



DPFG Management & Consulting, LLC

***AVALON GROVES COMMUNITY DEVELOPMENT  
DISTRICT***

***Agenda Package***

***Regular Meeting***

***Date & Time:***

***Thursday  
July 23, 2020  
11:30 a.m.***

***Location:***

***Zoom  
Conference Call  
Audio Only***

***Note: The Advanced Meeting Package is a working document and thus all materials are considered DRAFTS prior to presentation and Board acceptance, approval or adoption.***

# Avalon Groves Community Development District

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DPFG Management & Consulting, LLC

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Lake Mary FL 32746  
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[ ] 15310 Amberly Drive, Suite 175  
Tampa, Florida 33647  
(813) 374 -9105

June 20, 2020

Board of Supervisors  
**Avalon Groves Community Development District**

Dear Board Members:

The Regular Meeting of the Board of Supervisors of the Avalon Groves Community Development District is scheduled for **Thursday, July 23, 2020 at 11:30 a.m. via Zoom Conference Call – Audio Only.**

*The advanced copy of the agenda for the meeting is attached along with associated documentation for your review and consideration. Any additional support material will be distributed at the meeting.*

The balance of the agenda is routine in nature. Staff will present their reports at the meeting. If you have any questions, please contact me. I look forward to seeing you there.

Sincerely,

*Patricia Comings-Thibault*  
Patricia Comings-Thibault  
District Manager

cc: Attorney  
Engineer  
District Records

# **Avalon Groves Community Development District**

## **Board of Supervisors Meeting**

**Thursday, July 23<sup>rd</sup> at 11:30 AM**

**via Zoom – **AUDIO ONLY****

Dear Residents

We welcome you to join us for the Board of Supervisors Meeting to be held on Thursday, July 23<sup>rd</sup> at 11:30 AM. This meeting will be held via Zoom, an online platform that allows us to hold necessary Board meetings without having to leave the safety of your home. While many may know and have used Zoom as a video conference platform, we will be using it in audio only mode, so there will be no visual on your end to visually see, so as a note, your computer is working fine if you do not see a video stream. With Zoom you have two options for joining the meeting; telephone or computer, and it will all be audio based, meaning no video recording. Please follow the instructions below for either telephone or computer attendance. If you have any questions in regard to the agenda, please email them to [patricia.thibault@dpg.com](mailto:patricia.thibault@dpg.com) before the meeting so that they can be answered accordingly. Please be advised that the meeting will not start until the host, the District Manager, has started the meeting. Thank you for your patience in these trying times and we look forward to hearing from you.

### **Join Zoom Meeting by Computer**

<https://us02web.zoom.us/j/81288503872?pwd=dmdHbjJVnBVenI1Tmt6cnJ5RnRLZz09>

**Meeting ID:** 812 8850 3872

**Password:** 077361

### **Join Zoom Meeting by Phone**

Dial by your location – Follow the Prompts – Meeting ID - **812 8850 3872** – Hit # when it requests a participant ID

+1 253 215 8782 US

+1 301 715 8592 US

+1 346 248 7799 US (Houston)

+1 929 205 6099 US (New York)

+1 312 626 6799 US (Chicago)

+1 669 900 6833 US (San Jose)

District: **AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT**

Date of Meeting: Thursday, July 23, 2020

Time: 11:30 AM

Location: Zoom – Conference Call – Audio  
Only

Dial-in Number: +1 253 215 8782

Meeting ID: 812 8850 3872

*Agenda*

**I. Roll Call**

**II. Audience Comments** (Limited to three minutes on agenda items)

**III. Administrative Matters**

- A. Solitude Lake Management – Waterway Inspection Exhibit 1
- B. Consideration for Approval – The Minutes of the Board of Supervisors Regular Meeting Held June 25, 2020 Exhibit 2
- C. Consideration for Acceptance – The June 2020 Unaudited Financial Report Exhibit 3
- D. Presentation of the June Field Operations Report Exhibit 4

**IV. Business Matters**

- A. Presentation & Acceptance of the FY 2019 Audited Annual Financial Report Exhibit 5
- B. Consideration of Letter Agreement for Acquisition of Hardscape & Sidewalk Improvements Exhibit 6
- C. Consideration of Steadfast Environmental Aquatic Maintenance Proposal - \$23,236.92/ annually Exhibit 7
- D. Consideration of Solitude Lake Management Services Contract - \$25,320.00/ annually Exhibit 8
- E. Presentation of Memorandum Regarding Amendment to Website Requirements Exhibit 9

**V. Consent Agenda**

- A. Ratification of Yellowstone Back Filling Proposal - \$3,130.00 Exhibit 10

**VI. Audience Comments (New Business)**

**VII. Staff Reports**

- A. District Manager
- B. District Counsel
- C. Amenity Manager

**VIII. Supervisors Requests**

**IX. Adjournment**

# EXHIBIT 1



# Avalon Grove CDD

## Waterway Inspection Report

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**Reason for Inspection:** Routine Scheduled

**Inspection Date:** 07/15/2020

**Prepared for:**

DPFG Management & Consulting LLC

250 International Parkway Suite 280

Lake Mary, FL 32746

**Prepared by:**

Alan Wilson, Assist Service Manager

Aquatic Systems, Inc. Sanford Field Office

Corporate Headquarters

2100 N.W. 33<sup>rd</sup> Street, Pompano Beach, FL 33069

1-800-432-4302

**Site: 4**



**Comments:** Site looks good

Pond is clear of submersed vegetation, shoreline grasses, and algal growth.

**Site: 3**



**Comments:** Site looks good

Pond is clear of submersed vegetation, shoreline grasses, and algal growth.



**Site: 2**



**Comments:** Site looks good

Pond is clear of submersed vegetation, shoreline grasses, and algal growth.

**Site: 1**



**Comments:** Site looks good

Pond is clear of submersed vegetation, shoreline grasses, and algal growth.

**Site: 6**



**Comments:** Site looks good

Pond is clear of submersed vegetation, shoreline grasses, and algal growth. Pine Needles have accumulated in the corner.

**Site: 16**



**Comments:** Site looks good

Pond is clear of submersed vegetation, shoreline grasses, and algal growth.

**Site: 17**



**Comments:** Site looks good

Pond is clear of submersed vegetation, shoreline grasses, and algal growth.

**Site: 18**



**Comments:** Site looks good

Pond is clear of submersed vegetation, shoreline grasses, and algal growth.

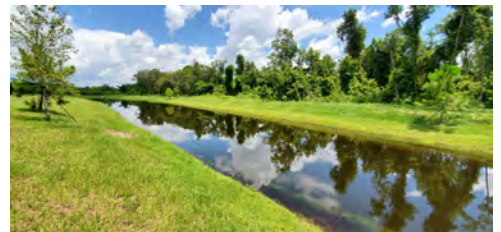
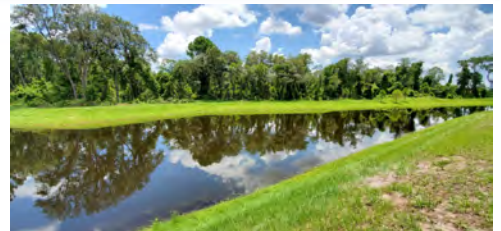
**Site: 7**



**Comments:** Site looks good

Pond is clear of submersed vegetation, shoreline grasses, and algal growth.

**Site: 5**



**Comments:** Site looks good

Pond is clear of submersed vegetation, shoreline grasses, and algal growth.

Site: 9



**Comments:** Site looks good

Pond is clear of submersed vegetation, shoreline grasses, and algal growth.

Site: 10



**Comments:** Normal growth observed

Pond is clear of submersed vegetation and algal growth. Some shoreline grasses present.

Site: 8



**Comments:** Site looks good

Pond is clear of submersed vegetation, shoreline grasses, and algal growth.

Site: 14



**Comments:** Site looks good

Pond is clear of submersed vegetation, shoreline grasses, and algal growth.

**Site: 13**



**Comments:** Site looks good

Pond is clear of submersed vegetation, shoreline grasses, and algal growth.

**Site: 19**



**Comments:** Site looks good

Pond is clear of submersed vegetation, shoreline grasses, and algal growth.

**Site: 20**



**Comments:** Site looks good

Pond is clear of submersed vegetation, shoreline grasses, and algal growth.

**Site: 21**



**Comments:** Treatment in progress

Small amounts of aquatic vegetation and algae present



Site: 15



**Comments:** Normal growth observed

Some shoreline grasses present.

Site: 12



**Comments:** Site looks good

Pond is clear of submersed vegetation and algae.

Site: 11



**Comments:** Site looks good

Pond is clear of shoreline grasses and algal growth. Some submersed vegetation present.

Site:

**Comments:**



# EXHIBIT 2

1 **MINUTES OF MEETING**

2 **AVALON GROVES**

3 **COMMUNITY DEVELOPMENT DISTRICT**

4 The Regular Meeting of the Board of Supervisors of the Avalon Groves Community  
5 Development District was held on Thursday, June 25, 2020 at 11:30 a.m., via Zoom Conference Call.

