCE SOUTH 89°46'33" WEST, ALONG THE SOUTH BOUNDARY OF SAID TRACT 14 THRU 16, A DISTANCE OF 980.42 FEET TO THE POINT OF BEGINNING.

SAID LANDS CONTAIN 14.62 ACRES, MORE OR LESS.

AND

PUMP HOUSE PARCEL (MAP # 19)

THE SOUTH 25 FEET OF THE WEST 25 FEET OF TRACT 16 IN THE NORTHEAST ¼ OF SECTION 5, TOWNSHIP 27 SOUTH, RANGE 27 EAST OF HOLLY HILL GROVE & FRUIT COMPANY ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 22, PAGE 10 OF THE PUBLIC RECORDS OF POLK COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHWEST CORNER OF AFORESAID TRACT 16, HOLLY HILL GROVE & FRUIT COMPANY; THENCE NORTH 00°30'15" WEST ALONG THE WEST BOUNDARY THEREOF, A DISTANCE OF 25.00 FEET; THENCE NORTH 89°57'45" EAST, AND PARALLEL WITH THE SOUTH BOUNDARY OF SAID TRACT 16, A DISTANCE OF 25.00 FEET; THENCE SOUTH 00°30'15" EAST, AND PARALLEL WITH THE AFOREMENTIONED WEST BOUNDARY OF TRACT 16, A DISTANCE OF 25.00 FEET TO THE AFORESAID SOUTH BOUNDARY; THENCE SOUTH 89°57'45" WEST, ALONG SAID SOUTH BOUNDARY, A DISTANCE OF 25.00 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT MAINTAINED RIGHT-OF-WAY FOR FOREST LAKE DRIVE AS RECORDED IN MAP BOOK 17, PAGES 100-108 OF THE PUBLIC RECORDS OF POLK COUNTY, FLORIDA.

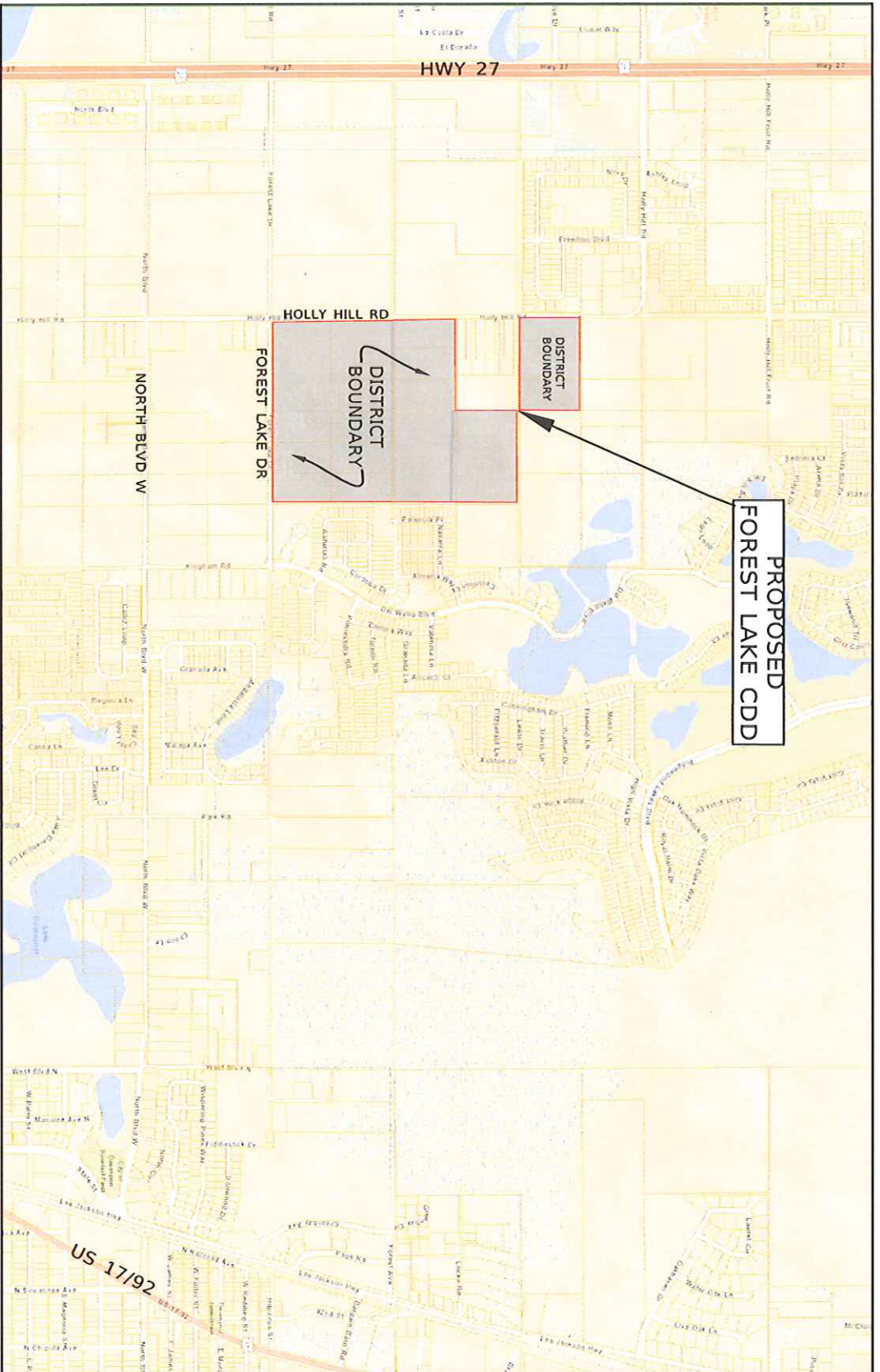
SAID LANDS CONTAIN 409.58 SQUARE FEET (0.009 ACRES), MORE OR LESS.

CDD CONTAINS 117.53 ACRES, MORE OR LESS.



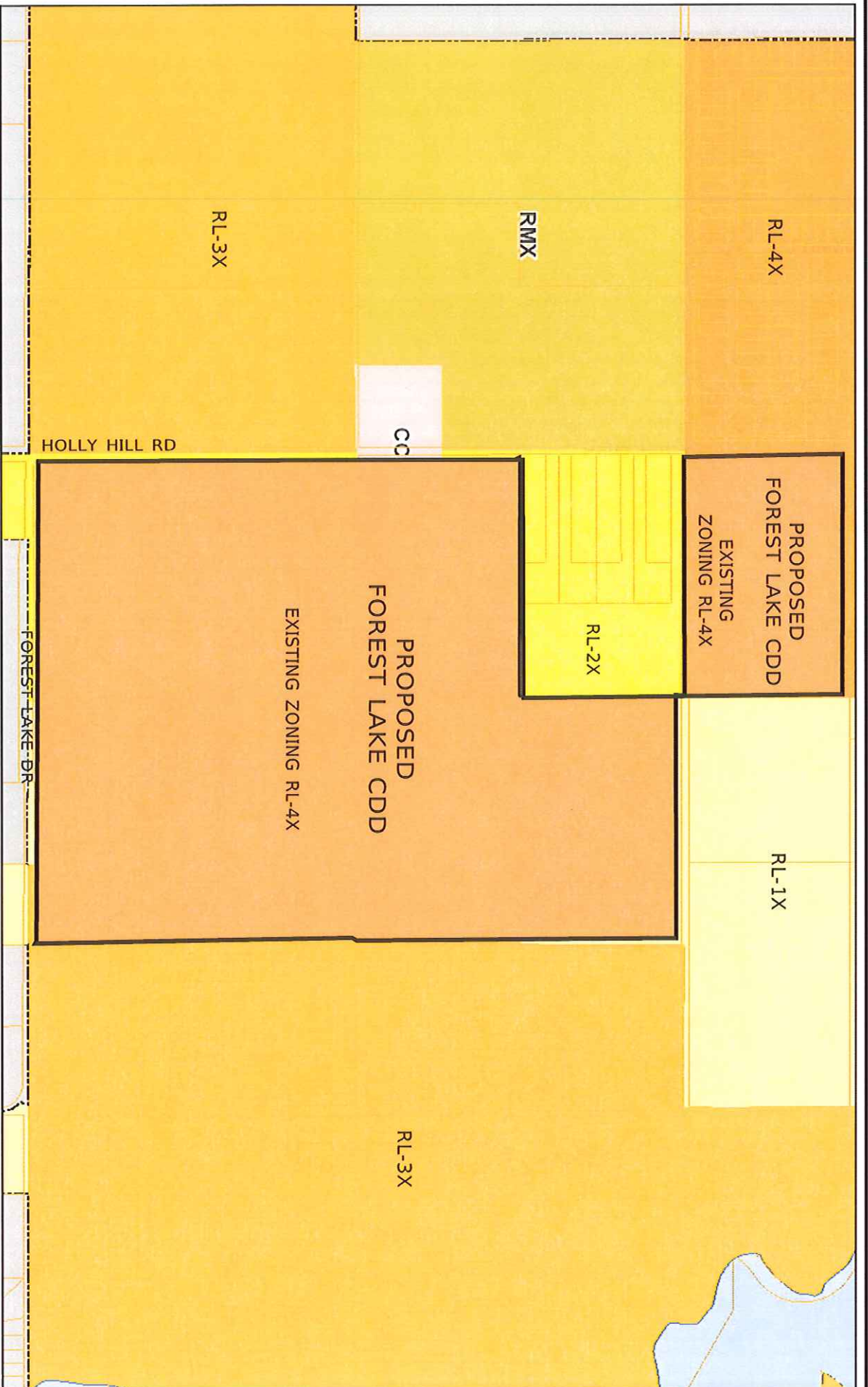
1925 BARTOW ROAD • LAKELAND, FL 33801
OFFICE: (863) 940-2040 • FAX: (863) 940-2044 • CELL: (863) 662-0018
EMAIL: INFO@WOODCIVIL.COM

EXHIBIT 2
**FOREST LAKE COMMUNITY
DEVELOPMENT DISTRICT
LEGAL DESCRIPTION**



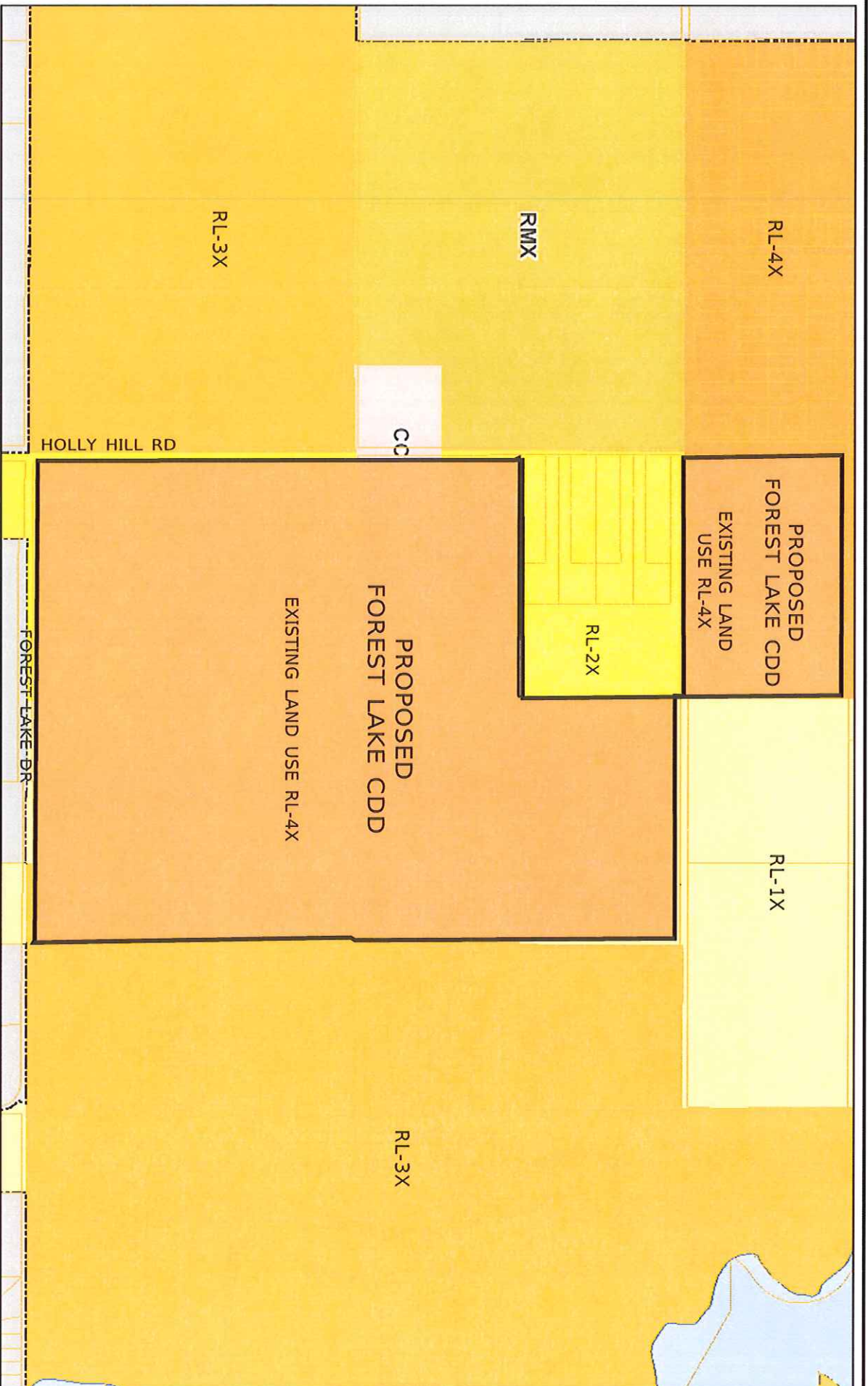
1925 BASTOW ROAD • LAKELAND, FL 33801
 OFFICE: (863) 940-2040 • FAX: (863) 940-2044 • CELL: (863) 562-0018
 EMAIL: INFO@WOODCVL.COM

EXHIBIT 3 **FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT** **DISTRICT BOUNDARY MAP**



1925 BARTOW ROAD • LAKELAND, FL 33801
OFFICE: (863) 940-2040 • FAX: (863) 940-2044 • CELL: (863) 662-0018
EMAIL: INFO@WOODCIVIL.COM



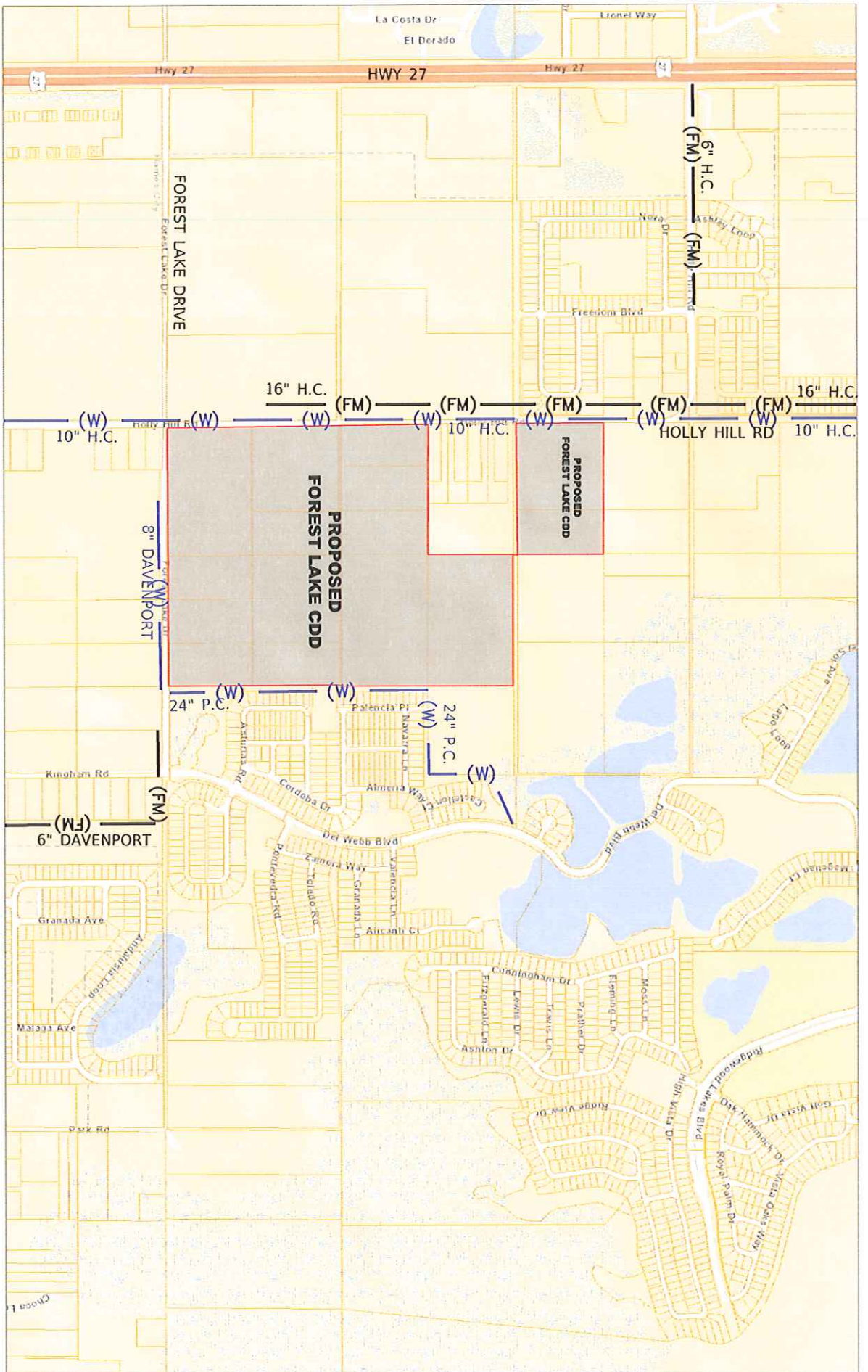


1925 BARTOW ROAD • LAKELAND, FL 33801
OFFICE: (863) 940-2040 • FAX: (863) 940-2044 • CELL: (863) 662-0018
EMAIL: INFO@WOODCVLL.COM

- RL-1X - RESIDENTIAL LOW
- RL-2X - RESIDENTIAL LOW
- RL-3X - RESIDENTIAL LOW
- RL-4X - RESIDENTIAL LOW
- CCX - CONVENIENCE CENTER

EXHIBIT 5 **FOREST LAKE** **COMMUNITY DEVELOPMENT DISTRICT** **POLK COUNTY FUTURE LAND USE MAP**

NO
SCALE



1925 BARTOW ROAD • LAKELAND, FL 33801
 OFFICE: (863) 940-2040 • FAX: (863) 940-2044 • CELL: (863) 662-0018
 EMAIL: INFO@WOODCIVIL.COM

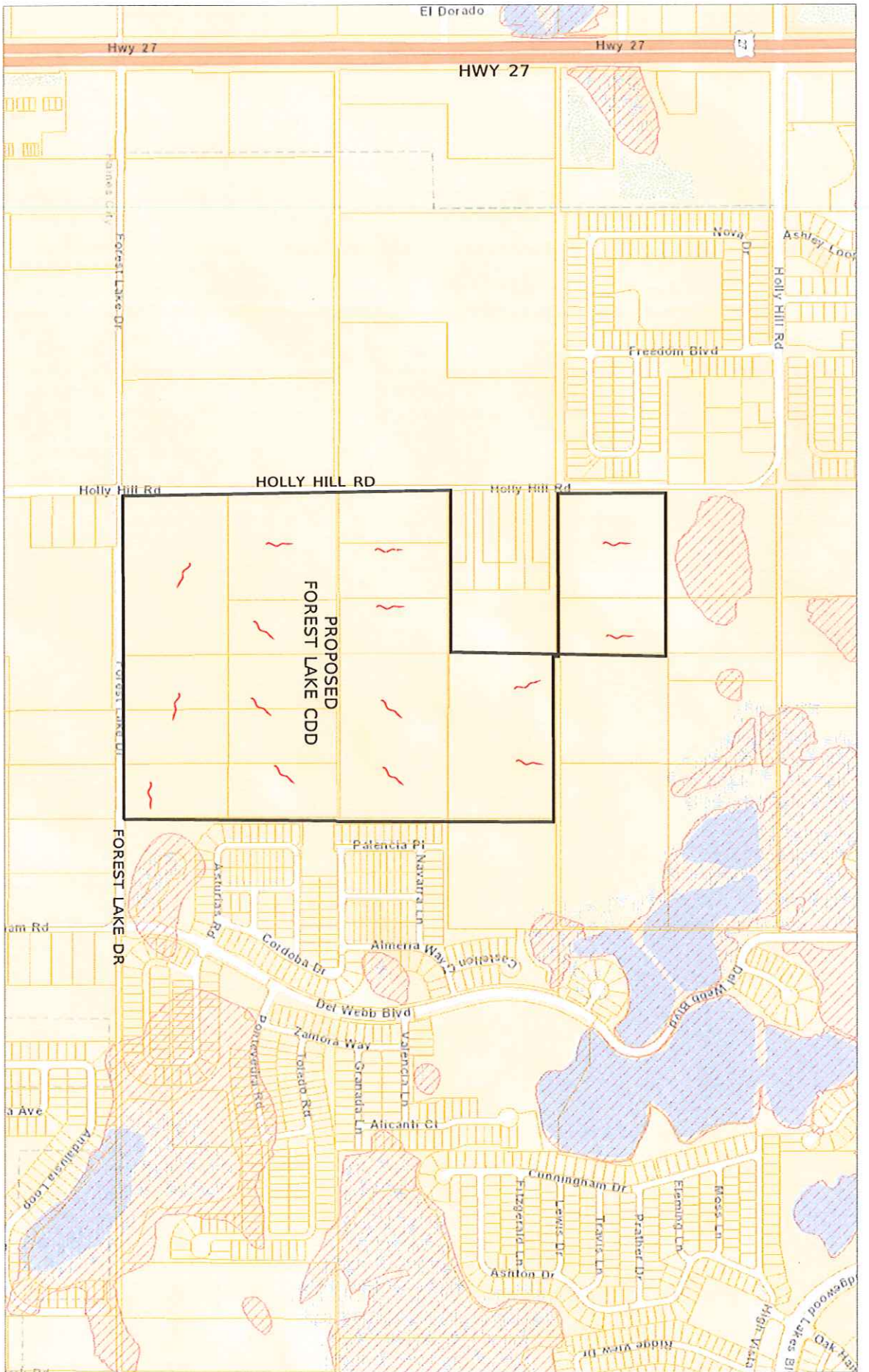
LEGEND

— (W) —
 — (FM) —

H.C. - HAINES CITY
 P.C. - POLK COUNTY

COMPOSITE EXHIBIT 6 FOREST LAKE CDD WATER & FORCE MAINS





LEGEND
 ——— EXISTING FLOW DIRECTION

COMPOSITE EXHIBIT 6
FOREST LAKE CDD
DRAINAGE FLOW PATTERN MAP



1925 BARTOW ROAD • LAKELAND, FL 33801
 OFFICE: (863) 940-2040 • FAX: (863) 940-2044 • CELL: (863) 662-0018
 EMAIL: INFO@WOODCIVIL.COM

N
 NO SCALE

Exhibit 7
Forest Lake
Community Development District
Summary of Proposed District Facilities

<u>District Infrastructure</u>	<u>Construction</u>	<u>Ownership</u>	<u>Capital Financing*</u>	<u>Operation and Maintenance</u>
Offsite Improvements	District	County	District Bonds	County
Stormwater Facilities	District	District	District Bonds	District
Lift Stations/Water/Sewer	District	City of Haines City	District Bonds	City of Haines City
Street Lighting/Conduit	District	**District	District Bonds	**District
Road Construction	District	District	District Bonds	District
Entry Feature & Signage	District	District	District Bonds	District
Parks and Recreational Facilities	District	District	District Bonds	District

*Costs not funded by bonds will be funded by the developer.