6 **FIRST ORDER OF BUSINESS – Roll Call**

7 Ms. Thibault called the meeting to order and conducted roll call.

8 Present and constituting a quorum were:

9	Jim Harvey	Board Supervisor, Chairman
10	Greg Meath	Board Supervisor, Vice Chairman
11	Brad Walker	Board Supervisor, Assistant Secretary
12	Jon Seifel	Board Supervisor, Assistant Secretary
13	Candice Smith	Board Supervisor, Assistant Secretary

14 Also present were:

15	Patricia Thibault	District Manager, DPGF Management & Consulting
16	Logan Muether	Manager Associate, DPGF Management & Consulting
17	Jason Walters	District Counsel, Hopping Green & Sams
18	Rob Stultz	Yellowstone Landscape

19 *The following is a summary of the discussions and actions taken at the June 25, 2020 Avalon Groves*  
20 *CDD Board of Supervisors meeting.*

21 **SECOND ORDER OF BUSINESS – Audience Comments**

22 There being none, the next item followed.

23 **THIRD ORDER OF BUSINESS – Administrative Matters**

24 A. Exhibit 1: Solitude Lake Management – Waterway Inspection

25 B. Exhibit 2: Consideration for Approval – The Minutes of the Board of Supervisors Regular  
26 Meeting Held May 28, 2020

27 On a MOTION by Mr. Harvey, SECONDED by Mr. Meath, WITH ALL IN FAVOR, the Board  
28 approved the Minutes of the Board of Supervisors Regular Meeting held on May 28, 2020 for the Avalon  
29 Groves Community Development District.

30 C. Exhibit 3: Consideration for Acceptance – The May 2020 Unaudited Financial Report

31 On a MOTION by Mr. Harvey, SECONDED by Mr. Meath, WITH ALL IN FAVOR, the Board accepted  
32 the May 2020 Unaudited Financial Report for the Avalon Groves Community Development District.

33 D. Exhibit 4: Presentation of the June Field Operations Report

34 **FOURTH ORDER OF BUSINESS – Business Items**

35 A. Exhibit 5: Presentation of Special Assessment Bonds, Series 2017 – Assessment Area One  
36 Project

37 On a MOTION by Mr. Harvey, SECONDED by Mr. Meath, WITH ALL IN FAVOR, the Board  
38 approved the Arbitrage Report for the Avalon Groves Community Development District.

39 **FIFTH ORDER OF BUSINESS – Audience Comments – New Business**

40 There being none, the next item followed.

41 **SIXTH ORDER OF BUSINESS – Staff Reports**

42 A. District Manager

43 Ms. Thibault noted that the Governor’s executive order allowing for meetings to proceed via  
44 telephone had been extended to August 1.

45 B. District Counsel

46 There being none, the next item followed.

47 C. Amenity Manager

48 There being none, the next item followed.

49 **SEVENTH ORDER OF BUSINESS – Supervisors Requests**

50 There being none, the next item followed.

51 **EIGHTH ORDER OF BUSINESS – Adjournment**

52 Ms. Thibault asked for final questions, comments, or corrections before requesting a motion to  
53 adjourn the meeting. There being none, Mr. Harvey made a motion to adjourn the meeting.

54 On a MOTION by Mr. Harvey, SECONDED by Mr. Meath, WITH ALL IN FAVOR, the Board  
55 adjourned the meeting for the Avalon Groves Community Development District.

56 *\*Each person who decides to appeal any decision made by the Board with respect to any matter*  
57 *considered at the meeting is advised that person may need to ensure that a verbatim record of the*  
58 *proceedings is made, including the testimony and evidence upon which such appeal is to be based.*

59 **Meeting minutes were approved at a meeting by vote of the Board of Supervisors at a publicly noticed**  
60 **meeting held on \_\_\_\_\_.**

61

62

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Printed Name**

\_\_\_\_\_  
**Printed Name**

63 **Title:**     **Secretary**     **Assistant Secretary**

**Title:**     **Chairman**     **Vice Chairman**

# EXHIBIT 3

# Avalon Groves Community Development District

Summary Financial Statements  
(Unaudited)

Period Ending  
June 30, 2020



**Avalon Groves Community Development District**  
**Balance Sheet**  
**Unaudited**  
**June 30, 2020**

	GENERAL FUND	2017 (AA1)	2017A-1 (AA2)	2017A-2 (AA2)	2019	CIP (AA1)	CIP A-1 (AA2)	CIP A-2 (AA2)	TOTAL
<b>ASSETS:</b>									
CASH	\$ 188,761	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20	\$ -	\$ 188,781
INVESTMENTS:									
REVENUE FUND	-	37,897	53,427	1	44,338	-	-	-	135,663
CAP INTEREST	-	5	8	-	2	-	-	-	15
DS RESERVE	-	175,674	534,040	218	106,454	-	-	-	816,386
COST OF ISSUANCE	-	-	-	-	13,157	-	-	-	13,157
PREPAYMENT ACCOUNT	-	26,803	30,485	7,795	-	-	-	-	65,082
SINK FUND ACCT (AA2)	-	2	4	-	-	-	-	-	6
ACQ. & CONST. 2017 (AA1)	-	-	-	-	-	30,522	-	-	30,522
ACQ. & CONST. 2017A-1 (AA2)	-	-	-	-	-	-	13,172	-	13,172
ACQ. & CONST. 2017A-2 (AA2)	-	-	-	-	-	-	-	94,758	94,758
ACQ. & CONST. 2019	-	-	-	-	-	-	-	-	-
PREPAID ITEMS	-	-	-	-	-	-	-	-	-
DUE FROM GF	-	1,058	7,467	-	2,522	-	-	-	11,047
OFF ROLL - RECEIVABLE ASSMT.	-	-	-	-	-	-	-	-	-
DEPOSITS	1,587	-	-	-	-	-	-	-	1,587
<b>TOTAL ASSETS</b>	<b>\$ 190,348</b>	<b>\$ 241,439</b>	<b>\$ 625,431</b>	<b>\$ 8,014</b>	<b>\$ 166,472</b>	<b>\$ 30,522</b>	<b>\$ 13,192</b>	<b>\$ 94,758</b>	<b>\$ 1,370,176</b>
<b>LIABILITIES:</b>									
ACCOUNTS PAYABLE	\$ 5,077	\$ -	\$ -	\$ -	\$ -	\$ 30,423	\$ -	\$ -	\$ 35,500
ACCRUED EXPENSES	3,605	-	-	-	-	-	-	-	3,605
DUE TO DEBT SERVICE	11,047	-	-	-	-	-	-	-	11,047
DUE TO CONSTRUCTION	-	-	-	-	-	-	-	-	-
OFF ROLL - DEFERRED REVENUE	-	-	-	-	-	-	-	-	-
RETAINAGE PAYABLE	-	-	-	-	-	-	-	-	-
<b>FUND BALANCE:</b>									
NONSPENDABLE:									
PREPAID AND DEPOSITS	1,587	-	-	-	-	-	-	-	1,587
ASSIGNED:									
OPERATING RESERVES	-	-	-	-	-	-	-	-	-
RESERVES - ROADWAYS	-	-	-	-	-	-	-	-	-
UNASSIGNED:	169,032	241,439	625,431	8,014	166,472	100	13,192	94,758	1,318,438
<b>TOTAL LIABILITIES &amp; FUND BALANCE</b>	<b>\$ 190,348</b>	<b>\$ 241,439</b>	<b>\$ 625,431</b>	<b>\$ 8,014</b>	<b>\$ 166,472</b>	<b>\$ 30,522</b>	<b>\$ 13,192</b>	<b>\$ 94,758</b>	<b>\$ 1,370,176</b>

**Avalon Groves Community Development District**  
**Statement of Revenue, Expenditures And Change In Fund Balance**  
**For The Period Ending June 30, 2020**

	FY2020 ADOPTED BUDGET	BUDGET YEAR-TO-DATE	ACTUAL YEAR-TO-DATE	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>				
SPECIAL ASSESSMENTS (LANDOWNER OFF-ROLL)	\$ 515,807	386,855	\$ 308,814	\$ (78,042)
MISC. REVENUE	-	-	549	549
<b>TOTAL REVENUES</b>	<b>515,807</b>	<b>386,855</b>	<b>309,362</b>	<b>(77,493)</b>
<b>EXPENDITURES</b>				
<b>GENERAL ADMINISTRATIVE</b>				
DISTRICT MANAGEMENT SERVICES	32,000	24,000	12,000	12,000
BANK FEES	150	113	-	113
AUDITING	2,750	2,063	-	2,063
REGULATORY & PERMIT FEES	175	175	175	-
LEGAL ADVERTISEMENTS	4,000	3,000	1,836	1,164
ENGINEERING SERVICES	12,000	9,000	-	9,000
LEGAL SERVICES	25,000	18,750	4,033	14,717
TECHNOLOGY & WEBSITE ADMIN.	2,265	2,509	2,509	0
MISCELLANEOUS (appraisal, etc.)	500	375	50	325
<b>TOTAL GENERAL ADMINISTRATIVE</b>	<b>78,840</b>	<b>59,984</b>	<b>20,603</b>	<b>39,381</b>
<b>INSURANCE</b>				
INSURANCE	5,500	5,500	7,125	(1,625)
<b>TOTAL INSURANCE</b>	<b>5,500</b>	<b>5,500</b>	<b>7,125</b>	<b>(1,625)</b>
<b>DEBT SERVICE ADMIN.</b>				
DISCLOSURE REPORT	5,000	5,000	5,000	-
ARBITRAGE REBATE	1,500	1,500	650	850
TRUSTEE FEES	10,500	7,875	1,950	5,925
<b>TOTAL DEBT ADMINISTRATION</b>	<b>17,000</b>	<b>14,375</b>	<b>7,600</b>	<b>6,775</b>
<b>UTILITIES</b>				
UTILITIES-ELECTRICITY	2,500	2,039	2,039	-
STREETLIGHTS	150,000	112,500	-	112,500
UTILITY CONTINGENCY	15,000	11,250	11,058	192
<b>TOTAL UTILITIES</b>	<b>167,500</b>	<b>125,789</b>	<b>13,097</b>	<b>112,692</b>
<b>PHYSICAL ENVIRONMENT</b>				
LAKE & POND MAINTENANCE	25,600	19,200	11,565	7,635
LANDSCAPE MAINTENANCE	169,567	127,175	141,660	(14,485)
LANDSCAPE - MISC.	15,000	15,000	32,846	(17,846)
WETLAND MITIGATION & MAINTENANCE	20,800	20,800	26,200	(5,400)
FIELD MANAGEMENT	6,000	4,500	500	4,000
FIELD CONTINGENCY	5,000	3,750	695	3,055
HARDSCAPE REPAIRS & MAINT.	5,000	3,750	1,339	2,411
BUILDOUT CONTINGENCY	-	-	-	-
<b>TOTAL PHYSICAL ENVIRONMENT EXPENDITURES</b>	<b>246,967</b>	<b>194,175</b>	<b>214,805</b>	<b>(20,629)</b>
<b>TOTAL EXPENDITURES</b>	<b>515,807</b>	<b>399,823</b>	<b>263,230</b>	<b>136,593</b>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>(12,968)</b>	<b>46,133</b>	<b>59,100</b>
FUND BALANCE - BEGINNING	-	-	124,486	-
<b>FUND BALANCE - ENDING</b>	<b>\$ -</b>	<b>\$ (12,968)</b>	<b>\$ 170,619</b>	<b>\$ 59,100</b>