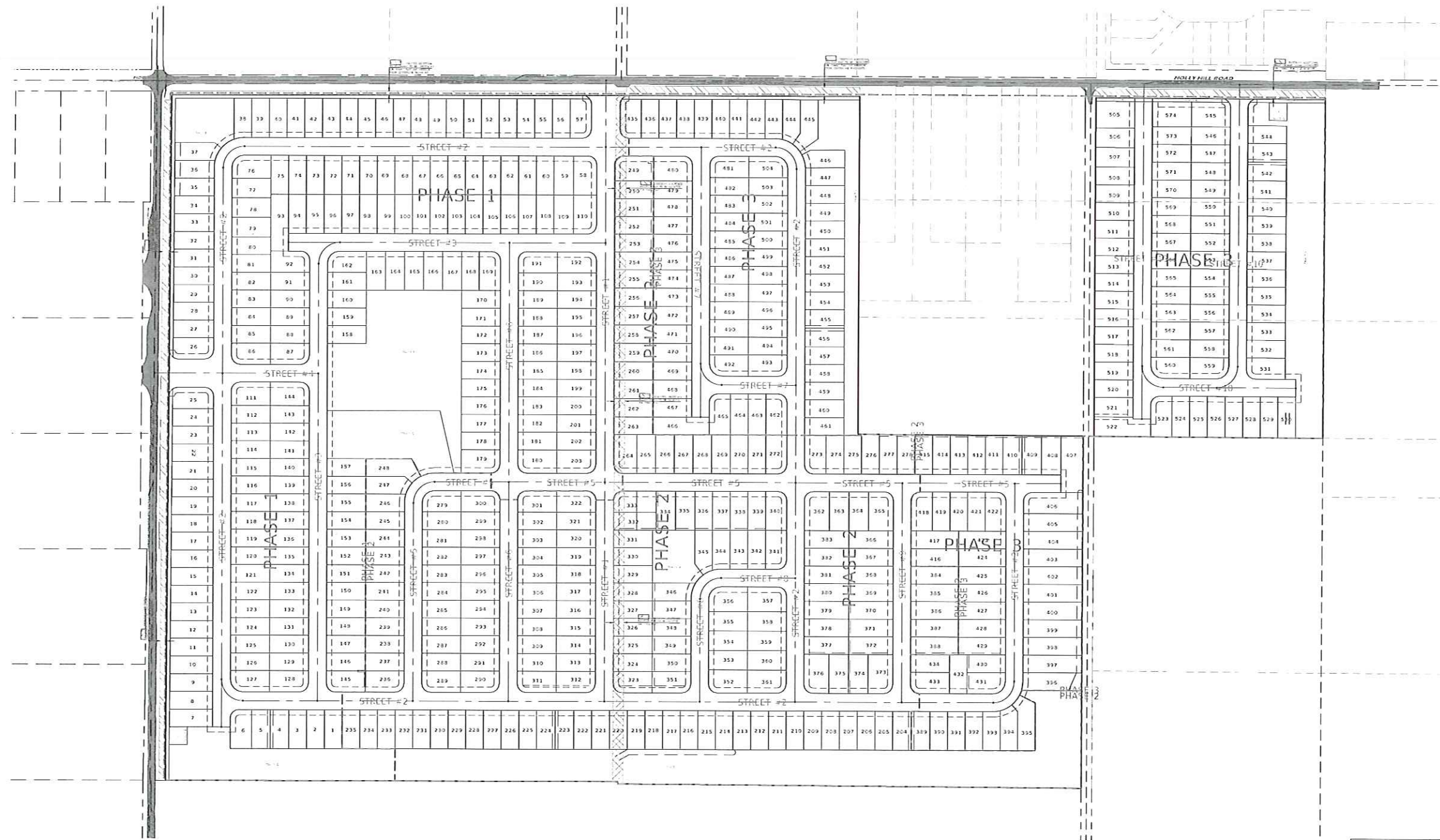
** Street lighting/conduit shall be owned and maintained by the District or the District shall enter into a lease with Duke Energy.

Exhibit 8
Forest Lake
Community Development District
Summary of Probable Cost


<u>Infrastructure</u> ⁽¹⁾	<u>Phase 1</u> <u>(203 Lots)</u> <u>2019-2024</u>	<u>Phase 2</u> <u>(185 Lots)</u> <u>2020-2025</u>	<u>Phase 3</u> <u>(186 Lots)</u> <u>2021-2026</u>	<u>Total</u> <u>(574 Lots)</u>
Offsite Improvements ⁽⁵⁾⁽⁶⁾	\$ 275,000.00	\$ -0-	\$ 140,000.00	\$ 415,000.00
Stormwater Management ⁽²⁾⁽³⁾⁽⁵⁾⁽⁶⁾	\$ 560,000.00	\$ 517,000.00	\$ 517,000.00	\$ 1,594,000.00
Utilities (Water, Sewer, & Street Lighting) ^{(5)(7) (8)}	\$1,300,000.00	\$1,320,000.00	\$1,540,000.00	\$ 4,160,000.00
Roadway ⁽⁴⁾⁽⁵⁾⁽⁶⁾	\$1,400,000.00	\$1,243,000.00	\$1,265,000.00	\$ 3,908,000.00
Entry Feature ⁽⁶⁾⁽⁷⁾	\$ 300,000.00	\$ 400,000.00	\$ 300,000.00	\$ 1,000,000.00
Parks and Recreational Facilities ⁽⁶⁾	\$ 700,000.00	\$ 100,000.00	\$ 100,000.00	\$ 900,000.00
Contingency	\$ 453,500.00	\$ 358,000.00	\$ 386,200.00	\$ 1,197,700.00
TOTAL	\$4,988,500.00	\$3,938,000.00	\$ 4,248,200.00	\$13,174,700.00

Notes:

1. Infrastructure consists of public roadway improvements, stormwater management facilities, master sanitary sewer lift station and utilities, entry feature, landscaping and signage, and parks and recreational facilities.
2. Excludes grading of each lot both for initial pad construction, lot finishing, and in conjunction with home construction, which will be provided by developer or homebuilder.
3. Includes stormwater pond excavation. Costs do not include transportation to or placement of fill on private property.
4. Includes sub-grade, base, asphalt paving, curbing, and civil/site engineering of public roads.
5. Includes subdivision infrastructure and civil/site engineering.
6. Estimates are based on 2019 cost.
7. Includes entry features, signage, hardscape, landscape, irrigation and fencing.
8. CDD will enter into a Lighting Agreement with Duke Energy for the street light poles and lighting service. Only undergrounding of wires in public right-of-way and on District land is included.
9. Estimates based on Master Infrastructure to support development of 574 lots.



TRACT USAGE TABLE



6.0

[illegible]

WOOD & ASSOCIATES
Engineering, LLC

11025 LANTANA ROAD • JAYTLAND, FL 32001
OFFICE (904) 940-5240 • FAX (904) 940-5244 • CELL (863) 662-4018
EMAIL INFO@WOODCOV.COM
CERTIFICATE OF AUTHORIZATION NO. 30724

FOREST LAKE PROPERTY
SUBDIVISION

DADE COUNTY, STATE OF FLORIDA

**FOREST LAKE
COMMUNITY DEVELOPMENT DISTRICT**

***FIRST SUPPLEMENTAL ENGINEER'S REPORT
FOR CAPITAL IMPROVEMENTS***

PREPARED FOR:

BOARD OF

SUPERVISORS

FOREST LAKE

COMMUNITY DEVELOPMENT DISTRICT

PREPARED BY:



1925 Bartow Road • Lakeland, FL 33801 • 863-940-2040

February 10, 2022

**FOREST LAKE
COMMUNITY DEVELOPMENT DISTRICT**

TABLE OF CONTENTS

I. PURPOSE.....1

II. EXHIBIT 7 – SUMMARY OF PROBABLE COST1

III. EXHIBIT 10 – PH 3 LEGAL DESCRIPTION.....1

LIST OF TABLES & EXHIBITS

- EXHIBIT 7—SUMMARY OF PROBABLE COST
- EXHIBIT 10 – PH 3 LEGAL DESCRIPTION

**FOREST LAKE
FIRST SUPPLEMENTAL ENGINEER'S REPORT**

I. PURPOSE

The purpose of this report is to amend the Engineer's Report dated December 17, 2019, for the Forest Lake CDD. No changes have been made to Phase 1 and Phase 2, but the cost estimate for Phase 3 has changed. Included in this First Supplemental Engineer's Report for Capital Improvements is an amendment to Exhibit 8 (Summary of Probable Cost) and Exhibit 10 (Phase 3 Legal Description).

II. *EXHIBIT 8 (SUMMARY OF PROBABLE COST)*

The cost projections for Phase 3 were adjusted to reflect current construction costs.

III. *EXHIBIT 10 (PHASE 3 LEGAL DESCRIPTION)*

A legal description has been provided for Phase 3.

EXHIBIT 8
FOREST LAKE CDD
SUMMARY OF PROBABLE COST

Infrastructure ⁽¹⁾⁽⁶⁾	Phase 1 (203 Lots) 2019-2024	Phase 2 (185 Lots) 2020-2025	Phase 3 (186 Lots) 2021-2026	Total (574 Lots)
Offsite Improvements ⁽⁵⁾⁽⁶⁾	\$ 275,000.00	\$ -	\$ 220,000.00	\$ 495,000.00
Stormwater Management ⁽²⁾⁽³⁾⁽⁵⁾⁽⁶⁾	\$ 560,000.00	\$ 517,000.00	\$ 885,000.00	\$ 1,962,000.00
Utilities (Water, Sewer, & Street Lighting) ⁽⁵⁾⁽⁶⁾⁽⁸⁾	\$ 1,300,000.00	\$ 1,320,000.00	\$ 2,475,000.00	\$ 5,095,000.00
Roadway ⁽⁴⁾⁽⁵⁾⁽⁶⁾	\$ 1,400,000.00	\$ 1,243,000.00	\$ 1,365,000.00	\$ 4,008,000.00
Entry Feature ⁽⁶⁾⁽⁷⁾	\$ 300,000.00	\$ 400,000.00	\$ 340,000.00	\$ 1,040,000.00
Parks and Recreational Facilities ⁽⁶⁾	\$ 700,000.00	\$ 100,000.00	\$ 325,000.00	\$ 1,125,000.00
Contingency	\$ 453,500.00	\$ 358,000.00	\$ 561,000.00	\$ 1,372,500.00
TOTAL	\$ 4,988,500.00	\$ 3,938,000.00	\$ 6,171,000.00	\$ 15,097,500.00

Notes:

1. Infrastructure consists of offsite improvements, public roadway improvements, stormwater management facilities, master sanitary sewer lift station and utilities, entry feature, landscaping and signage, and parks and recreational facilities.
2. Excludes grading of each lot both for initial pad construction, lot finishing, and in conjunction with home construction, which will be provided by developer or homebuilder.
3. Includes stormwater pond excavation. Costs do not include transportation to or placement of fill on private property.
4. Includes sub-grade, base, asphalt paving, curbing, and civil/site engineering of public roads.
5. Includes subdivision infrastructure and civil/site engineering.
6. Estimates are based on 2022 cost.
7. Includes entry features, signage, hardscape, landscape, irrigation and buffer fencing.
8. The CDD presently intends to purchase, install, and maintain street lighting along the internal roadways within the CDD or enter into a Lighting Agreement with Duke Energy for the operation and maintenance of the street light poles and lighting service to the District. Only undergrounding of wires in public right-of-way and on District land is included.
9. Estimates based on Master Infrastructure to support development of 574 lots.

EXHIBIT 8
FOREST LAKE CDD
SUMMARY OF PROBABLE COST

EXHIBIT 8
FOREST LAKE CDD
SUMMARY OF PROBABLE COST

EXHIBIT 8
FOREST LAKE CDD
SUMMARY OF PROBABLE COST

EXHIBIT 10

LEGAL DESCRIPTION
FOREST LAKE PHASE 3

ALL OF TRACTS C, I, AND J AS DEPICTED ON THE PLAT OF "FOREST LAKE PHASE 1" AS RECORDED IN PLAT BOOK 183, PAGES 17 THROUGH 21 (INCLUSIVE), PUBLIC RECORDS OF POLK COUNTY, FLORIDA.

SUBJECT TO: EASEMENTS OF RECORD

CONTAINING: 35.863 ACRES, MORE OR LESS.

Composite Exhibit B:

**MASTER
ASSESSMENT METHODOLOGY

FOR
FOREST LAKE
COMMUNITY DEVELOPMENT DISTRICT**

Date: December 17, 2019

Prepared by

**Governmental Management Services - Central Florida, LLC
219 E. Livingston St.
Orlando, FL 32801**

Table of Contents

1.0 Introduction.....	3
1.1 Purpose.....	3
1.2 Background.....	3
1.3 Special Benefits and General Benefits	4
1.4 Requirements of a Valid Assessment Methodology	4
1.5 Special Benefits Exceed the Costs Allocated	5
2.0 Assessment Methodology	5
2.1 Overview	5
2.2 Allocation of Debt.....	6
2.3 Allocation of Benefit	6
2.4 Lienability Test: Special and Peculiar Benefit to the Property	6
2.5 Lienability Test: Reasonable and Fair Apportionment of the Duty to Pay Non-Ad Valorem Assessments	7
3.0 True-Up Mechanism.....	8
4.0 Assessment Roll.....	8
5.0 Appendix	9
Table 1: Development Program	9
Table 2: Capital Improvement Cost Estimates.....	10
Table 3: Bond Sizing.....	11
Table 4: Allocation of Improvement Costs	12
Table 5: Allocation of Total Par Debt to Each Product Type.....	13
Table 6: Par Debt and Annual Assessments	14
Table 7: Preliminary Assessment Roll	15

GMS-CF, LLC does not represent the Forest Lake Community Development District as a Municipal Advisor or Securities Broker nor is GMS-CF, LLC registered to provide such services as described in Section 15B of the Securities and Exchange Act of 1934, as amended. Similarly, GMS-CF, LLC does not provide the Forest Lake Community Development District with financial advisory services or offer investment advice in any form.

1.0 Introduction

The Forest Lake Community Development District (the “District”) is a local unit of special-purpose government organized and existing under Chapter 190, Florida Statutes as amended. The District anticipates the issuance at this time of not to exceed \$17,250,000 of tax exempt bonds in one or more series (the “Bonds”) for the purpose of financing certain infrastructure improvements (“Capital Improvement Plan”) within the District more specifically described in the Engineer’s Report dated December 3, 2019 prepared by Wood & Associates Engineering, LLC , as may be amended and supplemented from time to time (the “Engineer’s Report”). The District anticipates the construction of all or a portion of the Capital Improvements or Capital Improvement Plan (“Capital Improvements”) that benefit property owners within the District.

1.1 Purpose

This Master Assessment Methodology (the “Assessment Report”) provides for an assessment methodology that allocates the debt to be incurred by the District to benefiting properties within the District. This Assessment Report allocates the debt to properties based on the special benefits each receives from the Capital Improvements. This Assessment Report will be supplemented with one or more supplemental methodology reports to reflect the actual terms and conditions at the time of the issuance of each series of Bonds issued to finance all or a portion of the Capital Improvements. This Assessment Report is designed to conform to the requirements of Chapters 190 and 170, Florida Statutes, with respect to special assessments and is consistent with our understanding of case law on this subject.

The District intends to levy, impose and collect non ad valorem special assessments (“Special Assessments”) on the benefited lands within the District securing repayment of the Bonds based on this Assessment Report. It is anticipated that all of the proposed Special Assessments will be collected through the Uniform Method of Collection described in Section 197.3632, Florida Statutes or any other legal means available to the District. It is not the intent of this Assessment Report to address any other assessments, if applicable, that may be levied by the District including those for maintenance and operation of the Bonds, a homeowner’s association, or any other unit of government.

1.2 Background

The District currently includes approximately 117.53 acres within Polk County, Florida. The development program for the District currently envisions approximately 574 residential units. The proposed development program is depicted in Table 1. It is recognized that such development plan may change, and this Assessment Report will be modified or supplemented accordingly.

The Capital Improvements contemplated by the District in the Capital Improvement Plan will provide facilities that benefit certain property within the District. Specifically, the District will construct and/or acquire certain offsite improvements, stormwater

management facilities, utility facilities, roadways, entry features, and park and recreation features. The acquisition and construction costs are summarized in Table 2.

The assessment methodology is a four-step process.

1. The District Engineer must first determine the public infrastructure improvements that may be provided by the District and the costs to implement the Capital Improvements.
2. The District Engineer determines the assessable acres that benefit from the District's Capital Improvements.
3. A calculation is made to determine the funding amounts necessary to acquire and/or construct the Capital Improvements.
4. This amount is initially divided equally among the benefited properties on a prorated assessable acreage basis. Ultimately, as land is platted, this amount will be assigned to each of the benefited properties based on the number and type of platted units.

1.3 Special Benefits and General Benefits

Capital Improvements undertaken by the District create special and peculiar benefits to the property, different in kind and degree, for properties within its borders as well as general benefits to the public at large. However, as discussed within this Assessment Report, these general benefits are incidental in nature and are readily distinguishable from the special and peculiar benefits, which accrue to property within the District. The implementation of the Capital Improvement Plan enables properties within the boundaries of the District to be developed. Without the District's Capital Improvement Plan, there would be no infrastructure to support development of land within the District. Without these improvements, development of the property within the District would be prohibited by law.

The general public and property owners outside of the District may benefit from the provision of the Capital Improvements. However, any such benefit will be incidental for the purpose of the Capital Improvement Plan, which is designed solely to meet the needs of property within the District. Properties outside of the District boundaries do not depend upon the District's Capital Improvements. The property owners within the District are therefore receiving special benefits not received by the general public and those outside the District's boundaries.

1.4 Requirements of a Valid Assessment Methodology

There are two requirements under Florida law for a valid special assessment:

- 1) The properties must receive a special benefit from the Capital Improvements being paid for.

- 2) The assessments must be fairly and reasonably allocated or apportioned to the properties being assessed based on the special benefit such properties receive.

Florida law provides for a wide application of special assessments that meet these two characteristics of special assessments.

1.5 Special Benefits Will Equal or Exceed the Costs Allocated

The special benefits provided to the property within the District will be equal to or greater than the costs associated with providing these benefits. The District Engineer estimates that the District's Capital Improvement Plan that is necessary to support full development of property within the District will cost approximately \$13,174,700. The District's Underwriter projects that financing costs required to fund the Capital Improvement Plan costs, the cost of issuance of the Bonds, the funding of a debt service reserve account and capitalized interest, will be approximately \$17,250,000. Without the Capital Improvement Plan, the property within the District would not be able to be developed and occupied by future residents of the community.

2.0 Assessment Methodology

2.1 Overview

The District anticipates issuing approximately \$17,250,000 in Bonds in one or more series to fund the District's entire Capital Improvement Plan, provide for capitalized interest, a debt service reserve account and pay cost of issuance. It is the purpose of this Assessment Report to allocate the \$17,250,000 in debt to the properties within the District benefiting from the Capital Improvement Plan. This report will be supplemented to reflect actual bond terms.

Table 1 identifies the land uses and lot sizes in the development as identified by the Developer within the District. The District has commissioned an Engineer's Report that includes estimated construction costs for the Capital Improvements needed to support the development; these construction costs are outlined in Table 2. The Capital Improvements needed to support the development are described in detail in the Engineer's Report and are estimated to cost \$13,174,700. Based on the estimated costs, the size of the Bond issue under current market conditions needed to generate funds to pay for the Capital Improvements and related costs was determined by the District's Underwriter to total approximately \$17,250,000. Table 3 shows the breakdown of the Bond sizing.

2.2 Allocation of Debt

Allocation of debt is a continuous process until the development plan for the District is completed. Until the platting process occurs, the Capital Improvements funded by District Bonds benefits all acres within the District.

The initial assessments will be levied on an equal basis to all gross acreage within the District. A fair and reasonable methodology allocates the debt incurred by the District proportionately to the properties receiving the special benefits. At this point all of the lands within the District are benefiting from the Capital Improvements.

Once platting or the recording of a declaration of condominium of any portion of the District into individual lots or units ("Assigned Properties") has begun, the Special Assessments will be levied to the Assigned Properties based on the benefits they receive, on a first platted, first assigned basis. The "Unassigned Properties" defined as property that has not been platted or subjected to a declaration of condominium, will continue to be assessed on a per acre basis. Eventually the development plan will be completed and the debt relating to the Bonds will be allocated to the assigned properties within the District, which are the beneficiaries of the Capital Improvement Plan, as depicted in Table 5 and Table 6. If there are changes to development plan, a true up of the assessment will be calculated to determine if a debt reduction or true-up payment from the Developer is required. The process is outlined in Section 3.0.

The assignment of debt in this Assessment Report sets forth the process by which debt is apportioned. As mentioned herein, this Assessment Report will be supplemented from time to time.

2.3 Allocation of Benefit

The Capital Improvement Plan consists of offsite improvements, stormwater management facilities, utility facilities, roadways, entry features, and park and recreation features and professional fees along with related incidental costs. There is one product types within the planned development. The single-family home has been set as the base unit and has been assigned one equivalent residential unit ("ERU"). Table 4 shows the allocation of benefit to the particular product type. It is important to note that the benefit derived from the Capital Improvements on a particular unit will exceed the cost that the unit will be paying for such benefits.

2.4 Lienability Test: Special and Peculiar Benefit to the Property

Construction and/or acquisition by the District of its proposed Capital Improvements will provide several types of systems, facilities and services for its residents. These include offsite improvements, stormwater management facilities, utility facilities,

roadways, entry features, and park and recreation features. The benefit from the Capital Improvements accrue in differing amounts and are somewhat dependent on the product type receiving the special benefits peculiar to that property type, which flow from the logical relationship of the Capital Improvements to the assigned properties.

Once these determinations are made, they are reviewed in the light of the special benefits peculiar to the property, which flow to the properties as a result of their logical connection from the Capital Improvements actually provided.

For the provision of the Capital Improvement Plan, the special and peculiar benefits are:

- 1) the added use of the property,
- 2) added enjoyment of the property, and
- 3) the increased marketability and value of the property.

These special and peculiar benefits are real and ascertainable but are not yet capable of being calculated as to value with mathematical certainty. However, each is more valuable than either the cost of, or the actual Special Assessment levied for the Capital Improvement as allocated.