**Avalon Groves Community Development District**  
**SERIES 2017A-1 (AA1)**  
**For The Period Starting October 1, 2019 Ending June 30, 2020**

	<b>FY2020 ADOPTED BUDGET</b>	<b>BUDGET YEAR-TO-DATE</b>	<b>ACTUAL YEAR-TO-DATE</b>	<b>VARIANCE FAVORABLE (UNFAVORABLE)</b>
<b>REVENUE</b>				
SPECIAL ASSESSMENTS - ON/OFF ROLL INTEREST	\$ 185,153	185,153	\$ 232,880	\$ 47,727
LESS: DISCOUNT ASSESSMENTS (4%)	-	-	2,271	2,271
	(7,715)	-	-	-
<b>TOTAL REVENUE</b>	<b>177,438</b>	<b>185,153</b>	<b>235,151</b>	<b>49,998</b>
<b>EXPENDITURES</b>				
COUNTY - ASSESSMENT COLLECTION FEES	7,715	-	-	-
INTEREST EXPENSE			66,981	
NOVEMBER 1, 2020	66,981	66,981	66,981	-
MAY 1, 2020	66,106	-	-	-
PRINCIPAL RETIREMENT				
MAY 1, 2019	35,000	35,000	35,000	-
<b>TOTAL EXPENDITURES</b>	<b>175,802</b>	<b>101,981</b>	<b>168,962</b>	<b>-</b>
<b>EXCESS REVENUE OVER (UNDER) EXPEND.</b>	1,636	83,172	66,189	49,998
TRANSFER IN			-	
TRANSFER OUT			-	
FUND BALANCE - BEGINNING		-	175,251	175,251
<b>FUND BALANCE - ENDING</b>	<b>\$ 1,636.00</b>	<b>\$ 83,172</b>	<b>\$ 241,440</b>	<b>\$ 225,249</b>

**Avalon Groves Community Development District**  
**SERIES 2017A-1 (AA2)**  
**For The Period Starting October 1, 2019 Ending June 30, 2020**

	<u>FY2020 ADOPTED BUDGET</u>	<u>BUDGET YEAR-TO-DATE</u>	<u>ACTUAL YEAR-TO-DATE</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUE</b>				
SPECIAL ASSESSMENTS - ON/OFF ROLL INTEREST	\$ 559,241	419,431	\$ 415,549	\$ (3,882)
LESS: DISCOUNT ASSESSMENTS (4%)	-	-	6,563	6,563
	<u>(23,302)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL REVENUE</b>	<b><u>535,939</u></b>	<b><u>419,431</u></b>	<b><u>422,112</u></b>	<b><u>2,681</u></b>
<b>EXPENDITURES</b>				
COUNTY - ASSESSMENT COLLECTION FEES (3.5%)	23,302	-	-	-
INTEREST EXPENSE			-	
NOVEMBER 1, 2019	210,131	210,131	210,117	14
MAY 1, 2020	207,444	-	210,131	(210,131)
PRINCIPAL RETIREMENT				
MAY 1, 2019	100,000	100,000	100,000	-
<b>TOTAL EXPENDITURES</b>	<b><u>540,877</u></b>	<b><u>310,131</u></b>	<b><u>520,248</u></b>	<b><u>(210,117)</u></b>
<b>EXCESS REVENUE OVER (UNDER) EXPEND.</b>	<b>(4,938)</b>	<b>109,300</b>	<b>(98,136)</b>	<b>212,798</b>
TRANSFER IN				
TRANSFER OUT			-	
FUND BALANCE - BEGINNING		-	723,567	723,567
<b>FUND BALANCE - ENDING</b>	<b><u>\$ (4,938.00)</u></b>	<b><u>\$ 109,300</u></b>	<b><u>\$ 625,431</u></b>	<b><u>\$ 936,365</u></b>

**Avalon Groves Community Development District**  
**SERIES 2017A-2 (AA2)**

**For The Period Starting October 1, 2019 Ending June 30, 2020**

	<b>ACTUAL YEAR-TO-DATE</b>
<b>REVENUE</b>	
SPECIAL ASSESSMENTS - ON/OFF ROLL	\$ -
INTEREST	1,247
LESS: DISCOUNT ASSESSMENTS (4%)	-
<b>TOTAL REVENUE</b>	<b>1,247</b>
<b>EXPENDITURES</b>	
COUNTY - ASSESSMENT COLLECTION FEES	1,200
INTEREST EXPENSE	-
MAY 1, 2019	-
NOVEMBER 1, 2019	-
PRINCIPAL PREPAYMENT	304,843
MAY 1, 2019	-
<b>TOTAL EXPENDITURES</b>	<b>306,043</b>
<b>EXCESS REVENUE OVER (UNDER) EXPEND.</b>	(304,796)
TRANSFER IN	
TRANSFER OUT	(2,998)
FUND BALANCE - BEGINNING	315,808
FUND BALANCE - ENDING	<b>\$ 8,014</b>

**Avalon Groves Community Development District**  
**SERIES 2019**  
**For The Period Starting October 1, 2019 Ending June 30, 2020**

	<u>FY2020 ADOPTED BUDGET</u>	<u>BUDGET YEAR-TO-DATE</u>	<u>ACTUAL YEAR-TO-DATE</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUE</b>				
SPECIAL ASSESSMENTS - ON/OFF ROLL INTEREST	\$ 228,907	171,680	\$ 118,516	\$ (53,164)
LESS: DISCOUNT ASSESSMENTS (4%)	-	-	1,428	1,428
	(9,156)	-	-	-
<b>TOTAL REVENUE</b>	<b><u>219,751</u></b>	<b><u>171,680</u></b>	<b><u>119,944</u></b>	<b><u>(51,736)</u></b>
<b>EXPENDITURES</b>				
COUNTY - ASSESSMENT COLLECTION FEES (3.5%)	9,156	1,500	1,500	-
INTEREST EXPENSE			-	-
			36,433	-
NOVEMBER 1, 2019	72,065	72,065	72,065	-
MAY 1, 2020	72,065	-	-	-
PRINCIPAL RETIREMENT				
MAY 1, 2019	65,000	-	-	-
<b>TOTAL EXPENDITURES</b>	<b><u>218,286</u></b>	<b><u>73,565</u></b>	<b><u>109,998</u></b>	<b><u>-</u></b>
<b>EXCESS REVENUE OVER (UNDER) EXPEND.</b>	1,465	98,115	9,946	(51,736)
TRANSFER IN				
TRANSFER OUT			-	-
FUND BALANCE - BEGINNING		-	156,526	156,526
<b>FUND BALANCE - ENDING</b>	<b><u>\$ 1,465.00</u></b>	<b><u>\$ 98,115</u></b>	<b><u>\$ 166,472</u></b>	<b><u>\$ 104,790</u></b>

**Avalon Groves Community Development District**  
**Construction In Progress (AA1)**  
**Statement of Revenue, Expenditures And Changes In Fund Balance**  
**For The Period Ending June 30, 2020**

	<u>ACTUAL YEAR-TO-DATE</u>
<b>REVENUES</b>	
BOND PROCEEDS	\$ -
INTEREST	273
<b>TOTAL REVENUES</b>	<u>273</u>
 <b>EXPENDITURES</b>	
REQUISITIONS	30,423
TRUSTEE FEES	-
<b>TOTAL EXPENSE</b>	<u>30,423</u>
 <b>TOTAL EXPENDITURES</b>	<u>30,423</u>
 <b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	 <b>(30,150)</b>
TRANSFER IN	-
TRANSFER OUT	-
FUND BALANCE - BEGINNING	30,249
 <b>FUND BALANCE - ENDING</b>	 <u><u>\$ 99</u></u>

**Avalon Groves Community Development District**  
**Construction In Progress A-1 (AA2)**  
**Statement of Revenue, Expenditures And Changes In Fund Balance**  
**For The Period Ending June 30, 2020**

	<u>ACTUAL YEAR-TO-DATE</u>
<b>REVENUES</b>	
NET PROCEEDS	\$ -
INTEREST	122
<b>TOTAL REVENUES</b>	<u>122</u>
 <b>EXPENDITURES</b>	
CONSTRUCTION IN PROGRESS	-
TRUSTEE FEES	-
<b>TOTAL EXPENSE</b>	<u>-</u>
 <b>TOTAL EXPENDITURES</b>	<u>-</u>
 <b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	 122
TRANSFER IN	-
TRANSFER OUT	-
FUND BALANCE - BEGINNING	13,073
 <b>FUND BALANCE - ENDING</b>	 <u>\$ 13,195</u>



**Avalon Groves Community Development District**  
**Construction In Progress A-2 (AA2)**  
**Statement of Revenue, Expenditures And Changes In Fund Balance**  
**For The Period Ending June 30, 2020**

	<u>ACTUAL YEAR-TO-DATE</u>
<b>REVENUES</b>	
DEVELOPER FUNDING	-
INSURANCE CLAIM	\$ -
INTEREST	893
<b>TOTAL REVENUES</b>	<u>893</u>
 <b>EXPENDITURES</b>	
REQUISITIONS	15,270
TRUSTEE FEES	-
<b>TOTAL EXPENSE</b>	<u>15,270</u>
 <b>TOTAL EXPENDITURES</b>	<u>15,270</u>
 <b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	 <b>(14,377)</b>
TRANSFER IN	2,998
TRANSFER OUT	-
FUND BALANCE - BEGINNING	106,137
 <b>FUND BALANCE - ENDING</b>	 <u><u>\$ 94,758</u></u>

**Avalon Groves Community Development District**  
**Bank Reconciliation**  
**June 30, 2020**

	<u>BU</u>
Balance Per Bank Statement	\$ 190,160.84
Less: Outstanding AP Checks	(1,380.15)
<b><i>Adjusted Bank Balance</i></b>	<b><u><u>\$ 188,780.69</u></u></b>
Beginning Bank Balance Per Books	\$ 208,668.61
Deposits & Interest	32,372.38
Cash Disbursements	(52,260.30)
<b><i>Balance Per Books</i></b>	<b><u><u>\$ 188,780.69</u></u></b>

**Avalon Groves CDD**  
**Check Register**  
**Operating Account**  
**FY 2020**

DATE	CK NO.	PAYEE	TRANSACTION	DEPOSIT	DISBURSEMENT	BALANCE
<b>9/30/2019</b>		<b>EOY</b>	<b>Balance</b>	<b>35,948.42</b>	<b>24,566.62</b>	<b>96,732.50</b>
10/01/2019		VK Avalon Groves	Deposit	647.60		85,616.90
10/01/2019		VK Avalon Groves	Deposit	647.60		86,264.50
10/02/2019		VK Avalon Groves	Deposit	647.60		86,912.10
10/07/2019	1236	Egis Insurance Risk Advisors	Annual Renewal 2020		7,125.00	79,787.10
10/09/2019	1232	Regions Bank.	Due to DS2017A-1 Acct #8871		9,988.11	69,798.99
10/10/2019	9033	Aquatic Systems, Inc.	Lake & Wetland Svc - October		1,285.00	68,513.99
10/10/2019	9034	BIO-TECH CONSULTING, INC.	Quarterly Maintenance -		5,800.00	62,713.99
10/10/2019	9035	Hopping Green & Sams	Legal Svcs - Aug		1,713.51	61,000.48
10/10/2019	9036	DPFG MANAGEMENT AND CONSULTING, LLC	CDD Mgmt - Board Mtg Sept,		10,000.00	51,000.48
10/14/2019		VK Avalon Groves	Deposit	44,036.80		95,037.28
10/14/2019		VK Avalon Groves	Deposit	632.81		95,670.09
10/14/2019		VK Avalon Groves	Deposit	632.81		96,302.90
10/15/2019	1237	FLORIDA DEPT OF ECONOMIC OPPORTUNIT	Annual Filing - FY2020		175.00	96,127.90
10/18/2019	9037	Greenberg Traurig	Legal Svcs		334.72	95,793.18
10/18/2019	9038	Yellowstone Landscape	Monthly Landscaping - October		11,760.04	84,033.14
10/18/2019	9039	Hopping Green & Sams	Legal Svcs - Sept		1,321.47	82,711.67
10/18/2019	9040	Orlando Sentinel	Legal Ad 9/17		271.25	82,440.42
10/23/2019		VK Avalon Groves	Deposit	632.81		83,073.23
10/23/2019		VK Avalon Groves	Deposit	22,222.35		105,295.58
10/25/2019		VK Avalon Groves	Deposit	86,613.71		191,909.29
10/25/2019	ACH102519	Sumter Electric Cooperative	9/10-9/30 - 17325 Sawgrass Bay Blvd		280.14	191,629.15
10/29/2019	WIRE102919	Regions Bank.	Nov'19 DS - Regions Series 2017A-1 (AA2)		86,613.71	105,015.44
10/30/2019	ACH103019.1	Utilities, Inc. of Florida	Island - Sept		11.07	105,004.37
10/30/2019	ACH103019.2	Utilities, Inc. of Florida	Tot Lot - Sept		11.91	104,992.46
<b>10/31/2019</b>		<b>EOM</b>	<b>Balance</b>	<b>156,714.09</b>	<b>136,690.93</b>	<b>104,992.46</b>
11/01/2019	ACH110119	Sumter Electric Cooperative	10/1-10/15 - 16920 Sawgrass Bay Blvd		29.55	104,962.91
11/07/2019	9041	Aquatic Systems, Inc.	Lake & Wetland Svc - November		1,285.00	103,677.91
11/07/2019	9042	Yellowstone Landscape	Monthly Landscaping - November		11,760.00	91,917.91
11/07/2019	9043	Heidt Design	Engineering Services - February (Rcvd 11/7/19)		6,500.00	85,417.91
11/11/2019		VK Avalon Groves	Deposit	632.81		86,050.72
11/11/2019		Lake County Tax Collector	Deposit	979.17		87,029.89
11/11/2019		DR Horton	Deposit	2,531.24		89,561.13
11/11/2019		VK Avalon Groves	Deposit	1,265.62		90,826.75
11/11/2019		NVR Settlement	Deposit	632.81		91,459.56
11/11/2019		VK Avalon Groves	Deposit	1,265.62		92,725.18
11/11/2019		VK Avalon Groves	Deposit	1,942.80		94,667.98
11/21/2019		Lake County Tax Collector	Deposit	12,544.03		107,212.01
11/22/2019		Lake County Tax Collector	Deposit	0.03		107,212.04
11/23/2019	ACH112319	Sumter Electric Cooperative	10/9-11/7 - 17325 Sawgrass Bay Blvd		290.14	106,921.90
11/27/2019		Lake County Tax Collector	Deposit	40,932.94		147,854.84
11/30/2019	ACH113019	Sumter Electric Cooperative	10/15-11/13 - 16920 Sawgrass Bay Blvd		190.00	147,664.84
<b>11/30/2019</b>		<b>EOM</b>	<b>Balance</b>	<b>62,727.07</b>	<b>20,054.69</b>	<b>147,664.84</b>
12/02/2019	ACH120219.1	Utilities, Inc. of Florida	Tot Lot - Oct		10.21	147,654.63
12/02/2019	ACH120219.2	Utilities, Inc. of Florida	Island - Oct		11.07	147,643.56
12/02/2019	ACH120219	Sumter Electric Cooperative	11/13-12/12 - 16920 Sawgrass Bay Blvd		29.55	147,614.01
12/03/2019		VK Avalon Groves	Deposit	7,593.72		155,207.73
12/03/2019		DR Horton	Deposit	632.81		155,840.54
12/03/2019		DR Horton	Deposit	632.81		156,473.35
12/03/2019		DR Horton	Deposit	632.81		157,106.16
12/03/2019		VK Avalon Groves	Deposit	632.81		157,738.97
12/03/2019		NVR Settlement	Deposit	687.84		158,426.81
12/03/2019		NVR Settlement	Deposit	687.84		159,114.65
12/03/2019		NVR Settlement	Deposit	632.81		159,747.46
12/03/2019		NVR Settlement	Deposit	632.81		160,380.27
12/03/2019		NVR Settlement	Deposit	687.84		161,068.11
12/03/2019		DR Horton	Deposit	632.81		161,700.92
12/03/2019		NVR Settlement	Deposit	687.84		162,388.76
12/03/2019		VK Avalon Groves	Deposit	1,265.62		163,654.38
12/06/2019		Lake County Tax Collector	Deposit	251,761.05		415,415.43
12/09/2019		Regions Bank.	Deposit	264,842.69		680,258.12
12/09/2019	1238	VK Avalon, LLC	Series A-2 DSR Fund Balance		264,842.69	415,415.43
12/12/2019	9044	BIO-TECH CONSULTING, INC.	Wetland Maint - Semi Annual Mitigation Monit		2,400.00	413,015.43
12/12/2019	9045	Hopping Green & Sams	Legal Svcs - Oct		411.85	412,603.58
12/12/2019	9046	Yellowstone Landscape	Monthly Landscaping - December		11,760.00	400,843.58
12/12/2019		DR Horton	Deposit	632.81		401,476.39
12/12/2019		DR Horton	Deposit	632.81		402,109.20
12/12/2019		DR Horton	Deposit	632.81		402,742.01
12/12/2019		NVR Settlement	Deposit	687.84		403,429.85
12/12/2019		VK Avalon Groves	Deposit	10,757.77		414,187.62
12/12/2019		Lake County Tax Collector	Deposit	27,012.54		441,200.16
12/16/2019		VK Avalon Groves	Deposit	632.81		441,832.97
12/16/2019		DR Horton	Deposit	632.81		442,465.78
12/16/2019		DR Horton	Deposit	632.81		443,098.59
12/16/2019		VK Avalon Groves	Deposit	632.81		443,731.40
12/18/2019	1239	A & A Playground Services Inc.	Playground Inspection		695.00	443,036.40
12/18/2019	1240	Innersync	ADA Website Compliance		2,008.92	441,027.48
12/18/2019	1241	Solitude Lake Management, LLC	Lake & Wetland Svc - December		1,285.00	439,742.48
12/23/2019	1242	Avalon Groves CDD	Due to debt service Series 2017 A-1 (AA2)		137,860.11	301,882.37
12/23/2019	1243	Avalon Groves CDD	Due to debt service Series 2017 A-1 (AA1)		19,454.93	282,427.44
12/23/2019	1244	Avalon Groves CDD	Due to debt service Series 2019 (AA1)		46,349.95	236,077.49
12/24/2019	ACH122419	Sumter Electric Cooperative	11/7-12/6 - 17325 Sawgrass Bay Blvd		290.83	235,786.66