2.5 Lienability Test: Reasonable and Fair Apportionment of the Duty to Pay Non-Ad Valorem Assessments

A reasonable estimate of the proportion of special and peculiar benefits received from the public improvements described in the Capital Improvement Plan is delineated in Table 5 (expressed as Allocation of Par Debt per Product Type). This is also shown on Table 7 depicting Allocation of Par Debt per Product Type.

The determination has been made that the duty to pay the non-ad valorem special assessments is fairly and reasonably apportioned because the special and peculiar benefits to the property derived from the acquisition and/or construction of Capital Improvement Plan have been apportioned to the property within the District according to reasonable estimates of the special and peculiar benefits provided consistent with the product type of assignable properties.

Accordingly, no acre or parcel of property within the boundaries of the District will have a lien for the payment of any Special Assessment more than the determined special benefit particular to that property and therefore, the debt allocation will not be increased more than the debt allocation set forth in this Assessment Report.

In accordance with the benefit allocation suggested for the product types in Table 4, a total debt per unit and an annual assessment per unit have been calculated for each

product type (Table 6). These amounts represent the preliminary anticipated per unit debt allocation assuming all anticipated assigned properties are built and sold as planned, and the entire proposed Capital Improvement Plan is constructed.

3.0 True Up Mechanism

Although the District does not process plats, declaration of condominiums, site plans or revisions thereto, it does have an important role to play during the course of platting and site planning. Whenever a plat, declaration of condominium or site plan is approved, the District must allocate a portion of its debt to the property according to this Assessment Report outlined herein ("Assigned Property"). In addition, the District must also prevent any buildup of debt on property or land that could be fully conveyed and/or platted without all of the debt being allocated ("Unassigned Property"). To preclude this, when platting for 25%, 50%, 75% and 100% of the units planned for platting has occurred within the District, the District will determine the amount of anticipated Bond Special Assessment revenue that remains on the Unassigned Properties, taking into account the full development plan of the District. If the total anticipated Bond Special Assessment revenue to be generated from the Assigned and Unassigned Properties is greater than or equal to the maximum annual debt service then no debt reduction or true-up payment is required. In the case that the revenue generated is less than the required amount then a debt reduction or true-up payment by the landowner in the amount necessary to reduce the par amount of the outstanding Bonds plus accrued interest to a level that will be supported by the new net annual debt service assessments will be required.

If a true-up payment is made less than 45 days prior to an interest payment date, the amount of accrued interest will be calculated to the next succeeding interest payment date.

4.0 Assessment Roll

The District will initially distribute the Special Assessments across the property within the District boundaries on a gross acreage basis. As Assigned Properties become known with certainty, the District will refine its allocation of debt from a per acre basis to a per unit basis as shown in Table 6. If the land use plan or product type changes, then the District will update Table 6 to reflect the changes as part of the foregoing true-up process. As a result, the assessment liens are not finalized with certainty on any acre of land in the District prior to the time final Assigned Properties become known. The preliminary assessment roll is attached as Table 7.

TABLE 1
FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
DEVELOPMENT PROGRAM
MASTER ASSESSMENT METHODOLOGY

Land Use				Total Assessible Units	ERUs per Unit (1)	Total ERUs
	Phase 1	Phase 2	Phase 3			
Single Family	203	185	186	574	1.00	574
Total Units				574		574

(1) Benefit is allocated on an ERU basis; based on density of planned development, with Single Family = 1 ERU

* Unit mix is subject to change based on marketing and other factors

TABLE 2
FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
CAPITAL IMPROVEMENT PLAN COST ESTIMATES
MASTER ASSESSMENT METHODOLOGY

Capital Improvement Plan ("CIP") (1)	Phase 1	Phase 2	Phase 3	Cost Estimate
Offsite Improvements	\$ 275,000	\$ -	\$ 140,000	\$ 415,000
Stormwater Management	\$ 560,000	\$ 517,000	\$ 517,000	\$ 1,594,000
Utilities (Water, Sewer, & Street Lighting)	\$ 1,300,000	\$ 1,320,000	\$ 1,540,000	\$ 4,160,000
Roadway	\$ 1,400,000	\$ 1,243,000	\$ 1,265,000	\$ 3,908,000
Entry Feature	\$ 300,000	\$ 400,000	\$ 300,000	\$ 1,000,000
Parks and Recreational Facilities	\$ 700,000	\$ 100,000	\$ 100,000	\$ 900,000
Contingencies	\$ 453,500	\$ 358,000	\$ 386,200	\$ 1,197,700
	\$ 4,988,500	\$ 3,938,000	\$ 4,248,200	\$ 13,174,700

(1) A detailed description of these improvements is provided in the Engineer's Report dated December 3, 2019 including Exhibit 2, attached hereto

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 3
FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
BOND SIZING
MASTER ASSESSMENT METHODOLOGY

Description	Total
Construction Funds	\$ 13,174,700
Debt Service Reserve	\$ 1,253,194
Capitalized Interest	\$ 2,070,000
Underwriters Discount	\$ 220,000
Cost of Issuance	\$ 345,000
Contingency	\$ 187,106
Par Amount*	\$ 17,250,000

Bond Assumptions:

Interest Rate	6.00%
Amortization	30 years
Capitalized Interest	24 months
Debt Service Reserve	Max Annual
Underwriters Discount	2%

* Par amount is subject to change based on the actual terms at the sale of the bonds

TABLE 4
FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
ALLOCATION OF IMPROVEMENT COSTS
MASTER ASSESSMENT METHODOLOGY

Land Use	No. of Units *	ERU Factor	Total ERUs	% of Total ERUs	Total Improvements Costs Per Product Type	Improvement Costs Per Unit
Single Family	574	1	574	100.00%	\$ 13,174,700	\$22,952
Totals	574		574	100.00%	\$ 13,174,700	

* Unit mix is subject to change based on marketing and other factors

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 5
FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
ALLOCATION OF TOTAL PAR DEBT TO EACH PRODUCT TYPE
MASTER ASSESSMENT METHODOLOGY

Land Use	No. of Units *	Total Improvements		Allocation of Par		Par Debt Per Unit
		Costs Per Product	Type	Debt Per Product	Type	
Single Family	574	\$	13,174,700	\$	17,250,000	\$30,052
Totals	574	\$	13,174,700	\$	17,250,000	

* Unit mix is subject to change based on marketing and other factors

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 6
FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
PAR DEBT AND ANNUAL ASSESSMENTS FOR EACH PRODUCT TYPE
MASTER ASSESSMENT METHODOLOGY

Land Use	No. of Units *	Allocation of Par		Total Par Debt Per Unit	Maximum		Net Annual		Gross Annual	
		Debt Per Product	Type		Annual Debt	Service	Debt	Assessment	Debt	Assessment
Single Family	574	\$	17,250,000	\$30,052	\$	1,253,194	\$	2,183	\$	2,348
Totals	574	\$	17,250,000		\$	1,253,194				

(1) This amount includes collection fees and early payment discounts when collected on the Polk County Tax Bill

* Unit mix is subject to change based on marketing and other factors

TABLE 7
FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
PRELIMINARY ASSESSMENT ROLL
MASTER ASSESSMENT METHODOLOGY

Owner	Property ID #'s*	Acres	Total Par Debt		Net Annual Debt		Gross Annual	
			Allocation Per Acre	Total Par Debt Allocated	Assessment Allocation	Debt Allocation (1)		
Cassidy Holdings, LLC	272632-709500-020150	9.66	\$146,771	\$ 1,417,808	\$ 103,002	\$ 110,755		
Cassidy Holdings, LLC	272632-709500-020290	14.74	\$146,771	\$ 2,163,405	\$ 157,169	\$ 168,999		
Cassidy Holdings, LLC	272632-709500-020270	15.46	\$146,771	\$ 2,269,080	\$ 164,846	\$ 177,254		
Cassidy Holdings, LLC	272632-709500-020320	4.71	\$146,771	\$ 691,292	\$ 50,222	\$ 54,002		
Cassidy Holdings, LLC	272705-725500-010010	9.63	\$146,771	\$ 1,413,405	\$ 102,682	\$ 110,411		
Cassidy Holdings, LLC	272705-725500-010130	4.79	\$146,771	\$ 703,033	\$ 51,075	\$ 54,919		
Cassidy Holdings, LLC	272705-725500-010041	4.96	\$146,771	\$ 727,984	\$ 52,887	\$ 56,868		
Cassidy Holdings, LLC	272705-725500-010030	4.94	\$146,771	\$ 725,049	\$ 52,674	\$ 56,639		
JMBI Real Estate, LLC	272632-709500-020301	4.94	\$146,771	\$ 725,049	\$ 52,674	\$ 56,639		
MS IRA R, LLC	272632-709500-020140	4.97	\$146,771	\$ 729,452	\$ 52,994	\$ 56,983		
MS IRA R, LLC	272632-709500-020310	4.94	\$146,771	\$ 725,049	\$ 52,674	\$ 56,639		
Memos Florida LLC	272705-725500-010141	14.07	\$146,771	\$ 2,065,068	\$ 150,025	\$ 161,317		
Astoria Properties, LLC	272705-725500-010060	4.96	\$146,771	\$ 727,984	\$ 52,887	\$ 56,868		
Astoria Properties, LLC	272705-725500-010050	4.95	\$146,771	\$ 726,517	\$ 52,781	\$ 56,753		
Astoria Properties, LLC	272705-725500-010120	4.74	\$146,771	\$ 695,695	\$ 50,541	\$ 54,346		
Astoria Properties, LLC	272705-725500-010110	4.76	\$146,771	\$ 698,630	\$ 50,755	\$ 54,575		
Northeast Land Polk Investments LLC	272632-709500-020172	0.30	\$146,771	\$ 44,031	\$ 3,199	\$ 3,440		
Northeast Land Polk Investments LLC	272705-725500-010161	0.01	\$146,771	\$ 1,468	\$ 107	\$ 115		
Totals		117.53		\$ 17,250,000	\$ 1,253,194	\$ 1,343,966		

(1) This amount includes 7% to cover collection fees and early payment discounts when collected utilizing the uniform method.

Annual Assessment Periods	30
Projected Bond Rate (%)	6.00%
Maximum Annual Debt Service	\$1,253,194

* - See Metes and Bounds, attached

LEGAL DESCRIPTION

HOLLY HILL PARCEL (MAP #10-18)

ALL THAT PART OF TRACTS 1 THRU 6, AND TRACTS 11 THRU 16 IN THE NORTHEAST 1/4 OF SECTION 5, TOWNSHIP 27 SOUTH, RANGE 27 EAST, OF HOLLY HILL GROVE & FRUIT COMPANY ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 22, PAGE 10 OF THE PUBLIC RECORDS OF POLK COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE NORTHWEST CORNER OF THE AFORESAID TRACT 1, HOLLY HILL GROVE & FRUIT COMPANY; THENCE NORTH 89°44'09" EAST, ALONG THE NORTH BOUNDARY OF THE AFOREMENTIONED TRACTS 1, 2, 3, 4, 5, AND 6, THE SAME ALSO BEING THE SOUTH BOUNDARY OF THAT PLATTED, UN-OPENED RIGHT-OF-WAY LYING NORTH OF SAID TRACTS, A DISTANCE OF 1948.88 FEET TO THE NORTHEAST CORNER OF SAID TRACT 8; THENCE SOUTH 00°21'34" EAST, ALONG THE EAST BOUNDARY OF SAID TRACT 8 AND THE AFOREMENTIONED TRACT 11, THE SAME ALSO BEING THE WEST BOUNDARY OF DEL WEBB ORLANDO PHASE 1, AS RECORDED IN PLAT BOOK 154, PAGE 1 AND THE WEST BOUNDARY OF DEL WEBB ORLANDO PHASE 4 AS RECORDED IN PLAT BOOK 161, PAGE 20 AND THE WEST BOUNDARY OF DEL WEBB ORLANDO PHASE 3 AS RECORDED IN PLAT BOOK 169, PAGE 13, ALL BEING RECORDED IN THE PUBLIC RECORDS OF POLK COUNTY, FLORIDA, A DISTANCE OF 1279.51 FEET TO THE NORTH RIGHT-OF-WAY LINE OF FOREST LAKE DRIVE AS RECORDED IN OFFICIAL RECORDS BOOK 8650, PAGE 1214, PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE SOUTH 89°57'45" WEST, ALONG SAID NORTH RIGHT-OF-WAY LINE AND THE NORTH RIGHT-OF-WAY LINE AS RECORDED IN OFFICIAL RECORDS BOOK 8650, PAGE 1215, PUBLIC RECORDS OF POLK COUNTY, FLORIDA, A DISTANCE OF 653.31 FEET TO THE WEST BOUNDARY OF THE AFOREMENTIONED TRACT 12; THENCE SOUTH 00°24'17" EAST, ALONG SAID WEST BOUNDARY, A DISTANCE OF 6.75 FEET TO THE NORTHERLY MAINTAINED RIGHT-OF-WAY LINE OF THE AFORESAID FOREST LAKE DRIVE AS RECORDED IN MAP BOOK 17, PAGES 100-108 OF THE PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE WESTERLY ALONG SAID MAINTAINED THE FOLLOWING THREE (3) COURSES: 1.) NORTH 89°56'11" WEST, A DISTANCE OF 486.54 FEET; THENCE 2.) NORTH 89°54'02" WEST, A DISTANCE OF 428.09 FEET; THENCE 3.) NORTH 89°50'34" WEST, A DISTANCE OF 352.87 FEET TO THE EAST LINE OF THE WEST 25 FEET OF THE AFOREMENTIONED TRACT 16; THENCE NORTH 00°30'15" WEST, ALONG SAID LINE, A DISTANCE OF 17.87 FEET TO THE NORTH LINE OF THE SOUTH 25 FEET OF SAID TRACT 16; THENCE SOUTH 89°57'45" WEST, ALONG SAID NORTH LINE, A DISTANCE OF 25.00 FEET TO THE WEST BOUNDARY OF SAID TRACT 16 AND THE EASTERLY PLATTED RIGHT-OF-WAY OF HOLLY HILL ROAD; THENCE NORTH 00°30'16" WEST, ALONG SAID WEST BOUNDARY AND SAID EAST RIGHT-OF-WAY, A DISTANCE OF 1258.82 FEET TO THE POINT OF BEGINNING.

SAID LANDS CONTAIN 57.15 ACRES, MORE OR LESS.

AND

RIGHT-OF-WAY PARCEL (MAP #8)

ALL THAT PART OF THAT CERTAIN 30 FOOT WIDE PLATTED, UNOPENED RIGHT-OF-WAY LYING NORTH OF AND CONTIGUOUS WITH THE NORTH BOUNDARY OF TRACTS 1 THRU 6, HOLLY HILL GROVE & FRUIT COMPANY IN THE NORTHEAST 1/4 OF SECTION 5, TOWNSHIP 27 SOUTH, RANGE 27 EAST, AS RECORDED IN PLAT BOOK 22, PAGE 10 AND SOUTH OF AND CONTIGUOUS WITH THE SOUTH BOUNDARY OF TRACTS 27 THRU 32, IN THE SOUTHEAST 1/4 OF SECTION 32, TOWNSHIP 26 SOUTH, RANGE 27 EAST, FLORIDA DEVELOPMENT CO. TRACT AS RECORDED IN PLAT BOOK 3, PAGES 60-63, BOTH RECORDED IN THE PUBLIC RECORDS OF POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE NORTHWEST CORNER OF THE AFORESAID TRACT 1, HOLLY HILL GROVE & FRUIT COMPANY; THENCE NORTH 00°30'15" WEST, ALONG THE NORTHERLY EXTENSION OF THE WEST BOUNDARY OF SAID TRACT 1, A DISTANCE OF 30.00 FEET TO THE NORTH BOUNDARY OF SAID RIGHT-OF-WAY, AND THE SOUTH BOUNDARY OF THE AFORESAID TRACT 32, FLORIDA DEVELOPMENT CO. TRACT; THENCE NORTH 89°44'09" EAST, ALONG SAID NORTH RIGHT-OF-WAY LINE, AND THE SOUTHERN BOUNDARY OF THE AFOREMENTIONED TRACTS 27 THRU 32, FLORIDA DEVELOPMENT CO. TRACT, A DISTANCE OF 1953.68 FEET TO THE SOUTHEAST CORNER OF THE AFOREMENTIONED TRACT 27, THE SAME ALSO BEING THE WEST BOUNDARY OF DEL WEBB ORLANDO PHASE 1 AS RECORDED IN PLAT BOOK 154, PAGE 17 OF THE PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE SOUTHERLY ALONG THE WEST BOUNDARY OF SAID DEL WEBB ORLANDO PHASE 1 THE FOLLOWING THREE (3) COURSES: 1.) SOUTH 00°01'54" EAST, A DISTANCE OF 15.00 FEET; THENCE 2.) SOUTH 89°44'09" WEST, A DISTANCE OF 6.52 FEET; THENCE 3.) SOUTH 00°21'34" EAST, A DISTANCE OF 15.00 FEET TO THE SOUTH LINE OF SAID PLATTED RIGHT-OF-WAY AND THE NORTHEAST CORNER OF THE AFOREMENTIONED TRACT 6, HOLLY HILL GROVE & FRUIT COMPANY; THENCE SOUTH 89°44'09" WEST, ALONG SAID SOUTH RIGHT-OF-WAY, AND THE NORTH BOUNDARY OF THE AFOREMENTIONED TRACTS 1 THRU 6, HOLLY HILL GROVE AND FRUIT COMPANY, A DISTANCE OF 1948.99 FEET TO THE POINT OF BEGINNING.

SAID LANDS CONTAIN 1.34 ACRES, MORE OR LESS.

SEE PAGE 2 FOR CONTINUATION



1925 BARROW ROAD • LAKELAND, FL 33607
OFFICE: (813) 940-2040 • FAX: (813) 940-2044 • CELL: (813) 652-0018
EMAIL: JIM@WOODPCIVIL.COM

EXHIBIT 2 FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT LEGAL DESCRIPTION

PAGE 1 OF 2

AND

FLORIDA DEVELOPMENT COMPANY PARCEL ONE (MAP # 3, 4, 5, 6, 7, AND 9)

ALL THAT PART OF TRACTS 17 THRU 22 AND TRACTS 27 THRU 32 IN THE SOUTHEAST 1/4 OF SECTION 32, TOWNSHIP 26 SOUTH RANGE 27 EAST, FLORIDA DEVELOPMENT CO. TRACT AS RECORDED IN PLAT BOOK 3, PAGES 60-63, PUBLIC RECORDS OF POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHWEST CORNER OF THE AFOREMENTIONED TRACT 32; THENCE NORTH 00°15' 54" WEST, ALONG THE WEST BOUNDARY THEREOF, THE SAME ALSO BEING THE EAST RIGHT-OF-WAY LINE OF HOLLY HILL ROAD, A DISTANCE OF 659.16 FEET TO THE NORTH LINE OF THE SOUTH 10 FEET OF THE AFOREMENTIONED TRACT 17; THENCE NORTH 89°45'28" EAST, ALONG SAID NORTH LINE AND THE NORTH LINE OF THE SOUTH 10 FEET OF TRACTS 18 AND 19, A DISTANCE OF 978.14 FEET TO THE WEST BOUNDARY OF THE AFOREMENTIONED TRACT 20; THENCE NORTH 00°08'54" WEST, ALONG THE WEST BOUNDARY OF SAID TRACT 20, A DISTANCE OF 638.79 FEET TO THE NORTHWEST CORNER OF SAID TRACT; THENCE NORTH 89°46'42" EAST, ALONG THE NORTH BOUNDARY OF TRACTS 20 THRU 22, A DISTANCE OF 885.44 FEET TO THE NORTHEAST CORNER OF SAID TRACT 22; THENCE SOUTH 00°01'54" EAST, ALONG THE EAST BOUNDARY OF SAID TRACT 22 AND THE EAST BOUNDARY OF THE AFOREMENTIONED TRACT 27, THE SAME ALSO BEING THE WEST BOUNDARY OF DEL WEBB ORLANDO PHASE ONE AS RECORDED IN PLAT BOOK 154, PAGE 17, PUBLIC RECORDS OF POLK COUNTY, FLORIDA, A DISTANCE 1286.65 FEET TO THE SOUTHEAST CORNER OF SAID TRACT 27; THENCE SOUTH 89°44'09" WEST, ALONG THE SOUTH BOUNDARY OF THE AFOREMENTIONED TRACTS 27 THRU 32, AND THE NORTH RIGHT-OF-WAY LINE OF THAT PLATTED, UN-OPENED RIGHT-OF-WAY LYING SOUTH OF SAID TRACTS, A DISTANCE OF 1870.60 FEET TO THE POINT OF BEGINNING.

SAID LANDS CONTAIN 44.41 ACRES, MORE OR LESS.

AND

FLORIDA DEVELOPMENT COMPANY PARCEL TWO (MAP #1 AND 2)

ALL OF TRACTS 14 THRU 16 IN THE SOUTHEAST 1/4 OF SECTION 32, TOWNSHIP 26 SOUTH RANGE 27 EAST, FLORIDA DEVELOPMENT CO. TRACT AS RECORDED IN PLAT BOOK 3, PAGES 60-63, PUBLIC RECORDS OF POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHWEST CORNER OF SAID TRACT 16; THENCE NORTH 00°18'22" WEST, ALONG THE WEST BOUNDARY THEREOF, THE SAME ALSO BEING THE EAST RIGHT-OF-WAY LINE OF HOLLY HILL ROAD, A DISTANCE OF 848.20 FEET TO THE NORTHWEST CORNER THEREOF; THENCE NORTH 89°47'59" EAST, ALONG THE NORTH BOUNDARY OF SAID TRACTS 14 THRU 16, A DISTANCE OF 981.82 FEET TO THE NORTHEAST CORNER OF THE AFOREMENTIONED TRACT 14; THENCE SOUTH 00°08'54" EAST, ALONG THE EAST BOUNDARY OF SAID TRACT 14, A DISTANCE OF 848.79 FEET TO THE SOUTHEAST CORNER THEREOF; THENCE SOUTH 89°46'33" WEST, ALONG THE SOUTH BOUNDARY OF SAID TRACT 14 THRU 16, A DISTANCE OF 980.42 FEET TO THE POINT OF BEGINNING.

SAID LANDS CONTAIN 14.62 ACRES, MORE OR LESS.

AND

PUMP HOUSE PARCEL (MAP # 19)

THE SOUTH 25 FEET OF THE WEST 25 FEET OF TRACT 16 IN THE NORTHEAST 1/4 OF SECTION 5, TOWNSHIP 27 SOUTH, RANGE 27 EAST OF HOLLY HILL GROVE & FRUIT COMPANY ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 22, PAGE 10 OF THE PUBLIC RECORDS OF POLK COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHWEST CORNER OF AFORESAID TRACT 16, HOLLY HILL GROVE & FRUIT COMPANY; THENCE NORTH 00°30'15" WEST ALONG THE WEST BOUNDARY THEREOF, A DISTANCE OF 25.00 FEET; THENCE NORTH 89°57'45" EAST, AND PARALLEL WITH THE SOUTH BOUNDARY OF SAID TRACT 16, A DISTANCE OF 25.00 FEET; THENCE SOUTH 00°30'15" EAST, AND PARALLEL WITH THE AFOREMENTIONED WEST BOUNDARY OF TRACT 16, A DISTANCE OF 25.00 FEET TO THE AFORESAID SOUTH BOUNDARY; THENCE SOUTH 89°57'45" WEST, ALONG SAID SOUTH BOUNDARY, A DISTANCE OF 25.00 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT MAINTAINED RIGHT-OF-WAY FOR FOREST LAKE DRIVE AS RECORDED IN MAP BOOK 17, PAGES 100-108 OF THE PUBLIC RECORDS OF POLK COUNTY, FLORIDA.