**Avalon Groves CDD**  
**Check Register**  
**Operating Account**  
**FY 2020**

DATE	CK NO.	PAYEE	TRANSACTION	DEPOSIT	DISBURSEMENT	BALANCE
12/30/2019	ACH123019.1	Utilities, Inc. of Florida	Island - Nov		11.07	235,775.59
12/30/2019	ACH123019.2	Utilities, Inc. of Florida	Tot Lot - Nov		11.10	235,764.49
12/30/2019	ACH123019	Sumter Electric Cooperative	11/13-12/12 - 16920 Sawgrass Bay Blvd		29.55	235,734.94
12/31/2019		Lake County Tax Collector	Deposit	14,971.64		250,706.58
<b>12/31/2019</b>	<b>EOM</b>		<b>Balance</b>	<b>590,503.57</b>	<b>487,461.83</b>	<b>250,706.58</b>
01/02/2020		Lot Closing	Deposit	632.81		276,339.39
01/02/2020		Lot Closing	Deposit	632.81		276,972.20
01/02/2020		Lot Closing	Deposit	632.81		277,605.01
01/02/2020		Lot Closing	Deposit	632.81		278,237.82
01/02/2020		Lot Closing	Deposit	632.81		278,870.63
01/02/2020		Lot Closing	Deposit	632.81		279,503.44
01/02/2020		Lot Closing	Deposit	3,519.55		283,022.99
01/02/2020		Lot Closing	Deposit	632.81		283,655.80
01/02/2020		Lot Closing	Deposit	632.81		284,288.61
01/09/2020	9047	Yellowstone Landscape	Landscape Maint		30,210.00	254,078.61
01/16/2020	9048	BIO-TECH CONSULTING, INC.	Wetland Maint		5,800.00	248,278.61
01/16/2020	9049	Solitude Lake Management, LLC	Lake & Wetland Svc - January		1,285.00	246,993.61
01/16/2020		Lot Closing	Deposit	632.81		247,626.42
01/16/2020		Lot Closing	Deposit	632.81		248,259.23
01/16/2020		Lot Closing	Deposit	632.81		248,892.04
01/16/2020		Lot Closing	Deposit	632.81		249,524.85
01/16/2020		Lot Closing	Deposit	632.81		250,157.66
01/16/2020		Lake County Tax Collector	Bank Interest	18.35		250,176.01
01/21/2020		Lake County Tax Collector	Bank Interest	44.05		250,220.06
01/22/2020		Lot Closing	Deposit	3,164.05		253,384.11
01/22/2020		Lot Closing	Deposit	632.81		254,016.92
01/22/2020		Lot Closing	Deposit	632.81		254,649.73
01/22/2020		Lot Closing	Deposit	632.81		255,282.54
01/22/2020		Lot Closing	Deposit	632.81		255,915.35
01/22/2020		Lot Closing	Deposit	632.81		256,548.16
01/23/2020	1245	Yellowstone Landscape	Irrigation Repairs - Replace Motherboard on Front Timer		2,205.85	254,342.31
01/23/2020	1246	Sumter Electric Cooperative	Deposit		417.13	253,925.18
01/27/2020		Lot Closing	Deposit	632.81		254,557.99
01/27/2020		Lot Closing	Deposit	632.81		255,190.80
01/27/2020		Lot Closing	Deposit	632.81		255,823.61
01/27/2020		Lot Closing	Deposit	632.81		256,456.42
01/27/2020		Lot Closing	Deposit	632.81		257,089.23
01/29/2020	ACH012920	Utilities, Inc. of Florida	Tot Lot - December 2019		11.07	257,078.16
01/29/2020	ACH012920.2	Utilities, Inc. of Florida	Island - December 2019		11.07	257,067.09
01/30/2020		Misc. Revenue	Deposit	217.88		257,284.97
<b>1/31/2020</b>	<b>EOM</b>		<b>Balance</b>	<b>21,518.51</b>	<b>39,940.12</b>	<b>257,284.97</b>
02/04/2020		Lot Closing	Deposit	632.81		257,917.78
02/04/2020		Lot Closing	Deposit	632.81		258,550.59
02/04/2020		Lot Closing	Deposit	632.81		259,183.40
02/04/2020		Lot Closing	Deposit	632.81		259,816.21
02/04/2020		Lot Closing	Deposit	632.81		260,449.02
02/04/2020		Lot Closing	Deposit	632.81		261,081.83
02/12/2020	1247	Fireman Tom's Pressure Washing Co.	Pressure Washing		720.00	260,361.83
02/13/2020		Lot Closing	Deposit	632.81		260,994.64
02/18/2020		Lake County Tax Collector	Tax Collection	16,233.69		277,228.33
02/21/2020	1248	DPFG MANAGEMENT AND CONSULTING, LLC	CDD Mgmt - Board Mtg January		4,000.00	273,228.33
02/25/2020		Lot Closing	Deposit	9,492.15		282,720.48
02/25/2020		Lot Closing	Deposit	7,593.72		290,314.20
02/25/2020		Lot Closing	Deposit	632.81		290,947.01
02/25/2020		Lot Closing	Deposit	632.81		291,579.82
02/25/2020		Lot Closing	Deposit	632.81		292,212.63
02/25/2020		Lot Closing	Deposit	632.81		292,845.44
02/25/2020		Lot Closing	Deposit	632.81		293,478.25
02/25/2020	1249	BIO-TECH CONSULTING, INC.	Wetland Maint.		9,600.00	283,878.25
02/28/2020		Lot Closing	Deposit	632.81		284,511.06
02/28/2020		Lot Closing	Deposit	632.81		285,143.87
<b>2/29/2020</b>	<b>EOM</b>		<b>Balance</b>	<b>42,178.90</b>	<b>14,320.00</b>	<b>285,143.87</b>
03/02/2020	ACH030220	Utilities, Inc. of Florida	Tot Lot - January 2020		11.12	285,132.75
03/02/2020	ACH030220.2	Utilities, Inc. of Florida	Island - January 2020		185.12	284,947.63
03/03/2020	ACH030320	Sumter Electric Cooperative	01/14/20 - 02/13/20 - 16920 Sawgrass Bay Blvd		35.64	284,911.99
03/03/2020	ACH030320.2	Sumter Electric Cooperative	01/14/20 - 02/13/20 - 17325 Sawgrass Bay Blvd		292.03	284,619.96
03/05/2020	ACH030520	Utilities, Inc. of Florida	Monthly utility February Basswood Ln Irrigation		4,291.47	280,328.49
03/10/2020	ACH030320.3	Sumter Electric Cooperative	1/14-2/13/20 - 17052 Basswood Lane		76.21	280,252.28
03/11/2020		Lot Closing	Deposit	632.81		280,885.09
03/11/2020		Lot Closing	Deposit	632.81		281,517.90
03/11/2020		Lot Closing	Deposit	632.81		282,150.71
03/11/2020		Lot Closing	Deposit	632.81		282,783.52
03/12/2020		Misc. Revenue	Deposit	100.00		282,883.52
03/13/2020	1251	CLI Professional Landscaping	Landscape Maint		18,025.00	264,858.52
03/17/2020	ACH031720	Utilities, Inc. of Florida	01/24/20-02/24/20 utility February Basswood Ln Irrigation		1,662.01	263,196.51
03/17/2020	ACH031720.2	Utilities, Inc. of Florida	01/24/20-02/24/20 utility February Basswood Ln Irrigation		2.25	263,194.26
03/19/2020		Lake County Tax Collector	Deposit	11,442.46		274,636.72
03/19/2020	1252	BIO-TECH CONSULTING, INC.	Wetland Mitigation Maintenance and Annual Monitoring Report		2,600.00	272,036.72
03/19/2020	1254	Hopping Green & Sams	Legal Svcs - Jan 2020		1,051.99	270,984.73
03/19/2020	1255	Orlando Sentinel	Legal Ad 1/27/20		215.00	270,769.73
03/19/2020	1256	Solitude Lake Management, LLC	Lake & Wetland Feb & Mar		2,570.00	268,199.73
03/19/2020	1257	Avalon Groves CDD	Due to debt service Series 2019 (AA1)		4,355.80	263,843.93

**Avalon Groves CDD**  
**Check Register**  
**Operating Account**  
**FY 2020**

DATE	CK NO.	PAYEE	TRANSACTION	DEPOSIT	DISBURSEMENT	BALANCE
03/19/2020	1258	Avalon Groves CDD	Due to debt service Series 2017 A-1 (AA1)		1,828.30	262,015.63
03/19/2020	1259	Avalon Groves CDD	Due to debt service Series 2017 A-1 (AA2)		12,897.56	249,118.07
03/19/2020	1260	David Jordan Lake County Tax Collector	Commission Expense		7,269.48	241,848.59
03/24/2020	1261	Hopping Green & Sams	Professional Svc thru 02/29/20		302.01	241,546.58
03/27/2020	1262	Orlando Sentinel	Legal Ad 2/1/20		413.76	241,132.82
03/27/2020	1263	Yellowstone Landscape	Landscape Maint		12,245.05	228,887.77
03/30/2020	ACH033020.1	Utilities, Inc. of Florida	Island - 01/24/20-02/24/20		225.36	228,662.41
03/30/2020	ACH033020.2	Utilities, Inc. of Florida	Tot Lot - 01/24/20-02/24/20		11.29	228,651.12
<b>3/31/2020</b>	<b>EOM</b>		<b>Balance</b>	<b>14,073.70</b>	<b>70,566.45</b>	<b>228,651.12</b>
04/02/2020	ACH040220.1	Sumter Electric Cooperative	02/13/20-03/16/20 - 17325 Sawgrass Bay Blvd		312.71	228,338.41
04/02/2020	ACH040220.2	Sumter Electric Cooperative	2/13/20-3/16/20 - 16920 Sawgrass Bay Blvd		38.03	228,300.38
04/02/2020		Deposit	Lot Closings	8,226.53		236,526.91
04/02/2020		Deposit	Lot Closings	1,898.43		238,425.34
04/02/2020	ACH040220	Sumter Electric Cooperative	2/13/20-03/17/20 - 17052 Basswood Lane		39.61	238,385.73
04/08/2020	1264	BIO-TECH CONSULTING, INC.			5,800.00	232,585.73
04/08/2020	1265	Yellowstone Landscape	Monthly Landscaping - April 2020		11,760.00	220,825.73
04/14/2020		Lake County Tax Collector	Deposit	6,148.16		226,973.89
04/17/2020	1266	Orlando Sentinel	Legal Ad 03/18/20		417.51	226,556.38
04/17/2020	1267	Solitude Lake Management, LLC	Lake & Wetland Svc - 04/2020		1,285.00	225,271.38
04/17/2020	1268	Utilities, Inc. of Florida	02/24-03/24 Utility Irrigation		1,032.39	224,238.99
04/23/2020		Kolter Payments	Deposit	225.00		224,463.99
04/28/2020	1270	Hopping Green & Sams	Legal Svc thru 03/31/20		282.50	224,181.49
04/28/2020	1271	Yellowstone Landscape	Monthly Landscaping - February 2020		11,760.00	212,421.49
04/28/2020	1272	Avalon Groves CDD	Due to debt service Series 2017 A-1 (AA1)		670.01	211,751.48
04/28/2020	1273	Yellowstone Landscape	Palm Tree Replacement at Shade Structure		1,000.00	210,751.48
04/28/2020	1274	Avalon Groves CDD	Due to debt service Series 2017 A-1 (AA2)		4,726.55	206,024.93
04/28/2020	1275	Avalon Groves CDD	Due to debt service Series 2019 (AA1)		1,596.26	204,428.67
04/28/2020	1276	David Jordan Lake County Tax Collector	Tax Distributions 2/1/20-2/29/20		228.85	204,199.82
04/29/2020	ACH042920	Utilities, Inc. of Florida	Island - 02/24/20-03/24/20		37.33	204,162.49
04/29/2020	ACH042920.2	Utilities, Inc. of Florida	Tot Lot - 02/24/20-03/24/20		11.21	204,151.28
04/30/2020		DR Horton	Lot Closings	632.81		204,784.09
04/30/2020		DR Horton	Lot Closings	3,164.05		207,948.14
04/30/2020		VK Avalon	Lot Closings	3,219.08		211,167.22
04/30/2020		Lake County Tax Collector	Deposit	5.74		211,172.96
<b>4/30/2020</b>	<b>EOM</b>		<b>Balance</b>	<b>23,519.80</b>	<b>40,997.96</b>	<b>211,172.96</b>
05/01/2020	ACH050220	Sumter Electric Cooperative	3/17/20-04/16/20 - 17052 Basswood Lane		35.66	211,137.30
05/01/2020	ACH050220.2	Sumter Electric Cooperative	3/16/20-04/15/20 - 16920 Sawgrass Bay Blvd		35.64	211,101.66
05/01/2020	ACH050220.3	Sumter Electric Cooperative	03/13/20-04/15/20 - 17325 Sawgrass Bay Blvd		290.33	210,811.33
05/08/2020		Anthem Park	Deposit	1,265.62		212,076.95
05/13/2020	1277	CLI Professional Landscaping	Landscaping Maintenance March		3,605.00	208,471.95
05/13/2020	1278	Onsight Signage	Install/repair street signs		610.00	207,861.95
05/13/2020	1279	Orlando Sentinel	Legal Ad 04/14/20		342.50	207,519.45
05/13/2020	1280	Solitude Lake Management, LLC	Lake & Wetland Svc - May		1,285.00	206,234.45
05/13/2020	1281	Utilities, Inc. of Florida	03/24/20-04/23/20 February Basswood Ln Irr.		1,094.63	205,139.82
05/14/2020		DR Horton	Deposit	2,531.24		207,671.06
05/18/2020	ACH05182020	Anthem Park	Chargeback items		1,265.62	206,405.44
05/20/2020		Lake County Tax Collector	Deposit	14,100.47		220,505.91
05/27/2020	1282	Avalon Groves CDD	Due to debt service Series 2017 A-1 (AA1)		360.01	220,145.90
05/27/2020	1283	Avalon Groves CDD	Due to debt service Series 2017 A-1 (AA2)		2,539.61	217,606.29
05/27/2020	1284	Avalon Groves CDD	Due to debt service Series 2019 (AA1)		857.68	216,748.61
05/27/2020	1285	Yellowstone Landscape	received 5/22/20 - Pond 5 Tree Replacement		8,100.00	208,648.61
<b>5/31/2020</b>	<b>EOM</b>		<b>Balance</b>	<b>17,897.33</b>	<b>20,421.68</b>	<b>208,648.61</b>
06/01/2020	ACH060120.1	Utilities, Inc. of Florida	Tot Lot - 03/24/20-04/23/20		11.23	208,637.38
06/01/2020	ACH060120.2	Utilities, Inc. of Florida	Island - 03/24/20-04/23/20		38.02	208,599.36
06/01/2020		D.R. Horton	Lot Closing	10,124.96		218,724.32
06/01/2020	1286	Onsight Signage	Install/repair street signs		250.00	218,474.32
06/01/2020	1287	Yellowstone Landscape	Pump Station Upgrade		3,429.00	215,045.32
06/02/2020	ACH060220	Sumter Electric Cooperative	04/15-05/14 - 16920 Sawgrass Bay Blvd		34.46	215,010.86
06/02/2020	ACH060220.2	Sumter Electric Cooperative	04/15-05/14 - 17325 Sawgrass Bay Blvd		279.01	214,731.85
06/02/2020	ACH060220.3	Sumter Electric Cooperative	4/16/20-5/14/20 17052 Basswood Lane		33.77	214,698.08
06/04/2020	1288	CLI Professional Landscaping	Landscape Maint - Apr/May		7,210.00	207,488.08
06/04/2020	1289	LAKE COUNTY PROPERTY APPRAISER	Non Ad Valorem Collections		50.00	207,438.08
06/04/2020	1290	LLS Tax Solutions Inc.	Special Assessment Bonds 2017		650.00	206,788.08
06/04/2020	1291	Onsight Signage	Street Sign Repairs		478.75	206,309.33
06/05/2020		VK Avalon Groves	Lot Closing	3,164.05		209,473.38
06/05/2020		VK Avalon Groves	Lot Closing	632.81		210,106.19
06/05/2020		VK Avalon Groves	Lot Closing	632.81		210,739.00
06/09/2020	1292	Hopping Green & Sams	Legal Svc thru 04/30/20		1,307.62	209,431.38
06/09/2020	1293	Yellowstone Landscape	Serenoa Bush-Hog		906.87	208,524.51
06/18/2020		Park Square	Lot Closing	632.81		209,157.32
06/18/2020		D.R. Horton	Lot Closing	3,796.86		212,954.18
06/18/2020		VK Avalon Groves	Lot Closing	9,492.15		222,446.33
06/18/2020	1294	LLS Tax Solutions Inc.	Special Assessment Bond Series 2017A-1 and 2017A-2		1,950.00	220,496.33
06/18/2020	1295	Orlando Sentinel	Legal Ad 5/18/20		447.51	220,048.82
06/18/2020	1296	Solitude Lake Management, LLC	Lake & Wetland Svc - June		1,285.00	218,763.82
06/18/2020	1297	Utilities, Inc. of Florida	04/23-05/22 utility February Basswood Ln Irrigation		2,316.10	216,447.72
06/18/2020		Lake County Tax Collector	Lot Closing	3,895.93		220,343.65
06/23/2020	1298	DPFG MANAGEMENT AND CONSULTING, LLC	CDD Mgmt - Board Mtg April and May		8,000.00	212,343.65
06/23/2020	1299	Yellowstone Landscape	Landscape Maint - May/June		23,520.00	188,823.65
06/29/2020	ACH062920	Utilities, Inc. of Florida	Island - May 2020		51.67	188,771.98
06/29/2020	ACH062920.2	Utilities, Inc. of Florida	Tot Lot - May 2020		11.29	188,760.69
<b>6/30/2020</b>	<b>EOM</b>		<b>Balance</b>	<b>32,372.38</b>	<b>52,260.30</b>	<b>188,760.69</b>

# EXHIBIT 4

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**AVALON GROVES  
COMMUNITY DEVELOPMENT  
DISTRICT  
JULY 2020  
FIELD INSPECTION REPORT**

# TABLE CONTENT

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- ✘ Summary
- ✘ Landscape
  - + Entrance
  - + Turf
  - + Sidewalks and infrastructure
  - + Ponds
  - + Trees
  - + Round-about at the clubhouse
- ✘ Maintenance Map



# SUMMARY

---

- The turf looks healthy.
- Ponds are manicured with little algae.
- The flower beds were free of weeds.
- The entrance is being properly maintained.
- Sidewalks and infrastructure are clear of debris with no holes.