SAID LANDS CONTAIN 409.58 SQUARE FEET (0.009 ACRES), MORE OR LESS.

GDD CONTAINS 117.53 ACRES, MORE OR LESS.



EXHIBIT 2
**FOREST LAKE COMMUNITY
DEVELOPMENT DISTRICT
LEGAL DESCRIPTION**

PAGE 2 OF 2

**SUPPLEMENTAL
ASSESSMENT METHODOLOGY

FOR
FOREST LAKE
COMMUNITY DEVELOPMENT DISTRICT
FOR ASSESSMENT AREA TWO**

Date: May 3, 2022

Prepared by

**Governmental Management Services - Central Florida, LLC
219 E. Livingston St.
Orlando, FL 32801**

Table of Contents

1.0 Introduction.....	3
1.1 Purpose.....	3
1.2 Background.....	4
1.3 Special Benefits and General Benefits	4
1.4 Requirements of a Valid Assessment Methodology	5
1.5 Special Benefits Exceed the Costs Allocated	5
2.0 Assessment Methodology	6
2.1 Overview	6
2.2 Allocation of Debt.....	6
2.3 Allocation of Benefit	7
2.4 Lienability Test: Special and Peculiar Benefit to the Property	7
2.5 Lienability Test: Reasonable and Fair Apportionment of the Duty to Pay Non-Ad Valorem Assessments	8
3.0 True-Up Mechanism.....	9
4.0 Assessment Roll.....	9
5.0 Appendix	10
Table 1: Development Program	10
Table 2: Capital Improvement Cost Estimates.....	11
Table 3: Bond Sizing.....	12
Table 4: Allocation of Improvement Costs	13
Table 5: Allocation of Total Par Debt to Each Product Type.....	14
Table 6: Par Debt and Annual Assessments	15
Table 7: Preliminary Assessment Roll	16

GMS-CF, LLC does not represent the Forest Lake Community Development District as a Municipal Advisor or Securities Broker nor is GMS-CF, LLC registered to provide such services as described in Section 15B of the Securities and Exchange Act of 1934, as amended. Similarly, GMS-CF, LLC does not provide the Forest Lake Community Development District with financial advisory services or offer investment advice in any form.

1.0 Introduction

The Forest Lake Community Development District (the “District”) is a local unit of special-purpose government organized and existing under Chapter 190, Florida Statutes as amended. The District anticipates issuing \$4,500,000 of tax exempt bonds in one or more series (the “Bonds”) for the purpose of financing certain Phase 3 infrastructure improvements (“Assessment Area Two Project”) within the District more specifically described in the First Supplemental Engineer’s Report dated February 10, 2022 , notated as Phase 3 (known as “Assessment Area Two”) on Exhibit 8 as prepared by Wood & Associates Engineering, LLC , as may be amended and supplemented from time to time (the “Engineer’s Report”). The District anticipates the construction of all or a portion of the Capital Improvements or Capital Improvement Plan (“Capital Improvements”) that benefit property owners within Assessment Area Two of the District.

1.1 Purpose

This Supplemental Assessment Methodology (the “Supplemental Report”) which supplements the certain Master Assessment Methodology dated December 17, 2019 (the “Master Report”) and together with the Supplemental Report (the “Assessment Report”) provides for an assessment methodology that allocates the debt to be incurred by the District to benefiting properties within Assessment Area Two of District. This Supplemental Report allocates the debt to properties based on the special benefits each receives from the Assessment Area Two Project. The Assessment Report may be supplemented with one or more supplemental methodology reports to reflect the actual terms and conditions at the time of the issuance of each series of Bonds issued to finance all or a portion of the Capital Improvements. This Assessment Report is designed to conform to the requirements of Chapters 190 and 170, Florida Statutes, with respect to special assessments and is consistent with our understanding of case law on this subject.

The District intends to levy, impose and collect non ad valorem special assessments (“Special Assessments”) on the benefited lands within Assessment Area Two of the District securing repayment of the Bonds based on this Assessment Report. It is anticipated that all of the proposed Special Assessments will be collected through the Uniform Method of Collection described in Section 197.3632, Florida Statutes or any other legal means available to the District. It is not the intent of this Assessment Report to address any other assessments, if applicable, that may be levied by the District including those for maintenance and operation of the Bonds, a homeowner’s association, or any other unit of government.

1.2 Background

The District currently includes approximately 117.53 acres within Polk County, Florida. Assessment Area Two comprises approximately 35.86 acres. The development program for Assessment Area Two of the District currently envisions approximately 186 residential units. The proposed development program is depicted in Table 1. It is recognized that such development plan may change, and this Assessment Report will be modified or supplemented accordingly.

The Capital Improvements contemplated by the District in the Assessment Area Two Project will provide facilities that benefit certain property within the District. Specifically, the District will construct and/or acquire certain offsite improvements, stormwater management facilities, utility facilities, roadways, entry features, and park and recreation features. The acquisition and construction costs are summarized in Table 2.

The assessment methodology is a four-step process.

1. The District Engineer must first determine the public infrastructure improvements that may be provided by the District and the costs to implement the Capital Improvements.
2. The District Engineer determines the assessable acres that benefit from the District's Capital Improvements.
3. A calculation is made to determine the funding amounts necessary to acquire and/or construct the Capital Improvements.
4. This amount is initially divided equally among the benefited properties on a prorated assessable acreage basis. Ultimately, as land is platted, this amount will be assigned to each of the benefited properties based on the number and type of platted units.

1.3 Special Benefits and General Benefits

Capital Improvements undertaken by the District create special and peculiar benefits to the property, different in kind and degree, for properties within its boundaries as well as general benefits to the public at large. However, as discussed within this Assessment Report, these general benefits are incidental in nature and are readily distinguishable from the special and peculiar benefits, which accrue to property within Assessment Area Two of the District. The implementation of the Assessment Area Two Project enables properties within the boundaries of Assessment Area Two of the District to be developed. Without the District's Assessment Area Two Project, there would be no infrastructure to support

development of land within Assessment Area Two of the District. Without these improvements, development of the property within Assessment Area Two of the District would be prohibited by law.

The general public and property owners outside of Assessment Area Two of the District may benefit from the provision of the Capital Improvements. However, any such benefit will be incidental for the purpose of the Assessment Area Two Project which is designed solely to meet the needs of property within the District. Properties outside of the District boundaries do not depend upon the District's Capital Improvements. The property owners within the District are therefore receiving special benefits not received by the general public and those outside the District's boundaries.

1.4 Requirements of a Valid Assessment Methodology

There are two requirements under Florida law for a valid special assessment:

- 1) The properties must receive a special benefit from the Capital Improvements being paid for.
- 2) The assessments must be fairly and reasonably allocated or apportioned to the properties being assessed based on the special benefit such properties receive.

Florida law provides for a wide application of special assessments that meet these two characteristics of special assessments.

1.5 Special Benefits Will Equal or Exceed the Costs Allocated

The special benefits provided to the property within Assessment Area Two of the District will be equal to or greater than the costs associated with providing these benefits. The District Engineer estimates that the District's Assessment Area Two Project that is necessary to support full development of property within Assessment Area Two of the District will cost approximately \$6,171,000. The District's Underwriter projects that financing costs required to fund a portion of the Assessment Area Two Project costs, the cost of issuance of the Bonds, the funding of a debt service reserve account and capitalized interest, will be \$4,500,000. Additional funding required to be complete the Assessment Area Two Project is anticipated to be funded by the developer. Without the Assessment Area Two Project, the property within Assessment Area Two of the District would not be able to be developed and occupied by future residents of the community.

2.0 Assessment Methodology

2.1 Overview

The District anticipates issuing \$4,500,000 in Bonds in one or more series to fund the District's Assessment Area Two Project, provide for capitalized interest, a debt service reserve account and pay cost of issuance. It is the purpose of this Assessment Report to allocate the \$4,500,000 in debt to the properties within Assessment Area Two benefiting from the Capital Improvements. This report will be supplemented to reflect actual bond terms.

Table 1 identifies the land uses and lot sizes in the development as identified by the Developer within the District. The District has commissioned an Engineer's Report that includes estimated construction costs for the Capital Improvements needed to support the development; these construction costs are outlined in Table 2. The Capital Improvements needed to support the development of Assessment Area Two are described in detail in the Engineer's Report and are estimated to cost \$6,171,000. Based on the estimated costs, the size of the Bond issue under current market conditions needed to generate funds to pay for the Capital Improvements and related costs was determined by the District's Underwriter to total approximately \$4,500,000. Table 3 shows the breakdown of the Bond sizing.

2.2 Allocation of Debt

Allocation of debt is a continuous process until the development plan for the District is completed. Until the platting process occurs, the Capital Improvements funded by District Bonds benefits all acres within Assessment Area Two of the District.

The initial assessments will be levied on an equal basis to all gross acreage within Assessment Area Two of the District. A fair and reasonable methodology allocates the debt incurred by the District proportionately to the properties receiving the special benefits within Assessment Area Two. At this point all of the lands within the Assessment Area Two of the District are benefiting from the Capital Improvements.

Once platting or the recording of a declaration of condominium of any portion of Assessment Area Two of the District into individual lots or units ("Assigned Properties") has begun, the Special Assessments will be levied to the Assigned Properties based on the benefits they receive, on a first platted, first assigned basis. The "Unassigned Properties" defined as property that has not been platted or

subjected to a declaration of condominium, will continue to be assessed on a per acre basis. Eventually the development plan will be completed and the debt relating to the Bonds will be allocated to the Assigned Property, as defined below, within Assessment Area Two of the District, which are the beneficiaries of the Assessment Area Two Project, as depicted in Table 5 and Table 6. If there are changes to development plan, a true up of the assessment will be calculated to determine if a debt reduction or true-up payment from the Developer is required. The process is outlined in Section 3.0.

The assignment of debt in this Assessment Report sets forth the process by which debt is apportioned. As mentioned herein, this Assessment Report will be supplemented from time to time.

2.3 Allocation of Benefit

The Assessment Area Two Project consists of offsite improvements, stormwater management facilities, utility facilities, roadways, entry features, and park and recreation features and professional fees along with related incidental costs. There is one product type within the planned development. The single-family home has been set as the base unit and has been assigned one equivalent residential unit ("ERU"). Table 4 shows the allocation of benefit to the particular product type. It is important to note that the benefit derived from the Capital Improvements on a particular unit will exceed the cost that the unit will be paying for such benefits.

2.4 Lienability Test: Special and Peculiar Benefit to the Property

Construction and/or acquisition by the District of its proposed Capital Improvements will provide several types of systems, facilities and services for its residents. These include offsite improvements, stormwater management facilities, utility facilities, roadways, entry features, and park and recreation features. The benefit from the Capital Improvements accrue in the same amounts to each product and are somewhat dependent on the product type receiving the special benefits peculiar to that property type, which flow from the logical relationship of the Capital Improvements to the assigned Assessment Area Two properties. Benefit would be reallocated if product mix changes.

Once these determinations are made, they are reviewed in the light of the special benefits peculiar to the property, which flow to the properties as a result of their logical connection from the Capital Improvements actually provided.

For the provision of the Assessment Area Two Project, the special and peculiar benefits are:

- 1) the added use of the property,
- 2) added enjoyment of the property, and
- 3) the increased marketability and value of the property.

These special and peculiar benefits are real and ascertainable but are not yet capable of being calculated as to value with mathematical certainty. However, each is more valuable than either the cost of, or the actual Special Assessment levied for the Capital Improvement as allocated.

2.5 Lienability Test: Reasonable and Fair Apportionment of the Duty to Pay Non-Ad Valorem Assessments

A reasonable estimate of the proportion of special and peculiar benefits received from the public improvements described in the Assessment Area Two Project is delineated in Table 5 (expressed as Allocation of Par Debt per Product Type). This is also shown on Table 7 depicting Allocation of Par Debt per Product Type.

The determination has been made that the duty to pay the non-ad valorem special assessments is fairly and reasonably apportioned because the special and peculiar benefits to the property derived from the acquisition and/or construction of Assessment Area Two Project have been apportioned to the property within the District according to reasonable estimates of the special and peculiar benefits provided consistent with the product type of assignable properties.

Accordingly, no acre or parcel of property within the boundaries of Assessment Area Two of the District will have a lien for the payment of any Special Assessment more than the determined special benefit particular to that property and therefore, the debt allocation will not be increased more than the debt allocation set forth in this Assessment Report.

In accordance with the benefit allocation suggested for the product types in Table 4, a total debt per unit and an annual assessment per unit have been calculated for each product type (Table 6). These amounts represent the preliminary anticipated per unit debt allocation assuming all anticipated assigned properties are built and sold as planned, and the entire proposed Assessment Area Two Project is constructed.

3.0 True Up Mechanism

Although the District does not process plats, declaration of condominiums, site plans or revisions thereto, it does have an important role to play during the course of platting and site planning. Whenever a plat, declaration of condominium or site plan is approved, the District must allocate a portion of its debt to the property according to this Assessment Report outlined herein ("Assigned Property"). In addition, the District must also prevent any buildup of debt on property or land that could be fully conveyed and/or platted without all of the debt being allocated ("Unassigned Property"). To preclude this, when platting for 25%, 50%, 75% and 100% of the units planned for platting has occurred within Assessment Area Two of the District, the District will determine the amount of anticipated Bond Special Assessment revenue that remains on the Unassigned Properties, taking into account the full development plan of the District. If the total anticipated Bond Special Assessment revenue to be generated from the Assigned and Unassigned Properties is greater than or equal to the maximum annual debt service then no debt reduction or true-up payment is required. In the case that the revenue generated is less than the required amount then a debt reduction or true-up payment by the landowner in the amount necessary to reduce the par amount of the outstanding Bonds plus accrued interest to a level that will be supported by the new net annual debt service assessments will be required.

If a true-up payment is made less than 45 days prior to an interest payment date, the amount of accrued interest will be calculated to the next succeeding interest payment date.

4.0 Assessment Roll

The District will initially distribute the Special Assessments across the property within Assessment Area Two of the District boundaries on a gross acreage basis. As Assigned Properties become known with certainty, the District will refine its allocation of debt from a per acre basis to a per unit basis as shown in Table 6. If the land use plan or product type changes, then the District will update Table 6 to reflect the changes as part of the foregoing true-up process. As a result, the assessment liens are not finalized with certainty on any acre of land in Assessment Area Two of the District prior to the time final Assigned Properties become known. The preliminary assessment roll is attached as Table 7.

TABLE 1
FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
DEVELOPMENT PROGRAM
SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR ASSESSMENT AREA TWO

Land Use	Phase 3	Total Assessable Units	ERUs per Unit (1)	Total ERUs
Single Family	186	186	1.00	186
Total Units		186		186

(1) Benefit is allocated on an ERU basis; based on density of planned development, with Single Family = 1 ERU

* Unit mix is subject to change based on marketing and other factors

TABLE 2
FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
DEVELOPMENT PROGRAM
SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR ASSESSMENT AREA TWO

Assessment Area One Project ("CIP") (1)	Phase 3 Cost Estimate
Offsite Improvements	\$ 220,000
Stormwater Management	\$ 885,000
Utilities (Water, Sewer, & Street Lighting)	\$ 2,475,000
Roadway	\$ 1,365,000
Entry Feature	\$ 340,000
Parks and Recreational Facilities	\$ 325,000
Contingencies	\$ 561,000
	\$ 6,171,000

(1) A detailed description of these improvements is provided in the First Supplemental Engineer's Report dated February 10, 2022

TABLE 3
FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
DEVELOPMENT PROGRAM
SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR ASSESSMENT AREA TWO

Description	Total
Construction Funds	\$ 3,790,749
Debt Service Reserve	\$ 301,126
Capitalized Interest	\$ 118,125
Underwriters Discount	\$ 90,000
Cost of Issuance	\$ 200,000
Par Amount*	\$ 4,500,000

Bond Assumptions:	
Average Coupon	5.25%
Amortization	30 years
Capitalized Interest	6 months
Debt Service Reserve	Max Annual
Underwriters Discount	2%

* Par amount is subject to change based on the actual terms at the sale of the bonds

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 4
 FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
 DEVELOPMENT PROGRAM
 SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR ASSESSMENT AREA TWO

Land Use	No. of Units *	ERU Factor	Total ERUs	% of Total ERUs	Total Improvements Costs Per Product Type	Improvement Costs Per Unit
Single Family	186	1	186	100.00%	\$ 6,171,000	\$ 33,177
Totals	186		186	100.00%	\$ 6,171,000	

* Unit mix is subject to change based on marketing and other factors

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 5
 FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
 DEVELOPMENT PROGRAM
 SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR ASSESSMENT AREA TWO

Land Use	No. of Units *	Total Improvements		Allocation of Par		Par Debt Per Unit
		Costs Per Product	Type	Debt Per Product	Type - Prior to Developer	
Single Family	186	\$	6,171,000	\$	4,500,000	\$ 24,194
Totals	186	\$	6,171,000	\$	4,500,000	

* Unit mix is subject to change based on marketing and other factors

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 6
FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
DEVELOPMENT PROGRAM
SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR ASSESSMENT AREA TWO

Land Use	No. of Units *	Allocation of Par Debt Per Product		Total Par Debt Per Unit	Maximum Annual Debt Service	Net Annual Debt Assessment Per Unit		Gross Annual Debt Assessment Per Unit (1)			
		Type				Assessment Per Unit		Assessment Per Unit			
Single Family	186	\$	4,500,000	\$	24,194	\$	301,126	\$	1,619	\$	1,741
Totals	186	\$	4,500,000	\$		\$	301,126				

(1) This amount includes estimated collection fees and early payment discounts when collected on the Polk County Tax Bill

* Unit mix is subject to change based on marketing and other factors

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 7
FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
DEVELOPMENT PROGRAM
SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR ASSESSMENT AREA TWO

Owner	Property ID #'s	Acres	Total Par Debt Allocation Per Acre	Total Par Debt Allocated	Net Annual Debt Assessment Allocation	Gross Annual Debt Assessment Allocation (1)
JMBI Real Estate, LLC	See Legal Description	35.86	\$ 125,478	\$ 4,500,000	\$ 301,126	\$ 323,791
Totals		35.86		\$ 4,500,000	\$ 301,126	\$ 323,791

(1) This amount includes an estimated 7% to cover collection fees and early payment discounts when collected utilizing the uniform method.

Annual Assessment Periods	30
Projected Bond Rate (%)	5.25%
Maximum Annual Debt Service	\$301,126

Prepared by: Governmental Management Services - Central Florida, LLC

EXHIBIT 10

LEGAL DESCRIPTION
FOREST LAKE PHASE 3

ALL OF TRACTS C, I, AND J AS DEPICTED ON THE PLAT OF "FOREST LAKE PHASE 1" AS RECORDED IN PLAT BOOK 183, PAGES 17 THROUGH 21 (INCLUSIVE), PUBLIC RECORDS OF POLK COUNTY, FLORIDA.

SUBJECT TO: EASEMENTS OF RECORD

CONTAINING: 35.863 ACRES, MORE OR LESS.

Exhibit C
LEGAL DESCRIPTION OF ASSESSMENT AREA TWO
FOREST LAKE PHASE 3

ALL OF TRACTS C, I, AND J AS DEPICTED ON THE PLAT OF "FOREST LAKE PHASE 1" AS RECORDED IN PLAT BOOK 183, PAGES 17 THROUGH 21 (INCLUSIVE), PUBLIC RECORDS OF POLK COUNTY, FLORIDA.

SUBJECT TO: EASEMENTS OF RECORD

CONTAINING: 35.863 ACRES, MORE OR LESS.

Exhibit D: Maturities and Coupons of Assessment Area Two Bonds

Exhibit E: Sources and Uses of Funds for Assessment Area Two Bonds

Exhibit F: Annual Debt Service Payment Due on Assessment Area Two Bonds

SECTION VII

RESOLUTION 2022-07

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT DECLARING SPECIAL ASSESSMENTS TO FUND THE PROPOSED BUDGETS PURSUANT TO CHAPTERS 170, 190 AND 197, FLORIDA STATUTES; SETTING PUBLIC HEARINGS; ADDRESSING NOTICE AND PUBLICATION; ADDRESSING SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board of Supervisors ("**Board**") of the Forest Lake Community Development District ("**District**") has prior to June 15, 2022, approved proposed budgets ("**Proposed Budget**") for the fiscal year beginning October 1, 2022 and ending September 30, 2023 ("**Fiscal Year 2022/2023**"); and

WHEREAS, after further consideration, it is in the best interest of the District to fund the administrative and operations services (together, "**Services**") set forth in the Proposed Budget, a current copy of which is attached as **Exhibit A**, by levy of special assessments pursuant to Chapters 170, 190 and 197, Florida Statutes ("**Assessments**"), as set forth in the preliminary assessment roll included within the Proposed Budget; and

WHEREAS, the District hereby determines that benefits would accrue to the properties within the District, as outlined within the Proposed Budget, in an amount equal to or in excess of the Assessments, and that such Assessments would be fairly and reasonably allocated as set forth in the Proposed Budget; and

WHEREAS, the Board has considered the proposed Assessments, and desires to set the required public hearings thereon;

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

1. DECLARING ASSESSMENTS. The current form of the Proposed Budget, attached hereto as **Exhibit A**, is hereby approved for use in proceedings to levy and impose the Assessments. Pursuant to Chapters 170, 190 and 197, Florida Statutes, the Assessments shall defray the cost of the Services in the total estimated amounts set forth in the Proposed Budget. The nature of, and plans and specifications for, the Services to be funded by the Assessments are described in the Proposed Budget and in the reports (if any) of the District Engineer, all of which are on file and available for public inspection at the "**District's Office**," located at c/o Governmental Management Services-CF, LLC, 219 East Livingston Street, Orlando, Florida 32801. The Assessments shall be levied within the District on all benefitted lots and lands, and shall be apportioned, all as described in the Proposed Budget and the preliminary assessment roll included therein. The preliminary assessment roll is also on file and available for public inspection at the District's Office. The Assessments shall be paid in one more

installments pursuant to a bill issued by the District in November of 2022, and pursuant to Chapter 170, Florida Statutes, or, alternatively, pursuant to the *Uniform Method* as set forth in Chapter 197, Florida Statutes.

2. SETTING A PUBLIC HEARING. Pursuant to Chapters 170, 190, and 197, Florida Statutes, a public hearing on the Assessments are hereby declared and set for the following date, hour and location:

DATE: Tuesday, August 2, 2022
HOUR: 1:45 PM
LOCATION: 346 E. Central Ave.
Winter Haven, FL 33880

3. NOTICE OF HEARING. The District shall cause this Resolution to be published once a week for a period of two weeks in a newspaper of general circulation published in Polk County. Additionally, notice of the public hearings shall be published in the manner prescribed in Florida law. Mailed notice of such hearing shall also be provided as prescribed Chapters 170, 190, and 197, Florida Statutes.