# ENTRANCE

These are pictures of the entrance monument on Sawgrass Bay Boulevard. Turf looks healthy and annual beds are free of weeds.



# TURF

These pictures show the condition of the turf. Turf looks healthy and is manicured.



# SIDEWALKS AND INFRASTRUCTURE

Sidewalks in the community are clean and surrounding landscape is being properly maintained.



# PONDS

Ponds are being mowed with little algae. The fountain is working and surrounding landscape is being properly maintained.



# TREES

These pictures show the condition of the trees. Trees are manicured.



# ROUND-ABOUT AT THE CLUBHOUSE

These are pictures of the condition of the round-about in front of the clubhouse.







# EXHIBIT 5

**AVALON GROVES**  
**COMMUNITY DEVELOPMENT DISTRICT**  
FINANCIAL STATEMENTS  
September 30, 2019

**AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT**  
**FINANCIAL STATEMENTS**  
September 30, 2019

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INDEPENDENT AUDITORS' REPORT

To the Board of Supervisors  
Avalon Groves Community Development District  
Lake County, Florida

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and each major fund of Avalon Groves Community Development District, Lake County, Florida ("District") as of and for the year ended September 30, 2019, 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, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***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 on pages 3 - 7 and page 25 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 Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 22, 2020, on our consideration of Avalon Groves Community Development District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Avalon Groves Community Development District's internal control over financial reporting and compliance.

### ***Report on Other Legal and Regulatory Requirements***

We have also issued our report dated May 22, 2020 on our consideration of the District's compliance with requirements of Section 218.415, Florida Statutes, as required by Rule 10.556(10) of the Auditor General of the State of Florida. The purpose of that report is to provide an opinion based on our examination conducted in accordance with attestation Standards established by the American Institute of Certified Public Accountants.

*DiBartolomeo, McBee, Hartley & Barnes*

DiBartolomeo, McBee, Hartley & Barnes, P.A.  
Fort Pierce, Florida  
May 22, 2020

# **AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

September 30, 2019

Our discussion and analysis of Avalon Groves Community Development District, Lake County, Florida ("District") financial performance provides an overview of the District's financial activities for the fiscal year ended September 30, 2019. 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 balance of \$4,032,695.
- The change in the District's total net position in comparison with the prior fiscal year was \$2,139,611, 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, 2019, the District's governmental funds reported combined ending fund balances of \$1,645,098. A portion of fund balance is restricted for debt service and future capital repairs and replacement, and the remainder is unassigned fund balance which is available for spending at the District's discretion.

### **OVERVIEW OF FINANCIAL STATEMENTS**

This discussion and analysis is 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 and liabilities, with the difference between the two 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.

# **AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

September 30, 2019

The government-wide financial statements include all governmental activities that are principally supported by special assessment revenues. The District does not have any business-type activities. The governmental activities of the District include the general government (management) and maintenance and operations.

### **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.

### **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 individual governmental funds for external reporting. Information is presented 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 funds are 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.

# AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2019

### 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, assets exceeded liabilities at the close of the most recent fiscal year. A portion of the District's net position reflects its investment in capital assets (e.g. land, land improvements and infrastructure). These assets are used to provide services to residents; consequently, these assets are not available for future spending. The remaining balance of unrestricted net position may be used to meet the District's other obligations.

Key components of net position were as follows:

#### Statement of Net Position

	2019	2018
Current assets	\$ 1,677,462	\$ 3,792,510
Capital assets	15,358,720	12,135,364
Total assets	17,036,182	15,927,874
Current liabilities	429,081	1,307,365
Long-term liabilities	12,574,406	12,727,425
Total liabilities	13,003,487	14,034,790
Net position		
Net invested in capital assets	2,649,314	(722,061)
Restricted for capital projects	149,459	244,377
Restricted for debt service	1,109,434	2,360,900
Unrestricted	124,488	9,868
Total net position	\$ 4,032,695	\$ 1,893,084

The District's net position increased during the most recent fiscal year. The majority of the change represents the degree to which program revenues exceeded ongoing cost of operations.

Key elements of the District's change in net position are reflected in the following table:

#### Change in Net Position

	2019	2018
Program revenues	\$ 3,009,479	\$ 2,831,237
General revenues	202,701	812,069
Total revenues	3,212,180	3,643,306
Expenses		
General government	124,452	103,917
Physical environment	171,868	60,115
Interest on long-term debt	545,599	743,950
Cost of issuance	230,650	-
Total expenses	1,072,569	907,982
Change in net position	2,139,611	2,735,324
Net position - beginning of year	1,893,084	(842,240)
Net position - end of year	\$ 4,032,695	\$ 1,893,084



# **AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

September 30, 2019

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2019 was \$1,072,569, which primarily consisted of interest on long-term debt and costs associated with constructed and maintaining certain capital improvements. The costs of the District's activities were funded by special assessments and developer contributions.

### **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, 2019.

The variance between budgeted and actual general fund revenues is not considered significant. The actual general fund expenditures for the current fiscal year were lower than budgeted amounts due primarily to anticipated costs which were not incurred in the current fiscal year.

### **CAPITAL ASSETS AND DEBT ADMINISTRATION**

#### Capital Assets

At September 30, 2019, the District had \$15,358,720 invested in construction in process. Construction in process has not completed as of September 30, 2019 and therefore is not depreciated to date. Once projects are complete, items will transfer to depreciable assets. More detailed information about the District's capital assets is presented in the notes of the financial statements.

#### Capital Debt

At September 30, 2019, the District had \$12,709,406 in Bonds outstanding for its governmental activities. More detailed information about the District's capital debt is presented in the accompanying notes to the financial statements.

### **ECONOMIC FACTORS, NEXT YEAR'S BUDGET AND OTHER INFORMATION**

For the fiscal year 2020, the District anticipates that the cost of general operations will remain fairly constant. In connection with the District's future infrastructure maintenance and replacement plan, the District Board has included in the budget, an estimate of those anticipated future costs and has assigned a portion of current available resources for that purpose.

# **AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

September 30, 2019

### **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 Avalon Groves Community Development District's Finance Department at 250 International Parkway, Suite 280, Lake Mary, FL 32746.

**AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT**

STATEMENT OF NET POSITION

September 30, 2019

	<u>GOVERNMENTAL ACTIVITIES</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 109,989
Assessments receivable	46,959
Restricted assets:	
Investments	1,519,973
Capital assets:	
Non-depreciable	15,358,720
TOTAL ASSETS	<u>\$ 17,036,182</u>
<b>LIABILITIES</b>	
Accounts payable and accrued expenses	\$ 32,364
Accrued interest payable	261,717
Bonds payable, due within one year	135,000
Bonds payable, due in more than one year	12,574,406
TOTAL LIABILITIES	<u>13,003,487</u>
<b>NET POSITION</b>	
Net investment in capital assets	2,649,314
Restricted for:	
Capital projects	149,459
Debt service	1,109,434
Unrestricted	124,488
TOTAL NET POSITION	<u>\$ 4,032,695</u>

The accompanying notes are an integral part of this financial statement

**AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT**

STATEMENT OF ACTIVITIES  
Year Ended September 30, 2019

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Contributions	Revenues and Changes in Net Position
				Governmental Activities
Governmental activities				
General government	\$ 124,452	\$ 124,452	\$ -	\$ -
Physical environment	171,868	286,481	-	114,613
Interest on long-term debt	545,599	2,598,546	-	2,052,947
Cost of issuance	230,650	-	-	(230,650)
<b>Total governmental activities</b>	<b>\$ 1,072,569</b>	<b>\$ 3,009,479</b>	<b>\$ -</b>	<b>1,936,910</b>
General revenues:				
				194,102
				8,599
				<u>202,701</u>
				2,139,611
				<u>1,893,084</u>
				<u>\$ 4,032,695</u>

The accompanying notes are an integral part of this financial statement

**AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT**

BALANCE SHEET – GOVERNMENTAL FUNDS

September 30, 2019

	MAJOR FUNDS			TOTAL GOVERNMENTAL FUNDS
	GENERAL	DEBT SERVICE	CAPITAL PROJECTS	
<b><u>ASSETS</u></b>				
Cash and cash equivalents	\$ 109,969	\$ -	\$ 20	\$ 109,989
Assessments receivable	46,959	-	-	46,959
Due from other funds	-	617	-	617
Deposits	541	-	-	541
Restricted assets:				
Investments	-	1,370,534	149,439	1,519,973
<b>TOTAL ASSETS</b>	<b>\$ 157,469</b>	<b>\$ 1,371,151</b>	<b>\$ 149,459</b>	<b>\$ 1,678,079</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	\$ 32,364	\$ -	\$ -	\$ 32,364
Due to other funds	617	-	-	617
<b>TOTAL LIABILITIES</b>	<b>32,981</b>	<b>-</b>	<b>-</b>	<b>32,981</b>
<b>FUND BALANCES</b>				
Nonspendable:				
Deposits	541	-	-	541
Restricted for:				
Debt service	-	1,371,151	-	1,371,151
Capital projects	-	-	149,459	149,459
Unassigned	123,947	-	-	123,947
<b>TOTAL FUND BALANCES</b>	<b>124,488</b>	<b>1,371,151</b>	<b>149,459</b>	<b>1,645,098</b>
<b>TOTAL LIABILITIES AND     FUND BALANCES</b>	<b>\$ 157,469</b>	<b>\$ 1,371,151</b>	<b>\$ 149,459</b>	<b>\$ 1,678,079</b>

The accompanying notes are an integral part of this financial statement

**AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT**  
**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES**  
**TO NET POSITION OF GOVERNMENTAL ACTIVITIES**  
September 30, 2019