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

5. EFFECTIVE DATE. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED THIS 3RD DAY OF MAY 2022.

ATTEST:

**FOREST LAKE COMMUNITY
DEVELOPMENT DISTRICT**

Secretary

By: _____
Its: _____

Lower Version

Forest Lake
Community Development District

Proposed Budget
FY2023



Table of Contents

1-2	General Fund
3-7	General Fund Narrative
8	Series 2020 Debt Service Fund
9-10	Series 2020 Amortization Schedule
11	Capital Reserve Fund

Forest Lake
Community Development District
Proposed Budget
General Fund

Description	Adopted Budget FY2022	Actuals Thru 3/31/22	Projected Next 6 Months	Total Thru 9/30/22	Proposed Budget FY2023
<u>Revenues</u>					
Assessments - Tax Roll	\$ 270,152	\$ 269,844	\$ -	\$ 269,844	\$ 351,781
Assessments - Direct Bill	\$ 58,278	\$ -	\$ -	\$ -	\$ 60,641
Total Revenues	\$ 328,430	\$ 269,844	\$ -	\$ 269,844	\$ 412,422
<u>Expenditures</u>					
<u>Administrative</u>					
Supervisor Fees	\$ 12,000	\$ 4,000	\$ 6,000	\$ 10,000	\$ 12,000
Engineering	\$ 15,000	\$ -	\$ 15,000	\$ 15,000	\$ 15,000
Attorney	\$ 30,000	\$ 7,722	\$ 15,000	\$ 22,722	\$ 30,000
Annual Audit	\$ 4,500	\$ -	\$ 4,400	\$ 4,400	\$ 5,500
Assessment Administration	\$ 5,000	\$ 5,000	\$ -	\$ 5,000	\$ 5,000
Arbitrage	\$ 900	\$ 450	\$ 450	\$ 900	\$ 900
Dissemination	\$ 6,000	\$ 3,500	\$ 3,000	\$ 6,500	\$ 6,000
Trustee Fees	\$ 7,100	\$ 4,041	\$ 4,041	\$ 8,081	\$ 8,081
Management Fees	\$ 36,050	\$ 18,025	\$ 18,025	\$ 36,050	\$ 37,853
Information Technology	\$ 1,800	\$ 900	\$ 900	\$ 1,800	\$ 1,800
Website Maintenance	\$ 1,200	\$ 600	\$ 600	\$ 1,200	\$ 1,200
Telephone	\$ 300	\$ -	\$ 150	\$ 150	\$ 300
Postage & Delivery	\$ 1,000	\$ 50	\$ 500	\$ 550	\$ 1,000
Insurance	\$ 5,500	\$ 5,175	\$ -	\$ 5,175	\$ 6,210
Printing & Binding	\$ 1,000	\$ 26	\$ 500	\$ 526	\$ 1,000
Legal Advertising	\$ 10,000	\$ 1,442	\$ 7,500	\$ 8,942	\$ 10,000
Other Current Charges	\$ 5,000	\$ 276	\$ 2,500	\$ 2,776	\$ 5,000
Office Supplies	\$ 625	\$ 21	\$ 313	\$ 334	\$ 625
Travel Per Diem	\$ 660	\$ -	\$ 330	\$ 330	\$ 660
Dues, Licenses & Subscriptions	\$ 175	\$ 175	\$ -	\$ 175	\$ 175
Total Administrative	\$ 143,810	\$ 51,402	\$ 79,208	\$ 130,610	\$ 148,304

Forest Lake
Community Development District
Proposed Budget
General Fund

Description	Adopted Budget FY2022	Actuals Thru 3/31/22	Projected Next 6 Months	Total Thru 9/30/22	Proposed Budget FY2023
<u>Operations & Maintenance</u>					
Field Expenditures					
Property Insurance	\$ 5,000	\$ 4,686	\$ -	\$ 4,686	\$ 5,000
Field Management	\$ 15,000	\$ 4,375	\$ 7,500	\$ 11,875	\$ 15,750
Landscape Maintenance	\$ 40,000	\$ 18,510	\$ 20,316	\$ 38,826	\$ 74,000
Landscape Replacement	\$ 2,500	\$ -	\$ 1,250	\$ 1,250	\$ 12,000
Streetlights	\$ 15,000	\$ 7,782	\$ 7,620	\$ 15,402	\$ 16,764
Electric	\$ 5,000	\$ 2,259	\$ 3,000	\$ 5,259	\$ 6,600
Water & Sewer	\$ 3,000	\$ -	\$ 1,500	\$ 1,500	\$ 3,000
Sidewalk & Asphalt Maintenance	\$ 500	\$ -	\$ 250	\$ 250	\$ 2,500
Irrigation Repairs	\$ 2,500	\$ -	\$ 1,250	\$ 1,250	\$ 7,500
General Repairs & Maintenance	\$ 5,000	\$ 160	\$ 2,500	\$ 2,660	\$ 12,000
Contingency	\$ 2,500	\$ -	\$ 1,250	\$ 1,250	\$ 7,500
Subtotal Field Expenses	\$ 96,000	\$ 37,772	\$ 46,436	\$ 84,208	\$ 162,614
Amenity Expenses					
Amenity - Electric	\$ 14,400	\$ 2,021	\$ 5,700	\$ 7,721	\$ 12,540
Amenity - Water	\$ 3,500	\$ 890	\$ 1,680	\$ 2,570	\$ 3,696
Playground Lease	\$ 14,000	\$ -	\$ 11,954	\$ 11,954	\$ 28,688
Internet	\$ 3,000	\$ 93	\$ 558	\$ 651	\$ 1,500
Pest Control	\$ 720	\$ -	\$ 360	\$ 360	\$ 480
Janitorial Services	\$ 8,500	\$ 314	\$ 3,300	\$ 3,614	\$ 6,600
Security Services	\$ 10,000	\$ 5,589	\$ 5,000	\$ 10,589	\$ 2,500
Pool Maintenance	\$ 18,000	\$ 2,700	\$ 8,100	\$ 10,800	\$ 18,000
Amenity Access Management	\$ 5,000	\$ 417	\$ 2,500	\$ 2,917	\$ 5,000
Amenity Repairs & Maintenance	\$ 1,000	\$ 239	\$ 500	\$ 739	\$ 10,000
Contingency	\$ 7,500	\$ -	\$ 3,750	\$ 3,750	\$ 7,500
Subtotal Amenity Expenses	\$ 85,620	\$ 12,262	\$ 43,402	\$ 55,664	\$ 96,504
<u>Total Operations & Maintenance</u>	\$ 181,620	\$ 50,034	\$ 89,838	\$ 139,871	\$ 259,118
<u>Other Expenditures</u>					
Capital Reserves - Transfer	\$ 3,000	\$ -	\$ 3,000	\$ 3,000	\$ 5,000
<u>Total Other Expenditures</u>	\$ 3,000	\$ -	\$ 3,000	\$ 3,000	\$ 5,000
Total Expenditures	\$ 328,430	\$ 101,436	\$ 172,046	\$ 273,481	\$ 412,422
Excess Revenues/(Expenditures)	\$ 0	\$ 168,408	\$ (172,046)	\$ (3,638)	\$ -

Product	ERU's	Assessable Units	ERU/Unit	Net Assessment	Net Per Unit	Gross Per Unit
Platted	388.00	388	1	\$351,781.29	\$906.65	\$974.90
Unplatted	66.88	186	0.36	\$60,640.63	\$326.02	\$350.56
	454.88	574		\$412,421.92		

Forest Lake

Community Development District

General Fund Budget

Revenues:

Assessments

The District will levy a non-ad valorem assessment on all the assessable property within the District in order to pay for operating expenditures during the fiscal year.

Expenditures:

General & Administrative:

Supervisor Fees

Chapter 190, Florida Statutes, allows for each Board member to receive \$200 per meeting, not to exceed \$4,800 per year paid to each Supervisor for the time devoted to District business and meetings.

Engineering

The District's engineer, Wood & Associates Engineering, LLC, provides general engineering services to the District, e.g. attendance and preparation for monthly board meetings, review invoices and various projects as directed by the Board of Supervisors and the District Manager.

Attorney

The District's legal counsel, KE Law Group, provides general legal services to the District, e.g. attendance and preparation for meetings, preparation and review of agreements, resolutions, etc. as directed by the Board of Supervisors and the District Manager.

Annual Audit

The District is required by Florida Statutes to arrange for an independent audit of its financial records on an annual basis. The District is currently contracted with Grau & Associates for these services.

Assessment Administration

The District has contracted with Governmental Management Services-Central Florida, LLC, to levy and administer the collection of non-ad valorem assessment on all assessable property within the District.

Arbitrage

The District will contract with an independent certified public accountant to annually calculate the District's Arbitrage Rebate Liability on its Series 2020 bonds and another anticipated bond issuance.

Dissemination

The District is required by the Security and Exchange Commission to comply with Rule 15c2-12(b)(5) which relates to additional reporting requirements for unrated bond issues. This cost is based upon the Series 2020 bonds and another anticipated bond issuance.

Trustee Fees

The District will incur trustee related costs with the issuance of its' issued bonds.

Forest Lake

Community Development District

General Fund Budget

Management Fees

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

Information Technology

Represents costs related to the District's information systems, which include but are not limited to video conferencing services, cloud storage services and servers, security, accounting software, etc. Governmental Management Services-Central Florida, LLC, provides these services.

Website Maintenance

Represents the costs associated with monitoring and maintaining the District's website created in accordance with Chapter 189, Florida Statutes. These services include site performance assessments, security and firewall maintenance, updates, document uploads, hosting and domain renewals, website backups, etc. Governmental Management Services-Central Florida, LLC, provides these services.

Telephone

Telephone and fax machine.

Postage & Delivery

The District incurs charges for mailing of Board meeting agenda packages, overnight deliveries, correspondence, etc.

Insurance

The District's general liability and public official's liability insurance coverage is provided by the Florida Insurance Alliance (FIA). FIA specializes in providing insurance coverage to governmental agencies.

Printing & Binding

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

Legal Advertising

The District is required to advertise various notices for monthly Board meetings, public hearings, etc. in a newspaper of general circulation.

Other Current Charges

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

Office Supplies

Any supplies that may need to be purchased during the fiscal year, e.g., paper, minute books, file folders, labels, paper clips, etc.

Forest Lake

Community Development District

General Fund Budget

Travel Per Diem

The Board of Supervisors can be reimbursed for travel expenditures related to the conducting of District business.

Dues, Licenses & Subscriptions

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

Operations & Maintenance:

Field Expenditures

Property Insurance

The District's property insurance coverages.

Field Management

Governmental Management Services-Central Florida, LLC, provides onsite field management of contracts for the District such as landscape maintenance. Services can include onsite inspections, meetings with contractors, monitoring of utility accounts, attend Board meetings and receive and respond to property owner phone calls and emails.

Landscape Maintenance

Represents the estimated maintenance of the landscaping within the common areas of the District after the installation of landscape material has been completed. The District has contracted with Prince & Sons, Inc. to provide these services.

Landscape Replacement

Represents the estimated cost of replacing landscaping within the common areas of the District.

Streetlights

Represents the cost to maintain streetlights within the District Boundaries that are expected to be in place throughout the fiscal year.

Electric

Represents current and estimated electric charges of common areas throughout the District.

Water & Sewer

Represents current and estimated costs for water and refuse services provided for common areas throughout the District.

Sidewalk & Asphalt Maintenance

Represents the estimated costs of maintaining the sidewalks and asphalt throughout the District's Boundary.

Forest Lake

Community Development District

General Fund Budget

Irrigation Repairs

Represents the cost of maintaining and repairing the irrigation system. This includes the sprinklers, and irrigation wells.

General Repairs & Maintenance

Represents estimated costs for general repairs and maintenance of the District's common areas.

Contingency

Represents funds allocated to expenses that the District could incur throughout the fiscal year that do not fit into any field category.

Amenity Expenditures

Amenity - Electric

Represents estimated electric charges for the District's amenity facilities.

Amenity – Water

Represents estimated water charges for the District's amenity facilities.

Playground Lease

The District will enter into a leasing agreement for playgrounds installed in the community.

Internet

Internet service will be added for use at the Amenity Center.

Pest Control

The District will incur costs for pest control treatments to its amenity facilities.

Janitorial Services

Represents estimated costs to provide janitorial services and supplies for the District's amenity facilities.

Security Services

Represents the estimated cost of contracting a monthly security service for the District's amenity facilities, as well as maintaining security systems.

Pool Maintenance

Represents the costs of regular cleaning and treatments of the District's pool. The services are provided by Resort Pool Services.

Forest Lake

Community Development District

General Fund Budget

Amenity Access Management

Represents the cost of managing access to the District's amenity facilities. Governmental Management Services-Central Florida, LLC, provides these services.

Amenity Repairs & Maintenance

Represents estimated costs for repairs and maintenance of the District's amenity facilities.

Contingency

Represents funds allocated to expenses that the District could incur throughout the fiscal year that do not fit into any amenity category.

Other Expenses:

Capital Reserves

Funds collected and reserved for the replacement of and/or purchase of new capital improvements throughout the District.

Forest Lake
Community Development District
Proposed Budget
Series 2020 Debt Service Fund

Description	Adopted Budget FY2022	Actuals Thru 3/31/22	Projected Next 6 Months	Total Thru 9/30/22	Proposed Budget FY2023
Revenues					
Special Assessments	\$ 505,199	\$ 497,789	\$ 7,410	\$ 505,199	\$ 505,199
Interest	\$ -	\$ 10	\$ -	\$ 10	\$ -
Carry Forward Surplus	\$ 168,365	\$ 289,809	\$ -	\$ 289,809	\$ 175,537
Total Revenues	\$ 673,564	\$ 787,608	\$ 7,410	\$ 795,018	\$ 680,736
Expenditures					
Interest Expense - 11/1	\$ 168,338	\$ 168,338	\$ -	\$ 168,338	\$ 163,978
Special Call - 11/1	\$ -	\$ 120,000	\$ -	\$ 120,000	\$ -
Principal Expense - 5/1	\$ 170,000	\$ -	\$ 165,000	\$ 165,000	\$ 170,000
Interest Expense - 5/1	\$ 168,338	\$ -	\$ 166,144	\$ 166,144	\$ 163,978
Total Expenditures	\$ 506,675	\$ 288,338	\$ 331,144	\$ 619,481	\$ 497,956
Excess Revenues/(Expenditures)	\$ 166,889	\$ 499,271	\$ (323,734)	\$ 175,537	\$ 182,780

Interest Expense 11/1/23	\$ 161,747
Total	\$ 161,747

Product	Assessable Units	Maximum Annual Debt Service	Net Assessment Per Unit	Gross Assessment Per Unit
SF - Phase 1	203	\$ 273,995	\$1,350	\$1,451
SF - Phase 2	185	\$ 231,204	\$1,250	\$1,344
	388	\$ 505,199		

Forest Lake
Community Development District
Series 2020 Special Assessment Bonds
Amortization Schedule

Date		Balance		Principal		Interest		Total
11/01/22	\$	8,565,000.00	\$	-	\$	163,978.13	\$	495,121.88
05/01/23	\$	8,565,000.00	\$	170,000.00	\$	163,978.13	\$	-
11/01/23	\$	8,395,000.00	\$	-	\$	161,746.88	\$	495,725.00
05/01/24	\$	8,395,000.00	\$	175,000.00	\$	161,746.88	\$	-
11/01/24	\$	8,220,000.00	\$	-	\$	159,450.00	\$	496,196.88
05/01/25	\$	8,220,000.00	\$	180,000.00	\$	159,450.00	\$	-
11/01/25	\$	8,040,000.00	\$	-	\$	157,087.50	\$	496,537.50
05/01/26	\$	8,040,000.00	\$	185,000.00	\$	157,087.50	\$	-
11/01/26	\$	7,855,000.00	\$	-	\$	154,081.25	\$	496,168.75
05/01/27	\$	7,855,000.00	\$	190,000.00	\$	154,081.25	\$	-
11/01/27	\$	7,665,000.00	\$	-	\$	150,993.75	\$	495,075.00
05/01/28	\$	7,665,000.00	\$	200,000.00	\$	150,993.75	\$	-
11/01/28	\$	7,465,000.00	\$	-	\$	147,743.75	\$	498,737.50
05/01/29	\$	7,465,000.00	\$	205,000.00	\$	147,743.75	\$	-
11/01/29	\$	7,260,000.00	\$	-	\$	144,412.50	\$	497,156.25
05/01/30	\$	7,260,000.00	\$	210,000.00	\$	144,412.50	\$	-
11/01/30	\$	7,050,000.00	\$	-	\$	141,000.00	\$	495,412.50
05/01/31	\$	7,050,000.00	\$	220,000.00	\$	141,000.00	\$	-
11/01/31	\$	6,830,000.00	\$	-	\$	136,600.00	\$	497,600.00
05/01/32	\$	6,830,000.00	\$	225,000.00	\$	136,600.00	\$	-
11/01/32	\$	6,605,000.00	\$	-	\$	132,100.00	\$	493,700.00
05/01/33	\$	6,605,000.00	\$	235,000.00	\$	132,100.00	\$	-
11/01/33	\$	6,370,000.00	\$	-	\$	127,400.00	\$	494,500.00
05/01/34	\$	6,370,000.00	\$	245,000.00	\$	127,400.00	\$	-
11/01/34	\$	6,125,000.00	\$	-	\$	122,500.00	\$	494,900.00
05/01/35	\$	6,125,000.00	\$	255,000.00	\$	122,500.00	\$	-
11/01/35	\$	5,870,000.00	\$	-	\$	117,400.00	\$	494,900.00
05/01/36	\$	5,870,000.00	\$	265,000.00	\$	117,400.00	\$	-
11/01/36	\$	5,605,000.00	\$	-	\$	112,100.00	\$	494,500.00
05/01/37	\$	5,605,000.00	\$	280,000.00	\$	112,100.00	\$	-
11/01/37	\$	5,325,000.00	\$	-	\$	106,500.00	\$	498,600.00
05/01/38	\$	5,325,000.00	\$	290,000.00	\$	106,500.00	\$	-
11/01/38	\$	5,035,000.00	\$	-	\$	100,700.00	\$	497,200.00
05/01/39	\$	5,035,000.00	\$	300,000.00	\$	100,700.00	\$	-
11/01/39	\$	4,735,000.00	\$	-	\$	94,700.00	\$	495,400.00
05/01/40	\$	4,735,000.00	\$	315,000.00	\$	94,700.00	\$	-
11/01/40	\$	4,420,000.00	\$	-	\$	88,400.00	\$	498,100.00
05/01/41	\$	4,420,000.00	\$	325,000.00	\$	88,400.00	\$	-
11/01/41	\$	4,095,000.00	\$	-	\$	81,900.00	\$	495,300.00
05/01/42	\$	4,095,000.00	\$	340,000.00	\$	81,900.00	\$	-
11/01/42	\$	3,755,000.00	\$	-	\$	75,100.00	\$	497,000.00
05/01/43	\$	3,755,000.00	\$	355,000.00	\$	75,100.00	\$	-
11/01/43	\$	3,400,000.00	\$	-	\$	68,000.00	\$	498,100.00

Forest Lake
Community Development District
Series 2020 Special Assessment Bonds
Amortization Schedule

Date	Balance	Prinicipal	Interest	Total
05/01/44	\$ 3,400,000.00	\$ 370,000.00	\$ 68,000.00	\$ -
11/01/44	\$ 3,030,000.00	\$ -	\$ 60,600.00	\$ 498,600.00
05/01/45	\$ 3,030,000.00	\$ 385,000.00	\$ 60,600.00	\$ -
11/01/45	\$ 2,645,000.00	\$ -	\$ 52,900.00	\$ 498,500.00
05/01/46	\$ 2,645,000.00	\$ 400,000.00	\$ 52,900.00	\$ -
11/01/46	\$ 2,245,000.00	\$ -	\$ 44,900.00	\$ 497,800.00
05/01/47	\$ 2,245,000.00	\$ 415,000.00	\$ 44,900.00	\$ -
11/01/47	\$ 1,830,000.00	\$ -	\$ 36,600.00	\$ 496,500.00
05/01/48	\$ 1,830,000.00	\$ 430,000.00	\$ 36,600.00	\$ -
11/01/48	\$ 1,400,000.00	\$ -	\$ 28,000.00	\$ 494,600.00
05/01/49	\$ 1,400,000.00	\$ 450,000.00	\$ 28,000.00	\$ -
11/01/49	\$ 950,000.00	\$ -	\$ 19,000.00	\$ 497,000.00
05/01/50	\$ 950,000.00	\$ 465,000.00	\$ 19,000.00	\$ -
11/1/50	\$ 485,000.00	\$ -	\$ 9,700.00	\$ 493,700.00
5/1/51	\$ 485,000.00	\$ 485,000.00	\$ 9,700.00	\$ 494,700.00
		\$ 8,565,000	\$ 5,991,188	\$ 14,887,331

Forest Lake
Community Development District
Proposed Budget
Capital Reserve Fund

	Adopted Budget FY2022	Actuals Thru 3/31/22	Projected Next 6 Months	Total Thru 9/30/22	Proposed Budget FY2023
<u>Revenues</u>					
Interest	\$ -	\$ -	\$ -	\$ -	\$ -
Carry Forward Surplus	\$ -	\$ -	\$ -	\$ -	\$ 3,000
Total Revenues	\$ -	\$ -	\$ -	\$ -	\$ 3,000
<u>Expenditures</u>					
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Other Financing Sources/(Uses)</u>					
Transfer In/(Out)	\$ 3,000	\$ -	\$ 3,000	\$ 3,000	\$ 5,000
Total Other Financing Sources/(Uses)	\$ 3,000	\$ -	\$ 3,000	\$ 3,000	\$ 5,000
Excess Revenues/(Expenditures)	\$ 3,000	\$ -	\$ 3,000	\$ 3,000	\$ 8,000

Higher Version

Forest Lake
Community Development District

Proposed Budget
FY2023



Table of Contents

1-2	General Fund
3-7	General Fund Narrative
8	Series 2020 Debt Service Fund
9-10	Series 2020 Amortization Schedule
11	Capital Reserve Fund

Forest Lake
Community Development District
Proposed Budget
General Fund

Description	Adopted Budget FY2022	Actuals Thru 3/31/22	Projected Next 6 Months	Total Thru 9/30/22	Proposed Budget FY2023
<u>Revenues</u>					
Assessments - Tax Roll	\$ 270,152	\$ 269,844	\$ -	\$ 269,844	\$ 418,001
Assessments - Direct Bill	\$ 58,278	\$ -	\$ -	\$ -	\$ 61,921
Total Revenues	\$ 328,430	\$ 269,844	\$ -	\$ 269,844	\$ 479,922
<u>Expenditures</u>					
<u>Administrative</u>					
Supervisor Fees	\$ 12,000	\$ 4,000	\$ 6,000	\$ 10,000	\$ 12,000
Engineering	\$ 15,000	\$ -	\$ 15,000	\$ 15,000	\$ 15,000
Attorney	\$ 30,000	\$ 7,722	\$ 15,000	\$ 22,722	\$ 30,000
Annual Audit	\$ 4,500	\$ -	\$ 4,400	\$ 4,400	\$ 5,500
Assessment Administration	\$ 5,000	\$ 5,000	\$ -	\$ 5,000	\$ 5,000
Arbitrage	\$ 900	\$ 450	\$ 450	\$ 900	\$ 900
Dissemination	\$ 6,000	\$ 3,500	\$ 3,000	\$ 6,500	\$ 6,000
Trustee Fees	\$ 7,100	\$ 4,041	\$ 4,041	\$ 8,081	\$ 8,081
Management Fees	\$ 36,050	\$ 18,025	\$ 18,025	\$ 36,050	\$ 37,853
Information Technology	\$ 1,800	\$ 900	\$ 900	\$ 1,800	\$ 1,800
Website Maintenance	\$ 1,200	\$ 600	\$ 600	\$ 1,200	\$ 1,200
Telephone	\$ 300	\$ -	\$ 150	\$ 150	\$ 300
Postage & Delivery	\$ 1,000	\$ 50	\$ 500	\$ 550	\$ 1,000
Insurance	\$ 5,500	\$ 5,175	\$ -	\$ 5,175	\$ 6,210
Printing & Binding	\$ 1,000	\$ 26	\$ 500	\$ 526	\$ 1,000
Legal Advertising	\$ 10,000	\$ 1,442	\$ 7,500	\$ 8,942	\$ 10,000
Other Current Charges	\$ 5,000	\$ 276	\$ 2,500	\$ 2,776	\$ 5,000
Office Supplies	\$ 625	\$ 21	\$ 313	\$ 334	\$ 625
Travel Per Diem	\$ 660	\$ -	\$ 330	\$ 330	\$ 660
Dues, Licenses & Subscriptions	\$ 175	\$ 175	\$ -	\$ 175	\$ 175
Total Administrative	\$ 143,810	\$ 51,402	\$ 79,208	\$ 130,610	\$ 148,304

Forest Lake
Community Development District
Proposed Budget
General Fund

Description	Adopted Budget FY2022	Actuals Thru 3/31/22	Projected Next 6 Months	Total Thru 9/30/22	Proposed Budget FY2023
<u>Operations & Maintenance</u>					
Field Expenditures					
Property Insurance	\$ 5,000	\$ 4,686	\$ -	\$ 4,686	\$ 5,000
Field Management	\$ 15,000	\$ 4,375	\$ 7,500	\$ 11,875	\$ 15,750
Landscape Maintenance	\$ 40,000	\$ 18,510	\$ 20,316	\$ 38,826	\$ 74,000
Landscape Replacement	\$ 2,500	\$ -	\$ 1,250	\$ 1,250	\$ 12,000
Streetlights	\$ 15,000	\$ 7,782	\$ 7,620	\$ 15,402	\$ 16,764
Electric	\$ 5,000	\$ 2,259	\$ 3,000	\$ 5,259	\$ 6,600
Water & Sewer	\$ 3,000	\$ -	\$ 1,500	\$ 1,500	\$ 3,000
Sidewalk & Asphalt Maintenance	\$ 500	\$ -	\$ 250	\$ 250	\$ 2,500
Irrigation Repairs	\$ 2,500	\$ -	\$ 1,250	\$ 1,250	\$ 7,500
General Repairs & Maintenance	\$ 5,000	\$ 160	\$ 2,500	\$ 2,660	\$ 12,000
Contingency	\$ 2,500	\$ -	\$ 1,250	\$ 1,250	\$ 7,500
Subtotal Field Expenses	\$ 96,000	\$ 37,772	\$ 46,436	\$ 84,208	\$ 162,614
Amenity Expenses					
Amenity - Electric	\$ 14,400	\$ 2,021	\$ 5,700	\$ 7,721	\$ 12,540
Amenity - Water	\$ 3,500	\$ 890	\$ 1,680	\$ 2,570	\$ 3,696
Playground Lease	\$ 14,000	\$ -	\$ 11,954	\$ 11,954	\$ 28,688
Internet	\$ 3,000	\$ 93	\$ 558	\$ 651	\$ 1,500
Pest Control	\$ 720	\$ -	\$ 360	\$ 360	\$ 480
Janitorial Services	\$ 8,500	\$ 314	\$ 3,300	\$ 3,614	\$ 6,600
Security Services	\$ 10,000	\$ 5,589	\$ 5,000	\$ 10,589	\$ 25,000
Pool Maintenance	\$ 18,000	\$ 2,700	\$ 8,100	\$ 10,800	\$ 18,000
Amenity Access Management	\$ 5,000	\$ 417	\$ 2,500	\$ 2,917	\$ 5,000
Amenity Repairs & Maintenance	\$ 1,000	\$ 239	\$ 500	\$ 739	\$ 10,000
Contingency	\$ 7,500	\$ -	\$ 3,750	\$ 3,750	\$ 7,500
Subtotal Amenity Expenses	\$ 85,620	\$ 12,262	\$ 43,402	\$ 55,664	\$ 119,004
<u>Total Operations & Maintenance</u>	\$ 181,620	\$ 50,034	\$ 89,838	\$ 139,871	\$ 281,618
<u>Other Expenditures</u>					
Capital Reserves - Transfer	\$ 3,000	\$ -	\$ 3,000	\$ 3,000	\$ 50,000
<u>Total Other Expenditures</u>	\$ 3,000	\$ -	\$ 3,000	\$ 3,000	\$ 50,000
Total Expenditures	\$ 328,430	\$ 101,436	\$ 172,046	\$ 273,481	\$ 479,922
Excess Revenues/(Expenditures)	\$ 0	\$ 168,408	\$ (172,046)	\$ (3,638)	\$ -

Product	ERU's	Assessable Units	ERU/Unit	Net Assessment	Net Per Unit	Gross Per Unit
Platted	388.00	388	1	\$418,000.75	\$1,077.32	\$1,158.41
Unplatted	57.48	186	0.31	\$61,921.17	\$332.91	\$357.97
	445.48	574		\$479,921.92		

Forest Lake

Community Development District

General Fund Budget

Revenues:

Assessments

The District will levy a non-ad valorem assessment on all the assessable property within the District in order to pay for operating expenditures during the fiscal year.

Expenditures:

General & Administrative:

Supervisor Fees

Chapter 190, Florida Statutes, allows for each Board member to receive \$200 per meeting, not to exceed \$4,800 per year paid to each Supervisor for the time devoted to District business and meetings.

Engineering

The District's engineer, Wood & Associates Engineering, LLC, provides general engineering services to the District, e.g. attendance and preparation for monthly board meetings, review invoices and various projects as directed by the Board of Supervisors and the District Manager.

Attorney

The District's legal counsel, KE Law Group, provides general legal services to the District, e.g. attendance and preparation for meetings, preparation and review of agreements, resolutions, etc. as directed by the Board of Supervisors and the District Manager.

Annual Audit

The District is required by Florida Statutes to arrange for an independent audit of its financial records on an annual basis. The District is currently contracted with Grau & Associates for these services.

Assessment Administration

The District has contracted with Governmental Management Services-Central Florida, LLC, to levy and administer the collection of non-ad valorem assessment on all assessable property within the District.

Arbitrage

The District will contract with an independent certified public accountant to annually calculate the District's Arbitrage Rebate Liability on its Series 2020 bonds and another anticipated bond issuance.

Dissemination

The District is required by the Security and Exchange Commission to comply with Rule 15c2-12(b)(5) which relates to additional reporting requirements for unrated bond issues. This cost is based upon the Series 2020 bonds and another anticipated bond issuance.

Trustee Fees

The District will incur trustee related costs with the issuance of its' issued bonds.

Forest Lake

Community Development District

General Fund Budget

Management Fees

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

Information Technology

Represents costs related to the District's information systems, which include but are not limited to video conferencing services, cloud storage services and servers, security, accounting software, etc. Governmental Management Services-Central Florida, LLC, provides these services.

Website Maintenance

Represents the costs associated with monitoring and maintaining the District's website created in accordance with Chapter 189, Florida Statutes. These services include site performance assessments, security and firewall maintenance, updates, document uploads, hosting and domain renewals, website backups, etc. Governmental Management Services-Central Florida, LLC, provides these services.

Telephone

Telephone and fax machine.

Postage & Delivery

The District incurs charges for mailing of Board meeting agenda packages, overnight deliveries, correspondence, etc.

Insurance

The District's general liability and public official's liability insurance coverage is provided by the Florida Insurance Alliance (FIA). FIA specializes in providing insurance coverage to governmental agencies.

Printing & Binding

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

Legal Advertising

The District is required to advertise various notices for monthly Board meetings, public hearings, etc. in a newspaper of general circulation.

Other Current Charges

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

Office Supplies

Any supplies that may need to be purchased during the fiscal year, e.g., paper, minute books, file folders, labels, paper clips, etc.

Forest Lake

Community Development District

General Fund Budget

Travel Per Diem

The Board of Supervisors can be reimbursed for travel expenditures related to the conducting of District business.

Dues, Licenses & Subscriptions

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

Operations & Maintenance:

Field Expenditures

Property Insurance

The District's property insurance coverages.

Field Management

Governmental Management Services-Central Florida, LLC, provides onsite field management of contracts for the District such as landscape maintenance. Services can include onsite inspections, meetings with contractors, monitoring of utility accounts, attend Board meetings and receive and respond to property owner phone calls and emails.

Landscape Maintenance

Represents the estimated maintenance of the landscaping within the common areas of the District after the installation of landscape material has been completed. The District has contracted with Prince & Sons, Inc. to provide these services.

Landscape Replacement

Represents the estimated cost of replacing landscaping within the common areas of the District.

Streetlights

Represents the cost to maintain streetlights within the District Boundaries that are expected to be in place throughout the fiscal year.

Electric

Represents current and estimated electric charges of common areas throughout the District.

Water & Sewer

Represents current and estimated costs for water and refuse services provided for common areas throughout the District.

Sidewalk & Asphalt Maintenance

Represents the estimated costs of maintaining the sidewalks and asphalt throughout the District's Boundary.

Forest Lake

Community Development District

General Fund Budget

Irrigation Repairs

Represents the cost of maintaining and repairing the irrigation system. This includes the sprinklers, and irrigation wells.

General Repairs & Maintenance

Represents estimated costs for general repairs and maintenance of the District's common areas.

Contingency

Represents funds allocated to expenses that the District could incur throughout the fiscal year that do not fit into any field category.

Amenity Expenditures

Amenity - Electric

Represents estimated electric charges for the District's amenity facilities.

Amenity – Water

Represents estimated water charges for the District's amenity facilities.

Playground Lease

The District will enter into a leasing agreement for playgrounds installed in the community.

Internet

Internet service will be added for use at the Amenity Center.

Pest Control

The District will incur costs for pest control treatments to its amenity facilities.

Janitorial Services

Represents estimated costs to provide janitorial services and supplies for the District's amenity facilities.

Security Services

Represents the estimated cost of contracting a monthly security service for the District's amenity facilities, as well as maintaining security systems.

Pool Maintenance

Represents the costs of regular cleaning and treatments of the District's pool. The services are provided by Resort Pool Services.

Forest Lake
Community Development District
General Fund Budget

Amenity Access Management

Represents the cost of managing access to the District's amenity facilities. Governmental Management Services-Central Florida, LLC, provides these services.

Amenity Repairs & Maintenance

Represents estimated costs for repairs and maintenance of the District's amenity facilities.

Contingency

Represents funds allocated to expenses that the District could incur throughout the fiscal year that do not fit into any amenity category.

Other Expenses:

Capital Reserves

Funds collected and reserved for the replacement of and/or purchase of new capital improvements throughout the District.

Forest Lake
Community Development District
Proposed Budget
Series 2020 Debt Service Fund

Description	Adopted Budget FY2022	Actuals Thru 3/31/22	Projected Next 6 Months	Total Thru 9/30/22	Proposed Budget FY2023
Revenues					
Special Assessments	\$ 505,199	\$ 497,789	\$ 7,410	\$ 505,199	\$ 505,199
Interest	\$ -	\$ 10	\$ -	\$ 10	\$ -
Carry Forward Surplus	\$ 168,365	\$ 289,809	\$ -	\$ 289,809	\$ 175,537
Total Revenues	\$ 673,564	\$ 787,608	\$ 7,410	\$ 795,018	\$ 680,736
Expenditures					
Interest Expense - 11/1	\$ 168,338	\$ 168,338	\$ -	\$ 168,338	\$ 163,978
Special Call - 11/1	\$ -	\$ 120,000	\$ -	\$ 120,000	\$ -
Principal Expense - 5/1	\$ 170,000	\$ -	\$ 165,000	\$ 165,000	\$ 170,000
Interest Expense - 5/1	\$ 168,338	\$ -	\$ 166,144	\$ 166,144	\$ 163,978
Total Expenditures	\$ 506,675	\$ 288,338	\$ 331,144	\$ 619,481	\$ 497,956
Excess Revenues/(Expenditures)	\$ 166,889	\$ 499,271	\$ (323,734)	\$ 175,537	\$ 182,780

Interest Expense 11/1/23	\$ 161,747
Total	\$ 161,747

Product	Assessable Units	Maximum Annual Debt Service	Net Assessment Per Unit	Gross Assessment Per Unit
SF - Phase 1	203	\$ 273,995	\$1,350	\$1,451
SF - Phase 2	185	\$ 231,204	\$1,250	\$1,344
	388	\$ 505,199		

Forest Lake
Community Development District
Series 2020 Special Assessment Bonds
Amortization Schedule

Date		Balance		Prinicipal		Interest		Total
11/01/22	\$	8,565,000.00	\$	-	\$	163,978.13	\$	495,121.88
05/01/23	\$	8,565,000.00	\$	170,000.00	\$	163,978.13	\$	-
11/01/23	\$	8,395,000.00	\$	-	\$	161,746.88	\$	495,725.00
05/01/24	\$	8,395,000.00	\$	175,000.00	\$	161,746.88	\$	-
11/01/24	\$	8,220,000.00	\$	-	\$	159,450.00	\$	496,196.88
05/01/25	\$	8,220,000.00	\$	180,000.00	\$	159,450.00	\$	-
11/01/25	\$	8,040,000.00	\$	-	\$	157,087.50	\$	496,537.50
05/01/26	\$	8,040,000.00	\$	185,000.00	\$	157,087.50	\$	-
11/01/26	\$	7,855,000.00	\$	-	\$	154,081.25	\$	496,168.75
05/01/27	\$	7,855,000.00	\$	190,000.00	\$	154,081.25	\$	-
11/01/27	\$	7,665,000.00	\$	-	\$	150,993.75	\$	495,075.00
05/01/28	\$	7,665,000.00	\$	200,000.00	\$	150,993.75	\$	-
11/01/28	\$	7,465,000.00	\$	-	\$	147,743.75	\$	498,737.50
05/01/29	\$	7,465,000.00	\$	205,000.00	\$	147,743.75	\$	-
11/01/29	\$	7,260,000.00	\$	-	\$	144,412.50	\$	497,156.25
05/01/30	\$	7,260,000.00	\$	210,000.00	\$	144,412.50	\$	-
11/01/30	\$	7,050,000.00	\$	-	\$	141,000.00	\$	495,412.50
05/01/31	\$	7,050,000.00	\$	220,000.00	\$	141,000.00	\$	-
11/01/31	\$	6,830,000.00	\$	-	\$	136,600.00	\$	497,600.00
05/01/32	\$	6,830,000.00	\$	225,000.00	\$	136,600.00	\$	-
11/01/32	\$	6,605,000.00	\$	-	\$	132,100.00	\$	493,700.00
05/01/33	\$	6,605,000.00	\$	235,000.00	\$	132,100.00	\$	-
11/01/33	\$	6,370,000.00	\$	-	\$	127,400.00	\$	494,500.00
05/01/34	\$	6,370,000.00	\$	245,000.00	\$	127,400.00	\$	-
11/01/34	\$	6,125,000.00	\$	-	\$	122,500.00	\$	494,900.00
05/01/35	\$	6,125,000.00	\$	255,000.00	\$	122,500.00	\$	-
11/01/35	\$	5,870,000.00	\$	-	\$	117,400.00	\$	494,900.00
05/01/36	\$	5,870,000.00	\$	265,000.00	\$	117,400.00	\$	-
11/01/36	\$	5,605,000.00	\$	-	\$	112,100.00	\$	494,500.00
05/01/37	\$	5,605,000.00	\$	280,000.00	\$	112,100.00	\$	-
11/01/37	\$	5,325,000.00	\$	-	\$	106,500.00	\$	498,600.00
05/01/38	\$	5,325,000.00	\$	290,000.00	\$	106,500.00	\$	-
11/01/38	\$	5,035,000.00	\$	-	\$	100,700.00	\$	497,200.00
05/01/39	\$	5,035,000.00	\$	300,000.00	\$	100,700.00	\$	-
11/01/39	\$	4,735,000.00	\$	-	\$	94,700.00	\$	495,400.00
05/01/40	\$	4,735,000.00	\$	315,000.00	\$	94,700.00	\$	-
11/01/40	\$	4,420,000.00	\$	-	\$	88,400.00	\$	498,100.00
05/01/41	\$	4,420,000.00	\$	325,000.00	\$	88,400.00	\$	-
11/01/41	\$	4,095,000.00	\$	-	\$	81,900.00	\$	495,300.00
05/01/42	\$	4,095,000.00	\$	340,000.00	\$	81,900.00	\$	-
11/01/42	\$	3,755,000.00	\$	-	\$	75,100.00	\$	497,000.00
05/01/43	\$	3,755,000.00	\$	355,000.00	\$	75,100.00	\$	-
11/01/43	\$	3,400,000.00	\$	-	\$	68,000.00	\$	498,100.00

Forest Lake
Community Development District
Series 2020 Special Assessment Bonds
Amortization Schedule

Date	Balance	Principal	Interest	Total
05/01/44	\$ 3,400,000.00	\$ 370,000.00	\$ 68,000.00	\$ -
11/01/44	\$ 3,030,000.00	\$ -	\$ 60,600.00	\$ 498,600.00
05/01/45	\$ 3,030,000.00	\$ 385,000.00	\$ 60,600.00	\$ -
11/01/45	\$ 2,645,000.00	\$ -	\$ 52,900.00	\$ 498,500.00
05/01/46	\$ 2,645,000.00	\$ 400,000.00	\$ 52,900.00	\$ -
11/01/46	\$ 2,245,000.00	\$ -	\$ 44,900.00	\$ 497,800.00
05/01/47	\$ 2,245,000.00	\$ 415,000.00	\$ 44,900.00	\$ -
11/01/47	\$ 1,830,000.00	\$ -	\$ 36,600.00	\$ 496,500.00
05/01/48	\$ 1,830,000.00	\$ 430,000.00	\$ 36,600.00	\$ -
11/01/48	\$ 1,400,000.00	\$ -	\$ 28,000.00	\$ 494,600.00
05/01/49	\$ 1,400,000.00	\$ 450,000.00	\$ 28,000.00	\$ -
11/01/49	\$ 950,000.00	\$ -	\$ 19,000.00	\$ 497,000.00
05/01/50	\$ 950,000.00	\$ 465,000.00	\$ 19,000.00	\$ -
11/1/50	\$ 485,000.00	\$ -	\$ 9,700.00	\$ 493,700.00
5/1/51	\$ 485,000.00	\$ 485,000.00	\$ 9,700.00	\$ 494,700.00
		\$ 8,565,000	\$ 5,991,188	\$ 14,887,331

Forest Lake
Community Development District
Proposed Budget
Capital Reserve Fund

	Adopted Budget FY2022	Actuals Thru 3/31/22	Projected Next 6 Months	Total Thru 9/30/22	Proposed Budget FY2023
<u>Revenues</u>					
Interest	\$ -	\$ -	\$ -	\$ -	\$ -
Carry Forward Surplus	\$ -	\$ -	\$ -	\$ -	\$ 3,000
Total Revenues	\$ -	\$ -	\$ -	\$ -	\$ 3,000
<u>Expenditures</u>					
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Other Financing Sources/(Uses)</u>					
Transfer In/(Out)	\$ 3,000	\$ -	\$ 3,000	\$ 3,000	\$ 50,000
Total Other Financing Sources/(Uses)	\$ 3,000	\$ -	\$ 3,000	\$ 3,000	\$ 50,000
Excess Revenues/(Expenditures)	\$ 3,000	\$ -	\$ 3,000	\$ 3,000	\$ 53,000

SECTION VIII

**FOREST LAKE
COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2021**

DRAFT

**FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA**

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1-2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3-6
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Statement of Net Position	7
Statement of Activities	8
Fund Financial Statements:	
Balance Sheet – Governmental Funds	9
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	10
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	11
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	12
Notes to Financial Statements	13-20
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	21
Notes to Required Supplementary Information	22
OTHER INFORMATION	
Data Elements required by FL Statute 218.39 (3) (c)	23
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	24-25
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA	26
MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550 OF THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA	27-28

INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Forest Lake Community Development District
Polk County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Forest Lake Community Development District, Polk County, Florida ("District") as of and for the fiscal year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2021, and the respective changes in financial position thereof for the fiscal year ended September 30, 2021 then ended in accordance with accounting principles generally accepted in the United States of America.

DRAFT

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, 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 we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The information for compliance with FL Statute 218.39 (3) (c) is not a required part of the basic financial statements. The information for compliance with FL Statute 218.39 (3) (c) has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated **Xxxx, 2022**, 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, contracts, grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of the District's 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 the District's internal control over financial reporting and compliance.

Xxxx, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Forest Lake Community Development District, Polk County, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2021. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The liabilities of the District exceeded its assets at the close of the most recent fiscal year resulting in a net position deficit balance of \$(221,928).
- The change in the District's total net position in comparison with the prior fiscal year was \$135,972, an increase. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2021, the District's governmental funds reported combined ending fund balance of \$601,363, a decrease of (\$6,632,726) in comparison with the prior fiscal year. The fund balance is non spendable for prepaid items, restricted for debt service and the remainder is unassigned fund balance which is available for spending.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as the introduction to the District's financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the residual amount being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements include all governmental activities that are principally supported by assessments and Developer contributions. The District does not have any business-type activities. The governmental activities of the District include the general government (management) and maintenance functions.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has one fund category: governmental funds.

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains three governmental funds for external reporting. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund and capital projects fund, all of which are considered major funds.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the District, liabilities exceeded assets at the close of the most recent fiscal year.

Key components of the District's net position are reflected in the following table:

NET POSITION SEPTEMBER 30,			
	2021		2020
Current and other assets	\$ 754,639	\$	8,542,615
Capital assets, net of depreciation	8,226,596		1,294,046
Total assets	8,981,235		9,836,661
Current liabilities	318,496		1,308,526
Long-term liabilities	8,884,667		8,886,035
Total liabilities	9,203,163		10,194,561
Net position			
Net investment in capital assets	(658,145)		(1,066,008)
Restricted	373,720		703,464
Unrestricted	62,497		4,644
Total net position	\$ (221,928)	\$	(357,900)

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The District's net position reflects its investment in capital assets (e.g. land, land improvements, and infrastructure) less any related debt used to acquire those assets that is still outstanding. These assets are used to provide services to residents; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The District's net position increased during the most recent fiscal year. The majority of the increase is the result of prepayments received for lot sales.

Key elements of the change in net position are reflected in the following table:

CHANGES IN NET POSITION FOR THE FISCAL YEAR ENDED SEPTEMBER 30,		
	2021	2020*
Revenues:		
Program revenues		
Charges for services	\$ 374,499	\$ -
Operating grants and contributions	40,034	80,000
Capital grants and contributions	164,539	-
Total revenues	579,072	80,000
Expenses:		
General government	68,674	75,356
Maintenance and operations	5,135	-
Bond issue costs	7,175	362,544
Interest	362,116	-
Total expenses	443,100	437,900
Change in net position	135,972	(357,900)
Net position - beginning	(357,900)	-
Net position - ending	\$ (221,928)	\$ (357,900)

* For the period from inception December 3, 2019 to September 30, 2020

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2021 was \$443,100. The costs of the District's activities were primarily funded by program revenues. Program revenues, comprised primarily of assessments, increased during the fiscal year as a result of an increase in prepayment revenue; however, the District also received funds from the Developer to fund operations and for the payment of interest on its long-term debt. Program revenues were comprised primarily of assessments for the current fiscal year.

GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2021.

CAPITAL ASSETS AND DEBT ADMINISTRATIONS

Capital Assets

At September 30, 2021 the District had \$8,226,596 invested in capital assets for its governmental activities. In the government-wide financial statements depreciation has not been taken, which resulted in a net book value of \$8,226,896. More detailed information about the District's capital assets is presented in the notes of the financial statements.

Capital Debt

At September 30, 2021 the District had \$8,845,000 Bonds outstanding for its governmental activities. More detailed information about the District's capital debt is presented in the notes of the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND OTHER EVENTS

The District anticipates an increase in its general operations for the subsequent year.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, land owners, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact the Forest Lake Community Development District's Finance Department at 219 E. Livingston Street, Orlando, Florida, 32801.

**FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021**

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 53,653
Due from Developer	105,273
Prepaid items	10,175
Restricted assets:	
Investments	585,538
Capital assets:	
Nondepreciable	8,226,596
Total assets	<u>8,981,235</u>
LIABILITIES	
Accounts payable	1,331
Contracts and retainage payable	151,945
Accrued interest payable	165,220
Non-current liabilities:	
Due within one year	170,000
Due in more than one year	8,714,667
Total liabilities	<u>9,203,163</u>
NET POSITION	
Net investment in capital assets	(658,145)
Restricted for debt service	373,720
Unrestricted	62,497
Total net position	<u>\$ (221,928)</u>

See notes to the financial statements

DRAFT

**FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

Functions/Programs	Program Revenues				Net (Expense)
		Charges	Operating	Capital	Revenue and
	Expenses	for	Grants	Grants and	Changes in Net
		Services	and	Contributions	Position
			Contributions		Governmental
					Activities
Primary government:					
Governmental activities:					
General government	\$ 68,674	\$ -	\$ 40,000	\$ 164,355	\$ 135,681
Maintenance and operations	5,135	91,662	-	184	86,711
Interest on long-term debt	362,116	282,837	34	-	(79,245)
Bond issue costs	7,175	-	-	-	(7,175)
Total governmental activities	443,100	374,499	40,034	164,539	135,972
Change in net position					135,972
Net position - beginning					(357,900)
Net position - ending					<u>\$ (221,928)</u>

See notes to the financial statements

DRAFT

**FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	Major Funds			Total
	General	Debt Service	Capital Projects	Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 53,653	\$ -	\$ -	\$ 53,653
Investments	-	538,940	46,598	585,538
Due from Developer	-	-	105,273	105,273
Prepaid items	10,175	-	-	10,175
Total assets	<u>\$ 63,828</u>	<u>\$ 538,940</u>	<u>\$ 151,871</u>	<u>\$ 754,639</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 1,331	\$ -	\$ -	\$ 1,331
Contracts and retainage payable	-	-	151,945	151,945
Total liabilities	<u>1,331</u>	<u>-</u>	<u>151,945</u>	<u>153,276</u>
Fund balances:				
Nonspendable:				
Prepaid items	10,175	-	-	10,175
Restricted for:				
Debt service	-	538,940	-	538,940
Unassigned	52,322	-	(74)	52,248
Total fund balances	<u>62,497</u>	<u>538,940</u>	<u>(74)</u>	<u>601,363</u>
Total liabilities and fund balances	<u>\$ 63,828</u>	<u>\$ 538,940</u>	<u>\$ 151,871</u>	<u>\$ 754,639</u>

See notes to the financial statements

DRAFT

**FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2021**

Fund balance - governmental funds	\$	601,363
-----------------------------------	----	---------

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The statement of net position includes those capital assets, net of any accumulated depreciation, in the net position of the government as a whole.

Cost of capital assets	8,226,596	
Accumulated depreciation	-	8,226,596

Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide financial statements.

Accrued interest payable	(165,220)	
Bonds Payable	(8,884,667)	(9,049,887)
Net position of governmental activities	\$	(221,928)

See notes to the financial statements

DRAFT

**FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Major Funds			Total Governmental Funds
	General	Debt Service	Capital Projects	
REVENUES				
Special assessments	\$ 91,662	282,837	\$ -	\$ 374,499
Developer contributions	40,000	-	164,355	204,355
Interest earnings	-	34	184	218
Total revenues	131,662	282,871	164,539	579,072
EXPENDITURES				
Current:				
General government	68,674	-	-	68,674
Maintenance and operations	5,135	-	-	5,135
Debt service:				
Interest	-	198,264	-	198,264
Bond issuance costs	-	-	7,175	7,175
Capital outlay	-	-	6,932,550	6,932,550
Total expenditures	73,809	198,264	6,939,725	7,211,798
Excess (deficiency) of revenues over (under) expenditures	57,853	84,607	(6,775,186)	(6,632,726)
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	-	(249,131)	249,131	-
Total other financing sources (uses)	-	(249,131)	249,131	-
Net change in fund balances	57,853	(164,524)	(6,526,055)	(6,632,726)
Fund balances - beginning	4,644	703,464	6,525,981	7,234,089
Fund balances - ending	\$ 62,497	\$ 538,940	\$ (74)	\$ 601,363

See notes to the financial statements

DRAFT

**FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

Net change in fund balances - total governmental funds	\$ (6,632,726)
--	----------------

Amounts reported for governmental activities in the statement of activities
are different because:

Governmental funds report capital outlays as expenditures; however, the cost of those assets is eliminated in the statement of activities and capitalized in the statement of net position.	6,932,550
---	-----------

Amortization of original issue premium is not recognized in the governmental fund statements, but is reported as an expense in the statement of activities.	1,368
---	-------

The change in accrued interest on long-term liabilities between the current and prior fiscal year is recorded in the statement of activities but not in the governmental fund financial statements.	(165,220)
---	-----------

Change in net position of governmental activities	<u>\$ 135,972</u>
---	-------------------

See notes to the financial statements

DRAFT

**FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - NATURE OF ORGANIZATION AND REPORTING ENTITY

Forest Lake Community Development District (the "District") was established by the Board of County Commissioners of Polk County's approval of Ordinance No. 19-071 effective on December 3, 2019 pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes. The Act provides among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District.

The District is governed by the Board of Supervisors ("Board"), which is composed of five members. The Supervisors are elected on an at large basis by the owners of the property within the District. The Board exercises all powers granted to the District pursuant to Chapter 190, Florida Statutes. As of September 30, 2021, all of the Board members are affiliated with JMBI Real Estate, LLC ("Developer").

The Board has the responsibility for:

1. Allocating and levying assessments.
2. Approving budgets.
3. Exercising control over facilities and properties.
4. Controlling the use of funds generated by the District.
5. Approving the hiring and firing of key personnel.
6. Financing improvements.

The financial statements were prepared in accordance with Governmental Accounting Standards Board ("GASB") Statements. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the District is considered to be financially accountable and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; operating-type special assessments for maintenance and debt service are treated as charges for services and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not included among program revenues are reported instead as *general revenues*.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement* focus and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Assessments are recognized as revenues in the year for which they are levied. Grants and similar items are to be recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Assessments

Assessments are non-ad valorem assessments on benefited property within the District. Operating and maintenance assessments are based upon the adopted budget and levied annually at a public hearing of the District. Debt service assessments are levied when Bonds are issued and assessed and collected on an annual basis. The District may collect assessments directly or utilize the uniform method of collection under 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 the 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 considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. The portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period.

The District reports the following major governmental funds:

General Fund

The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund

The debt service fund is used to account for the accumulation of resources for the annual payment of principal and interest on long-term debt.

Capital Projects Fund

This fund accounts for the financial resources to be used for the acquisition or construction of major infrastructure within the District.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first for qualifying expenditures, then unrestricted resources as they are needed.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity

Restricted Assets

These assets represent cash and investments set aside pursuant to Bond covenants or other contractual restrictions.

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and demand deposits (interest and non-interest bearing).

The District has elected to proceed under the Alternative Investment Guidelines as set forth in Section 218.415 (17) Florida Statutes. The District may invest any surplus public funds in the following:

- a) The Local Government Surplus Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act;
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
- c) Interest bearing time deposits or savings accounts in qualified public depositories;
- d) Direct obligations of the U.S. Treasury.

Securities listed in paragraph c and d shall be invested to provide sufficient liquidity to pay obligations as they come due.

The District records all interest revenue related to investment activities in the respective funds. Investments are measured at amortized cost or reported at fair value as required by generally accepted accounting principles.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets which include property, plant and equipment, and infrastructure assets (e.g., roads, sidewalks and similar items) are reported in the government activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

In the governmental fund financial statements, amounts incurred for the acquisition of capital assets are reported as fund expenditures. Depreciation expense is not reported in the governmental fund financial statements.

Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the Bonds. Bonds payable are reported net of applicable premiums or discounts. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Fund Equity/Net Position

In the fund financial statements, governmental funds report non spendable and restricted fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change.

The District can establish limitations on the use of fund balance as follows:

Committed fund balance – Amounts that can be used only for the specific purposes determined by a formal action (resolution) of the Board of Supervisors. Commitments may be changed or lifted only by the Board of Supervisors taking the same formal action (resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

Assigned fund balance – Includes spendable fund balance amounts established by the Board of Supervisors that are intended to be used for specific purposes that are neither considered restricted nor committed. The Board may also assign fund balance as it does when appropriating fund balance to cover differences in estimated revenue and appropriations in the subsequent year's appropriated budget. Assignments are generally temporary and normally the same formal action need not be taken to remove the assignment.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Fund Equity/Net Position (Continued)

The District first uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Net position is the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position in the government-wide financial statements are categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets represents net position related to infrastructure and property, plant and equipment. Restricted net position represents the assets restricted by the District's Bond covenants or other contractual restrictions. Unrestricted net position consists of the net position not meeting the definition of either of the other two components.

Other Disclosures

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 3 - BUDGETARY INFORMATION

The District is required to establish a budgetary system and an approved Annual Budget. Annual Budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. All annual appropriations lapse at fiscal year-end.

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

- a) Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- b) Public hearings are conducted to obtain comments.
- c) Prior to October 1, the budget is legally adopted by the District Board.
- d) All budget changes must be approved by the District Board.
- e) The budgets are adopted on a basis consistent with generally accepted accounting principles.
- f) Unused appropriations for annually budgeted funds lapse at the end of the year.

NOTE 4 – DEPOSITS AND INVESTMENTS

Deposits

The District's cash balances were entirely covered by federal depository insurance or by a collateral pool pledged to the State Treasurer. Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", requires all qualified depositories to deposit with the Treasurer or another banking institution eligible collateral equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. Governmental and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

Investments

The District's investments were held as follows at September 30, 2021:

	Amortized Cost	Credit Risk	Maturities
First American Treasury Obligations Fund Class Y	\$ 585,538	S&P AAAM	Weighted average of the fund portfolio: 14 days
	<u>\$ 585,538</u>		

Credit risk – For investments, credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investment ratings by investment type are included in the preceding summary of investments.

Concentration risk – The District places no limit on the amount the District may invest in any one issuer.

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

However, the Bond Indenture limits the type of investments held using unspent proceeds.

Fair Value Measurement – When applicable, the District measures and records its investments using fair value measurement guidelines established in accordance with GASB Statements. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques.

These guidelines recognize a three-tiered fair value hierarchy, in order of highest priority, as follows:

- *Level 1:* Investments whose values are based on unadjusted quoted prices for identical investments in active markets that the District has the ability to access;
- *Level 2:* Investments whose inputs - other than quoted market prices - are observable either directly or indirectly; and,
- *Level 3:* Investments whose inputs are unobservable.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the entire fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

Money market investments that have a maturity at the time of purchase of one year or less and are held by governments other than external investment pools should be measured at amortized cost. Accordingly, the District's investments have been reported at amortized cost above.

NOTE 5 – INTERFUND TRANSFERS

Interfund transfers for the fiscal year ended September 30, 2021 were as follows:

3	Transfer in	Transfer out
Debt Service	\$ -	\$ 249,131
Capital projects	249,131	-
Total	<u>\$ 249,131</u>	<u>\$ 249,131</u>

Transfers are used to move revenues from the fund where collection occurs to the fund where funds have been reallocated for use. In the case of the District, transfers from the debt service fund to the capital projects fund were made in accordance with the Bond Indentures.

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2021 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
<u>Governmental activities</u>				
Capital assets, not being depreciated				
Infrastructure under construction	\$ 1,294,046	\$ 6,932,550	\$ -	\$ 8,226,596
Total capital assets, not being depreciated	1,294,046	6,932,550	-	8,226,596
 Governmental activities capital assets, net	 \$ 1,294,046	 \$ 6,932,550	 \$ -	 \$ 8,226,596

The infrastructure intended to serve the District has been estimated at a total cost of approximately \$13,174,700. The infrastructure will include stormwater pond construction, roadways, water and sewer facilities, parks and recreational facilities and off-site improvements. A portion of the project costs are expected to be financed with the proceeds from the issuance of Bonds with the remainder to be funded by the Developer and conveyed to the District. Upon completion, the water and sewer systems and offsite improvements are to be conveyed to others for ownership and maintenance responsibilities.

NOTE 7 – LONG TERM LIABILITIES

Series 2020

On September 29, 2020, the District issued \$8,845,000 of Special Assessment Revenue Bonds, Series 2020 consisting of \$700,000 Term Bonds Series 2020 due on May 1, 2025, \$1,000,000 Term Bonds due on May 1, 2030, \$2,665,000 Term Bonds Series 2020 due on May 1, 2040, and \$4,480,000 Term Bonds due on May 1, 2051 with fixed interest rates ranging from 2.625% to 4.0%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. Interest is to be paid semiannually on each May 1 and November 1, commencing on May 1, 2021 and principal on the bonds is to be paid serially commencing May 1, 2022 through May 1, 2051.

The Series 2020 Bonds are subject to optional redemption, mandatory sinking fund and extraordinary mandatory redemption at the times, in the amounts at the redemption prices more fully described in the Redemption Provisions.

The Bond Indenture established a debt service reserve requirement as well as other restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District was in compliance with the requirements at September 30, 2021.

Long-term debt activity

Changes in long-term liability activity for the fiscal year ended September 30, 2021 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Bonds Payable					
Series 2020	\$ 8,845,000	\$ -	\$ -	\$ 8,845,000	\$ 170,000
Plus: Original Issue Premium	41,035	-	1,368	39,667	-
Total	\$ 8,886,035	\$ -	\$ 1,368	\$ 8,884,667	\$ 170,000

NOTE 7 – LONG TERM LIABILITIES (continued)

Long-term debt activity (Continued)

At September 30, 2021, the scheduled debt service requirements on the long-term debt were as follows:

Year ending September 30:	Governmental Activities		
	Principal	Interest	Total
2022	\$ 170,000	\$ 336,675	\$ 506,675
2023	175,000	332,213	507,213
2024	175,000	327,619	502,619
2025	180,000	323,025	503,025
2026	185,000	318,300	503,300
2027-2031	1,035,000	1,496,275	2,531,275
2032-2036	1,250,000	1,289,000	2,539,000
2037-2041	1,525,000	1,017,800	2,542,800
2042-2046	1,870,000	686,400	2,556,400
2047-2051	2,280,000	281,200	2,561,200
	<u>\$ 8,845,000</u>	<u>\$ 6,408,507</u>	<u>\$ 15,253,507</u>

NOTE 8 - DEVELOPER TRANSACTIONS

The Developer has agreed to fund the general operations of the District. In connection with that agreement, Developer contributions to the general fund were \$40,000 as of September 30, 2021. The Developer also provided \$164,355 for the capital projects fund.

NOTE 9 - CONCENTRATION

The District's activity is dependent upon the continued involvement of the Developer and major landowners, the loss of which could have a material adverse effect on the District's operations.

NOTE 10 - MANAGEMENT COMPANY

The District has contracted with a management company to perform services which include financial and accounting advisory services. Certain employees of the management company also serve as officers of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, computer and other administrative costs.

NOTE 11 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. There were no settled claims since inception of the District.

NOTE 12 - SUBSEQUENT EVENTS

Bond Payments

Subsequent to fiscal year end, the District prepaid a total of \$120,000 of the Series 2020 Bonds. The prepayments were considered extraordinary mandatory redemptions as outlined in the Bond Indenture.

**FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts <u>Original & Final</u>	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Assessments	\$ -	\$ 91,662	\$ 91,662
Developer Contributions	165,127	40,000	(125,127)
Total revenues	<u>165,127</u>	<u>131,662</u>	<u>(33,465)</u>
EXPENDITURES			
Current:			
General government	130,310	68,674	61,636
Maintenance and operations	34,817	5,135	29,682
Total expenditures	<u>165,127</u>	<u>73,809</u>	<u>91,318</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	57,853	<u>\$ 57,853</u>
Fund balance - beginning		<u>4,644</u>	
Fund balance - ending		<u>\$ 62,497</u>	

See notes to required supplementary information

DRAFT

**FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

The District is required to establish a budgetary system and an approved Annual Budget for the general fund. The District's budgeting process is based on estimates of cash receipts and cash expenditures which are approved by the Board. The budget approximates a basis consistent with accounting principles generally accepted in the United States of America (generally accepted accounting principles).

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2021.

**FOREST LAKE COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA
OTHER INFORMATION – DATA ELEMENTS
REQUIRED BY FL STATUTE 218.39(3)(C)
UNAUDITED**

DRAFT

Other Information - Data Elements - Page 23

<u>Element</u>	<u>Comments</u>
Number of district employees compensated at 9/30/2021	0
Number of independent contractors compensated in September 2021	14
Employee compensation for FYE 9/30/2021 (paid/accrued)	\$0
Independent contractor compensation for FYE 9/30/2021	\$7,013,533
Construction projects to begin on or after October 1; (>\$65K)	
Series 2020	\$6,932,550
Budget variance report	See page 21 of annual financial report
Ad Valorem taxes;	Not applicable
Non ad valorem special assessments;	
Special assessment rate FYE 9/30/2021	Operations and maintenance - \$ N/a Debt service - \$ 168,337
Special assessments collected FYE 9/30/2021	\$374,499
Outstanding Bonds:	
Series 2020, due May 1, 2051,	see Note 7 for details

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

To the Board of Supervisors
Forest Lake Community Development District
Polk County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Forest Lake Community Development District, Polk County, Florida ("District") as of and for the fiscal year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated **Xxxx, 2022**.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 a 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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and 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.

Xxxx, 2022

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE
REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY
RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Board of Supervisors
Forest Lake Community Development District
Polk County, Florida

We have examined Forest Lake Community Development District, Polk County, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2021. Management is responsible for District's compliance with those requirements. Our responsibility is to express an opinion on 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. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2021.

This report 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, management, and the Board of Supervisors of Forest Lake Community Development District, Polk County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

Xxxx, 2022

DRAFT

MANAGEMENT LETTER PURSUANT TO THE RULES OF THE AUDITOR GENERAL FOR THE STATE OF FLORIDA

To the Board of Supervisors
Forest Lake Community Development District
Polk County, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of Forest Lake Community Development District, Polk County, Florida ("District") as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated **Xxxx, 2022**.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; 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 the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated **Xxxx, 2022**, should be considered in conjunction with this management letter.

Purpose of this Letter

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General for the State of Florida. Accordingly, in connection with our audit of the financial statements of the District, as described in the first paragraph, we report the following:

- I. Current year findings and recommendations.**
- II. Status of prior year findings and recommendations.**
- III. Compliance with the Provisions of the Auditor General of the State of Florida.**

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, as applicable, management, and the Board of Supervisors of Forest Lake Community Development District, Polk County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank Forest Lake Community Development District, Polk County, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements, and the courtesies extended to us.

Xxxx, 2022

DRAFT

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

None

III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2020.

2. Any recommendations to improve the local governmental entity's financial management.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2021.

3. 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.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2021.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.

5. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.

6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2021. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

7. Management has provided the specific information required by Section 218.39(3)(c) in the Other Information section of the financial statements on page 23.

SECTION IX

SECTION B

SECTION 1



Proposal
May 2, 2022

Engineering Services For:
Forest Lake CDD

Stormwater Needs Analysis Report
Forest Lake Phases 1-2

Scope of Work

Prepare a 20-year Stormwater Needs Analysis Report Pursuant to Section 5 of Section 403.9302, Florida Statutes.

Professional Fees

Our fee for the previously described work shall be based on Time/Materials (T & M) in accordance with the fee schedule shown on Attachment "A".

Method of Payment

Billed monthly on percentage of work completed to date.

Payment is due when rendered and work will be halted if payment is not received within a reasonable period of time (approximately two weeks), unless prior arrangements are made. Payments overdue by more than 30 days are subject to assessment of 1.5% per month (18% annual) interest.

Ownership of Drawings

Wood & Associates Engineering, LLC will retain ownership of field notes and all original tracings. Copies, certified drawings and reproducible will be provided as necessary.

Schedule

The Stormwater Needs Analysis Report shall be completed within 45 days upon signing of contract.

Termination

The obligation to provide further services under this agreement may be terminated by either party upon seven (7) days written notice, in the event of substantial failure by the other party to perform in accordance with the terms hereof, through no fault of the termination party. In the event of any termination, Wood & Associates Engineering, LLC will be paid for all services rendered to the date of termination.

This agreement shall be binding in the form if a photocopy or fax as in the original. The persons signing warrant that they are authorized to obligate the purchasing company or business (purchaser), and do further hereby jointly and severally guarantee payment of all amounts due to Wood & Associates Engineering, LLC. The guaranty is absolute and continuing, notwithstanding extension of time for payment

or failure to file any notice, which may be required by law. The persons signing agree that in the event of legal action, the forum will be Polk County, Florida, and any objections to venue are hereby waived. Interest shall run on all unpaid amounts at the highest rate allowed by law, and the said interest shall carry over and become the final judgment interest rate for all monies awarded in the event of legal action. On the event of non-payment, purchaser agrees to pay all cost of collection, including pre-suit collections, including attorney's fees and costs of litigation.

Accepted By: _____ Date: _____

Name: Jill Burns, District Manager
Forest Lake CDD

Accepted By: _____ Date: 5/2/22

Name: John Bannon
Wood & Associates Engineering, LLC





ATTACHMENT A PROFESSIONAL SERVICES FEE SCHEDULE

<u>JOB CLASSIFICATION</u>	<u>HOURLY RATE</u>
Principal Engineer	\$150
Professional Engineer	\$125
Design Engineer	\$100
Senior Designer	\$100
Planner	\$90
Designer	\$85
Administrative Assistant	\$80
CADD Tech	\$65
Clerical	\$60

REIMBURSABLE COST SCHEDULE

<u>ITEM</u>	<u>COST</u>
REPRODUCTION COSTS	
<i>B/W Copies</i>	
8 1/2" x 11" <i>Single Side</i>	<i>Double Side</i>
8 1/2" x 11" \$0.10	\$0.15
8 1/2" x 14" \$0.10	\$0.15
11" x 17" \$0.15	\$0.20
<i>Color Copies</i>	
All sizes	\$ 1.00 per page
<i>Plotter Prints – B/W, Color Paper</i>	
11" x 17"	\$ 2.00 per sheet
24" x 36"	\$ 5.00 per sheet
<i>Plotter Prints – Mylar</i>	
11" x 17"	\$ 4.00 per sheet
24" x 36"	\$15.00 per sheet
<i>Plotter Prints – Vellum</i>	
11" x 17"	\$ 3.50 per sheet
24" x 36"	\$12.00 per sheet
<i>Blueline Prints</i>	
24" x 36"	\$ 2.00 per sheet
<i>Travel</i>	
Local Driving	\$.48 per mile
<i>Postage, Federal Express, UPS Actual Cost</i>	
<i>Computer Disk Copies – CD or DVD</i>	Actual Cost

SECTION C

Forest Lake CDD

Field Management Report



May 03, 2022
Clayton Smith
Field Services Manager
GMS

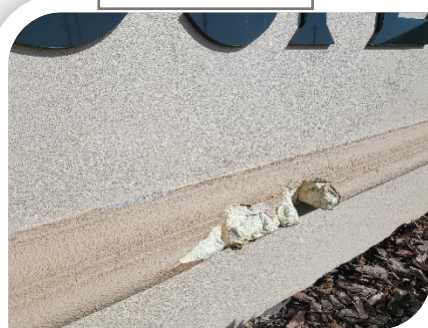
Complete

Landscape Review and General Maint.

- Monitoring landscaping
- Repaired damaged monument sign.



Before



Complete

Amenity Review

- Pool vendor adjusted timer system on mushroom feature.
- Remaining furniture arrived.
- Fixed issue with entry gate keycard system and monitored to ensure no further issue.



Other Items

Mailbox Lighting

- ✚ Proposal prepared for solar lights at the mailboxes.



Conclusion

For any questions or comments regarding the above information, please contact me by phone at 407-201-1514, or by email at csmith@gmscfl.com. Thank you.

Respectfully,
Clayton Smith

SECTION 1

Proposal #197



Governmental Management Services

Maintenance
Services

Bill To/District: Forest Lake CDD	Prepared By: Governmental Management Services, LLC 219 E. Livingston Street Orlando, FL 32801		
Job name and Description			
<u>Forest Lake CDD – Solar lights for Mailboxes</u> <u>Option 1</u> - Proposal is for delivery and installation of 2 solar lights. Locations shown are approximations. Final placement may be adjusted on site.			
Qty	Description	Unit Price	Line Total
	Labor & Mobilization		\$695
	Materials		\$500
Total Due:			\$1,195.00

Proposal #197



Governmental Management Services

Maintenance
Services

Bill To/District: Forest Lake CDD	Prepared By: Governmental Management Services, LLC 219 E. Livingston Street Orlando, FL 32801		
Job name and Description			
<u>Forest Lake CDD – Solar lights for Mailboxes</u> <u>Option 2</u> - Proposal is for delivery and installation of 4 solar lights. Locations shown are approximations. Final placement may be adjusted on site.			
Qty	Description	Unit Price	Line Total
	Labor & Mobilization		\$1310
	Materials		\$1000
Total Due:			\$2,310.00

Proposal #197

OPTION 1



OPTION 2



SECTION D

SECTION 1

Forest Lake
Community Development District

Summary of Checks

March 30, 2022 to April 25, 2022

Bank	Date	Check No.'s	Amount
General Fund	4/14/22	172	\$ 184.95
	4/20/22	173-180	\$ 8,188.76
	4/21/22	181-182	\$ 289,301.90
			<hr/>
			\$ 297,675.61
			<hr/>
			\$ 297,675.61

CHECK DATE	VEND#INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNTCHECK..... AMOUNT #
4/20/22	00028	4/01/22 15940	202204 330-57200-48500		*	1,350.00	
		POOL SERVICE - APR 22		RESORT POOL SERVICES			1,350.00 000180
4/21/22	00030	4/20/22 04202022	202204 300-20700-10000		*	221,839.69	
		ASSESSMENT TRNF SER2020		FOREST LAKE CDD C/O US BANK			221,839.69 000181
4/22/22	00032	3/25/22 75320	202204 300-20700-10100		*	67,462.21	
		FY22 SER22 FR#1		TUCKER PAVING INC			67,462.21 000182
TOTAL FOR BANK A						297,675.61	
TOTAL FOR REGISTER						297,675.61	

FORL FOREST LAKE CD CWRIGHT

SECTION 2

Forest Lake
Community Development District

Unaudited Financial Reporting
March 31, 2022



Table of Contents

1	<u>Balance Sheet</u>
2-3	<u>General Fund</u>
4	<u>Series 2020 Debt Service Fund</u>
5	<u>Series 2020 Capital Projects Fund</u>
6-7	<u>Month to Month</u>
8	<u>Long Term Debt Report</u>
9	<u>Assessment Receipt Schedule</u>

Forest Lake
Community Development District
Combined Balance Sheet
March 31, 2022

	<i>General Fund</i>	<i>Debt Service Fund</i>	<i>Capital Projects Fund</i>	<i>Totals Governmental Funds</i>
Assets:				
<u>Cash:</u>				
Operating Account	\$ 408,339	\$ -	\$ -	\$ 408,339
<u>Series 2020</u>				
Reserve	\$ -	\$ 249,131	\$ -	\$ 249,131
Revenue	\$ -	\$ 275,992	\$ -	\$ 275,992
Prepayments	\$ -	\$ 1,439	\$ -	\$ 1,439
Due from Developer	\$ 45,000	\$ -	\$ -	\$ 45,000
Due from General Fund	\$ -	\$ 221,840	\$ -	\$ 221,840
Total Assets	\$ 453,339	\$ 748,402	\$ 0	\$ 1,201,741
Liabilities:				
Accounts Payable	\$ 594	\$ -	\$ -	\$ 594
Due to Debt Service	\$ 221,840	\$ -	\$ -	\$ 221,840
Total Liabilities	\$ 222,434	\$ -	\$ -	\$ 222,434
Fund Balances:				
Restricted for:				
Debt Service	\$ -	\$ 748,402	\$ -	\$ 748,402
Unassigned	\$ 230,905	\$ -	\$ -	\$ 230,905
Total Fund Balances	\$ 230,905	\$ 748,402	\$ 0	\$ 979,307
Total Liabilities & Fund Balance	\$ 453,339	\$ 748,402	\$ 0	\$ 1,201,741

Forest Lake
Community Development District
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
For The Period Ending March 31, 2022

	Adopted	Prorated Budget	Actual	
	Budget	Thru 03/31/22	Thru 03/31/22	Variance
<u>Revenues</u>				
Assessments - Tax Roll	\$ 270,152	\$ 269,844	\$ 269,844	\$ -
Assessments - Direct Bill	\$ 58,278	\$ 43,708	\$ -	\$ (43,708)
Total Revenues	\$ 328,430	\$ 313,551	\$ 269,844	\$ (43,708)
<u>Expenditures:</u>				
<u>General & Administrative:</u>				
Supervisor Fees	\$ 12,000	\$ 6,000	\$ 4,000	\$ 2,000
Engineering	\$ 15,000	\$ 7,500	\$ -	\$ 7,500
Attorney	\$ 30,000	\$ 15,000	\$ 7,722	\$ 7,278
Annual Audit	\$ 4,500	\$ -	\$ -	\$ -
Assessment Administration	\$ 5,000	\$ 5,000	\$ 5,000	\$ -
Arbitrage	\$ 900	\$ 450	\$ 450	\$ -
Dissemination	\$ 6,000	\$ 3,000	\$ 3,500	\$ (500)
Trustee Fees	\$ 7,100	\$ 4,041	\$ 4,041	\$ -
Management Fees	\$ 36,050	\$ 18,025	\$ 18,025	\$ (0)
Information Technology	\$ 1,800	\$ 900	\$ 900	\$ -
Website Maintenance	\$ 1,200	\$ 600	\$ 600	\$ -
Telephone	\$ 300	\$ 150	\$ -	\$ 150
Postage & Delivery	\$ 1,000	\$ 500	\$ 50	\$ 450
Insurance	\$ 5,500	\$ 5,500	\$ 5,175	\$ 325
Printing & Binding	\$ 1,000	\$ 500	\$ 26	\$ 474
Legal Advertising	\$ 10,000	\$ 5,000	\$ 1,442	\$ 3,558
Other Current Charges	\$ 5,000	\$ 2,500	\$ 276	\$ 2,224
Office Supplies	\$ 625	\$ 313	\$ 21	\$ 291
Travel Per Diem	\$ 660	\$ 330	\$ -	\$ 330
Dues, Licenses & Subscriptions	\$ 175	\$ 175	\$ 175	\$ -
Subtotal General & Administrative:	\$ 143,810	\$ 75,483	\$ 51,402	\$ 24,081

Forest Lake
Community Development District
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
For The Period Ending March 31, 2022

	Adopted	Prorated Budget	Actual	
	Budget	Thru 03/31/22	Thru 03/31/22	Variance
<u>Operations and Maintenance</u>				
Field Expenditures				
Property Insurance	\$ 5,000	\$ 5,000	\$ 4,686	\$ 314
Field Management	\$ 15,000	\$ 7,500	\$ 4,375	\$ 3,125
Landscape Maintenance	\$ 40,000	\$ 20,000	\$ 18,510	\$ 1,490
Landscape Replacement	\$ 2,500	\$ 1,250	\$ -	\$ 1,250
Streetlights	\$ 15,000	\$ 7,500	\$ 7,782	\$ (282)
Electric	\$ 5,000	\$ 2,500	\$ 2,259	\$ 241
Water & Sewer	\$ 3,000	\$ 1,500	\$ -	\$ 1,500
Sidewalk & Asphalt Maintenance	\$ 500	\$ 250	\$ -	\$ 250
Irrigation Repairs	\$ 2,500	\$ 1,250	\$ -	\$ 1,250
General Repairs & Maintenance	\$ 5,000	\$ 2,500	\$ 160	\$ 2,340
Contingency	\$ 2,500	\$ 1,250	\$ -	\$ 1,250
Subtotal Field Expenditures	\$ 96,000	\$ 50,500	\$ 37,772	\$ 12,728
Amenity Expenditures				
Amenity - Electric	\$ 14,400	\$ 7,200	\$ 2,021	\$ 5,179
Amenity - Water	\$ 3,500	\$ 1,750	\$ 890	\$ 860
Playground Lease	\$ 14,000	\$ 7,000	\$ -	\$ 7,000
Internet	\$ 3,000	\$ 1,500	\$ 93	\$ 1,407
Pest Control	\$ 720	\$ 360	\$ -	\$ 360
Janitorial Services	\$ 8,500	\$ 4,250	\$ 314	\$ 3,936
Security Services	\$ 10,000	\$ 5,000	\$ 5,589	\$ (589)
Pool Maintenance	\$ 18,000	\$ 9,000	\$ 2,700	\$ 6,300
Amenity Access Management	\$ 5,000	\$ 2,500	\$ 417	\$ 2,083
Amenity Repairs & Maintenance	\$ 1,000	\$ 500	\$ 239	\$ 261
Contingency	\$ 7,500	\$ 3,750	\$ -	\$ 3,750
Subtotal Amenity Expenditures	\$ 85,620	\$ 42,810	\$ 12,262	\$ 30,548
Total Expenditures	\$ 325,430	\$ 168,793	\$ 101,436	\$ 67,357
Excess (Deficiency) of Revenues over Expenditures	\$ 3,000		\$ 168,408	
<u>Other Financing Sources/(Uses)</u>				
Transfer In/(Out)	\$ (3,000)	\$ -	\$ -	\$ -
Total Other Financing Sources/(Uses)	\$ (3,000)		\$ -	
Net Change in Fund Balance	\$ -		\$ 168,408	
Fund Balance - Beginning	\$ -		\$ 62,497	
Fund Balance - Ending	\$ -		\$ 230,905	

Forest Lake
Community Development District
Debt Service Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
For The Period Ending March 31, 2022

	Adopted Budget	Prorated Budget Thru 03/31/22	Actual Thru 03/31/22	Variance
Revenues				
Special Assessments	\$ 505,199	\$ 497,789	\$ 497,789	\$ -
Interest	\$ -	\$ -	\$ 10	\$ 10
Total Revenues	\$ 505,199	\$ 497,789	\$ 497,799	\$ 10
Expenditures:				
Interest Expense - 11/1	\$ 168,338	\$ 168,337	\$ 168,337	\$ -
Special Call - 11/1	\$ -	\$ -	\$ 120,000	\$ (120,000)
Principal Expense - 5/1	\$ 170,000	\$ -	\$ -	\$ -
Interest Expense - 5/1	\$ 168,338	\$ -	\$ -	\$ -
Total Expenditures	\$ 506,675	\$ 168,337	\$ 288,337	\$ (120,000)
Excess (Deficiency) of Revenues over Expenditures	\$ (1,476)		\$ 209,462	
Fund Balance - Beginning	\$ 168,365		\$ 538,940	
Fund Balance - Ending	\$ 166,889		\$ 748,402	

Forest Lake
Community Development District
Capital Projects Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
For The Period Ending March 31, 2022

	Adopted	Prorated Budget	Actual	
	Budget	Thru 03/31/22	Thru 03/31/22	Variance
Revenues				
Developer Contribution	\$ -	\$ -	\$ 316,489	\$ 316,489
Interest	\$ -	\$ -	\$ 3	\$ 3
Total Revenues	\$ -	\$ -	\$ 316,492	\$ 316,492
Expenditures:				
Capital Outlay	\$ -	\$ -	\$ 316,419	\$ (316,419)
Total Expenditures	\$ -	\$ -	\$ 316,419	\$ (316,419)
Excess (Deficiency) of Revenues over Expenditures	\$ -		\$ 73	
Fund Balance - Beginning	\$ -		\$ (73)	
Fund Balance - Ending	\$ -		\$ 0	

Forest Lake
Community Development District
Month to Month

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
Revenues													
Assessments - Tax Roll	\$ -	\$ -	\$ 83,404	\$ 66,184	\$ 118,863	\$ 1,393	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 269,844
Assessments - Direct	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	\$ -	\$ -	\$ 83,404	\$ 66,184	\$ 118,863	\$ 1,393	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 269,844
Expenditures:													
<i>General & Administrative:</i>													
Supervisor Fees	\$ -	\$ 1,800	\$ -	\$ 600	\$ 600	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,000
Engineering	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Attorney	\$ 468	\$ 2,149	\$ 916	\$ 1,940	\$ 2,249	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,722
Annual Audit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Assessment Administration	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000
Arbitrage	\$ 450	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 450
Dissemination	\$ 1,000	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,500
Trustee Fees	\$ 4,041	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,041
Management Fees	\$ 3,004	\$ 3,004	\$ 3,004	\$ 3,004	\$ 3,004	\$ 3,004	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,025
Information Technology	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 900
Website Maintenance	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 600
Telephone	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Postage & Delivery	\$ 4	\$ -	\$ 3	\$ 12	\$ 19	\$ 11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50
Insurance	\$ 5,175	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,175
Printing & Binding	\$ -	\$ -	\$ 12	\$ -	\$ 4	\$ 11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26
Legal Advertising	\$ -	\$ 311	\$ 824	\$ 307	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,442
Other Current Charges	\$ 73	\$ 35	\$ 43	\$ 41	\$ 51	\$ 31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 276
Office Supplies	\$ 0	\$ -	\$ 13	\$ 0	\$ 5	\$ 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21
Travel Per Diem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dues, Licenses & Subscriptions	\$ 175	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 175
Subtotal General & Administrative:	\$ 19,640	\$ 8,050	\$ 5,565	\$ 6,654	\$ 6,683	\$ 4,810	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,402

Forest Lake
Community Development District
Month to Month

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
Operations and Maintenance													
Field Expenditures													
Property Insurance	\$ -	\$ -	\$ -	\$ -	\$ 4,686	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	4,686
Field Management	\$ 625	\$ 625	\$ 625	\$ 625	\$ 625	\$ 1,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	4,375
Landscape Maintenance	\$ 1,580	\$ 3,386	\$ 3,386	\$ 3,386	\$ 3,386	\$ 3,386	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	18,510
Landscape Replacement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Streetlights	\$ 1,248	\$ 1,248	\$ -	\$ 1,248	\$ 2,773	\$ 1,266	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	7,782
Electric	\$ 525	\$ -	\$ 556	\$ 199	\$ 491	\$ 487	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2,259
Water & Sewer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Sidewalk & Asphalt Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Irrigation Repairs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
General Repairs & Maintenance	\$ -	\$ -	\$ -	\$ 160	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	160
Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Subtotal Field Expenditures	\$ 3,978	\$ 5,259	\$ 4,567	\$ 5,618	\$ 11,961	\$ 6,389	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	37,772
Amenity Expenditures													
Amenity - Electric	\$ -	\$ -	\$ -	\$ 122	\$ -	\$ 1,899	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2,021
Amenity - Water	\$ -	\$ -	\$ 121	\$ 209	\$ 280	\$ 280	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	890
Playground Lease	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Internet	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 93	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	93
Pest Control	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Janitorial Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 314	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	314
Security Services	\$ -	\$ -	\$ -	\$ 2,000	\$ -	\$ 3,589	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	5,589
Pool Maintenance	\$ -	\$ -	\$ -	\$ 1,350	\$ -	\$ 1,350	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2,700
Amenity Access Management	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 417	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	417
Amenity Repairs & Maintenance	\$ -	\$ -	\$ -	\$ 145	\$ -	\$ 94	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	239
Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Subtotal Amenity Expenditures	\$ -	\$ -	\$ 121	\$ 3,825	\$ 280	\$ 8,036	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	12,262
Total Expenditures	\$ 23,618	\$ 13,308	\$ 10,253	\$ 16,098	\$ 18,925	\$ 19,235	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	101,436
Excess (Deficiency) of Revenues over Expenditures	\$ (23,618)	\$ (13,308)	\$ 73,152	\$ 50,086	\$ 99,938	\$ (17,842)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	168,408
Other Financing Sources/(Uses)													
Transfer In/(Out)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Total Other Financing Sources/(Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Net Change in Fund Balance	\$ (23,618)	\$ (13,308)	\$ 73,152	\$ 50,086	\$ 99,938	\$ (17,842)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	168,408

Forest Lake

Community Development District

Long Term Debt Report

Series 2020, Special Assessment Revenue Bonds		
Interest Rate:	2.625%, 3.250%, 4.000%	
Maturity Date:	5/1/2051	
Reserve Fund Definition	50% Maximum Annual Debt Service	
Reserve Fund Requirement	\$249,269	
Reserve Fund Balance	\$249,131	
Bonds Outstanding - 09/29/20		\$8,845,000
Less: Special Call - 11/1/21		(\$120,000)
Current Bonds Outstanding		\$8,725,000

Forest Lake
Community Development District
Special Assessment Receipt Schedule
Fiscal Year 2022

Gross Assessments	\$ 290,487.84	\$ 535,872.43	\$ 826,360.27
Net Assessments	\$ 270,153.69	\$ 498,361.36	\$ 768,515.05

ON ROLL ASSESSMENTS

							35.15%	64.85%	100.00%
							<i>Series 2020</i>		
<i>Date</i>	<i>Distribution</i>	<i>Gross Amount</i>	<i>Commissions</i>	<i>Discount/Penalty</i>	<i>Interest</i>	<i>Net Receipts</i>	<i>O&M Portion</i>	<i>Debt Service</i>	<i>Total</i>
12/14/21	ACH	\$2,052.44	(\$39.41)	(\$82.11)	\$0.00	\$1,930.92	\$678.77	\$1,252.15	\$1,930.92
12/17/21	ACH	\$2,052.44	(\$39.41)	(\$82.11)	\$0.00	\$1,930.92	\$678.77	\$1,252.15	\$1,930.92
12/31/21	ACH	\$256,694.68	(\$4,931.92)	(\$10,098.59)	\$0.00	\$241,664.17	\$84,951.45	\$156,712.72	\$241,664.17
12/31/21	1% Fee Adj	(\$8,263.60)	\$0.00	\$0.00	\$0.00	(\$8,263.60)	(\$2,904.88)	(\$5,358.72)	(\$8,263.60)
01/18/22	ACH	\$200,078.54	(\$3,842.34)	(\$7,961.36)	\$0.00	\$188,274.84	\$66,183.67	\$122,091.17	\$188,274.84
02/18/22	ACH	\$359,177.00	(\$6,900.67)	(\$14,143.36)	\$0.00	\$338,132.97	\$118,862.82	\$219,270.15	\$338,132.97
03/16/22	ACH	\$4,104.88	(\$61.57)	(\$80.87)	\$0.00	\$3,962.44	\$1,392.90	\$2,569.54	\$3,962.44
TOTAL		\$ 815,896.38	\$ (15,815.32)	\$ (32,448.40)	\$ -	\$ 767,632.66	\$ 269,843.50	\$ 497,789.16	\$ 767,632.66

100%	Net Percent Collected
\$ 882.39	Balance Remaining to Collect

DIRECT BILL ASSESSMENTS

Winter Haven Management Services, LLC					
2022-01				\$58,276.96	\$58,276.96
Date Received	Due Date	Check Number	Net Assessed	Amount Received	Operations & Maintenance
	12/1/21		\$29,138.48		
	2/1/22		\$14,569.24		
	5/1/22		\$14,569.24		
			\$58,276.96	-	-

*To be collected at lot closing

SECTION 3



April 21, 2022

Samantha Hoxie – Recording Secretary
Forest Lake CDD Office
219 E. Livingston Street
Orlando, Florida 32801-1508



RE: Forest Lake Community Development District Registered Voters

Dear Ms. Hoxie,

In response to your request, there are currently **71** voters within the Forest Lake Community Development District. This number of registered voters in said District is as of **April 15, 2022**.

Please do not hesitate to contact us if we can be of further assistance.

Sincerely,

A handwritten signature in blue ink that reads "Lori Edwards".

Lori Edwards
Supervisor of Elections
Polk County, Florida