Total Governmental Fund Balances in the Balance Sheet, Page 10	\$ 1,645,098
Amount reported for governmental activities in the Statement of Net Assets are different because:	
Capital asset used in governmental activities are not financial resources and therefore are not reported in the governmental funds:	
Governmental capital assets	15,358,720
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Accrued interest payable	(261,717)
Original issue discount	330,594
Governmental bonds payable	<u>(13,040,000)</u>
Net Position of Governmental Activities, Page 8	<u><u>\$ 4,032,695</u></u>

The accompanying notes are an integral part of this financial statement

**AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES – GOVERNMENTAL FUNDS**  
**Year Ended September 30, 2019**

	MAJOR FUNDS			TOTAL GOVERNMENTAL FUNDS
	GENERAL	DEBT SERVICE	CAPITAL PROJECTS	
<b>REVENUES</b>				
Special assessments	\$ 410,933	\$ 2,598,546	\$ -	\$ 3,009,479
Miscellaneous revenue	7	-	8,592	8,599
Investment earnings	-	186,961	7,141	194,102
<b>TOTAL REVENUES</b>	<u>410,940</u>	<u>2,785,507</u>	<u>15,733</u>	<u>3,212,180</u>
<b>EXPENDITURES</b>				
General government	\$ 124,452	\$ -	\$ -	124,452
Physical environment	171,868	-	-	171,868
Capital outlay	-	-	3,223,356	3,223,356
Debt				
Principal	-	3,640,000	-	3,640,000
Interest expense	-	602,594	-	602,594
Bond issuance costs	-	230,650	-	230,650
<b>TOTAL EXPENDITURES</b>	<u>296,320</u>	<u>4,473,244</u>	<u>3,223,356</u>	<u>7,992,920</u>
<b>EXCESS REVENUES OVER (UNDER) EXPENDITURES</b>	<u>114,620</u>	<u>(1,687,737)</u>	<u>(3,207,623)</u>	<u>(4,780,740)</u>
<b>OTHER SOURCES (USES)</b>				
Transfers in (out)	-	(10,725)	10,725	-
Bond proceeds	-	386,880	3,101,980	3,488,860
<b>TOTAL OTHER SOURCES (USES)</b>	<u>-</u>	<u>376,155</u>	<u>3,112,705</u>	<u>3,488,860</u>
<b>EXCESS REVENUES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<u>114,620</u>	<u>(1,311,582)</u>	<u>(94,918)</u>	<u>(1,291,880)</u>
<b>FUND BALANCE</b>				
Beginning of year	9,868	2,682,733	244,377	2,936,978
End of year	<u>\$ 124,488</u>	<u>\$ 1,371,151</u>	<u>\$ 149,459</u>	<u>\$ 1,645,098</u>

The accompanying notes are an integral part of this financial statement

**AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**Year Ended September 30, 2019**

Net Change in Fund Balances - Total Governmental Funds, Page 12 \$ (1,291,880)

Amount reported for governmental activities in the Statement of Activities  
are different because:

The issuance of long-term debt provides current financial resources to  
governmental funds. These transactions, however, have no effect on net  
assets. This is the amount of long-term debt issued in the current period. (3,488,860)

Governmental funds report capital outlays as expenditures. However,  
in the Statement of Activities, the costs of those assets are depreciated  
over their estimated useful lives:

Capital outlay 3,223,356

Repayment of long-term liabilities are reported as expenditures in the  
governmental fund financial statements, but such repayments reduce  
liabilities in the Statement of Net Position and are eliminated in the  
Statement of Activities:

Payments on long-term debt 3,640,000

Certain items reported in the Statement of Activities do not require  
the use of current financial resources and therefore are not reported  
expenditures in the governmental funds:

Change in accrued interest payable 60,116  
Provision for amortization of bond premium (3,121)

Change in Net Position of Governmental Activities, Page 9 \$ 2,139,611

The accompanying notes are an integral part of this financial statement



# **AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT**

## **NOTES TO FINANCIAL STATEMENTS**

September 30, 2019

### **NOTE A- NATURE OF ORGANIZATION AND REPORTING ENTITY**

Avalon Groves Community Development District (the District) was established on April 27, 2016 by Lake County Ordinance 2016-16 pursuant to the Uniform Community Development District Act of 1980, 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. All of the Board members are affiliated with the Developers. The Supervisors are elected on an at large basis by the qualified electors of the property owners within the District. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes.

The Board has the responsibility for:

1. Assessing 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 Board of Supervisors 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 B - 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.

# AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT

## NOTES TO FINANCIAL STATEMENTS

September 30, 2019

### **NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

#### **Government-Wide and Fund Financial Statements (continued)**

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.

#### **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 economic 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.

#### **Assessments**

Assessments are non-ad valorem assessments on benefited lands within the District. Assessments are levied to pay for the operations and maintenance of the District. The fiscal year for which annual assessments are levied begins on October 1 with discounts available for payments through February 28 and become delinquent on April 1. The District's annual assessments for operations are billed and collected by the County Tax Collector. The amounts remitted to the District are net of applicable discounts or fees and include interest on monies held from the day of collection to the day of distribution.

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. All other revenue items are considered to be measurable and available only when cash is received by the government.

# AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT

## NOTES TO FINANCIAL STATEMENTS

September 30, 2019

### NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### **Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)**

The District reports the following major governmental fund:

##### 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.

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.

##### Debt Service Fund

The debt service fund is used to account for the accumulation of resources for the annual payment of principal and interest of long-term debt.

##### Capital Projects Fund

The capital projects fund accounts for the financial resources to be used for the acquisition or construction of major infrastructure with the District.

#### **Assets, Liabilities and Net Position or Equity**

##### Restricted Assets

These assets represent cash and investments set aside pursuant to 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;

**AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT**

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Assets, Liabilities and Net Position or Equity (continued)**

Deposits and Investments (continued)

- 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. In addition, surplus funds may be deposited into certificates of deposit which are insured.

The District records all interest revenue related to investment activities in the respective funds and reports investments at fair value.

Inventories and Prepaid Items

Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

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 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market 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.

Property, plant and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Infrastructure	20 - 40
Improvements	10 - 20

# AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT

## NOTES TO FINANCIAL STATEMENTS

September 30, 2019

### NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Assets, Liabilities and Net Position or Equity (continued)

##### Capital Assets

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.

##### 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 uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

##### Deferred Outflows/Inflows of Resources

The statement of net position reports, as applicable, a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to future reporting period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. For example, the District would record deferred outflows of resources related to debit amounts resulting from current and advance refundings resulting in the defeasance of debt (i.e. when there are differences between the reacquisition price and the net carrying amount of the old debt).

The statement of net position reports, as applicable, a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to future reporting period(s) and so will not be recognized as an inflow of resources (revenue) until that time. For example, when an asset is recorded in the governmental fund financial statements, but the revenue is not available, the District reports a deferred inflow of resources until such times as the revenue becomes available.

# AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT

## NOTES TO FINANCIAL STATEMENTS

September 30, 2019

### NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### **Assets, Liabilities and Net Position or Equity (continued)**

##### 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.

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 that are intended to be used for specific purposes that are neither considered restricted nor committed. The Board can 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.

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.

# AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT

## NOTES TO FINANCIAL STATEMENTS

September 30, 2019

### NOTE C - 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 public 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 appropriation for annually budgeted funds lapse at the end of the year.

### NOTE D – DEPOSITS AND INVESTMENTS

#### Deposits

The District's cash balances, including certificates of deposit, 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.

#### Investments

The District's investments were held as follows at September 30, 2019:

<u>Investment</u>	<u>Fair Value</u>	<u>Credit Risk</u>	<u>Maturities</u>
Fidelity Investments Money Market Funds - Government Portfolio	\$ 1,519,973	S&P AAAm	Weighted average of the fund portfolio: 24 days
Total Investments	<u>\$ 1,519,973</u>		

# AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT

## NOTES TO FINANCIAL STATEMENTS

September 30, 2019

### NOTE D – DEPOSITS AND INVESTMENTS (CONTINUED)

#### **Investments (continued)**

Custodial credit risk - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The District has no formal policy for custodial risk. The investments listed in the schedule above are not evidenced by securities that exist in physical or book entry form.

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 anyone 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.

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.



**AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT**

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

**NOTE E - CAPITAL ASSETS**

Capital asset activity for the fiscal year ended September 30, 2019 was as follows:

	Balance 10/01/2018	Increases	Decreases	Balance 09/30/2019
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Construction in process	\$ 12,135,364	\$ 3,223,356	\$ -	\$ 15,358,720
Total capital assets, not being depreciated	12,135,364	3,223,356	-	15,358,720
Governmental activities capital assets - net	\$ 12,135,364	\$ 3,223,356	\$ -	\$ 15,358,720

**NOTE F – LONG-TERM LIABILITIES**

**\$2,415,000 Special Assessment Bonds, Series 2017** – On March 27, 2017, the District issued \$2,415,000 in Special Assessment Bonds, Series 2017. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the property within the District. The Bonds are payable in annual principal installments through May 2048. The Bonds bear interest ranging from 5.0% to 5.75% payable semi-annually on the first day of each May and November. Principal is due serially each November 1, commencing November 2017.

**\$7,215,000 Special Assessment Bonds, Series 2017A-1** – On March 27, 2017, the District issued \$7,215,000 in Special Assessment Bonds, Series 2017A-1. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the property within the District. The Bonds are payable in annual principal installments through May 2048. The Bonds bear interest ranging from 5.375% to 6.0% payable semi-annually on the first day of each May and November. Principal is due serially each November 1, commencing November 2017.

**\$4,400,000 Special Assessment Bonds, Series 2017A-2** – On March 27, 2017, the District issued \$4,400,000 in Special Assessment Bonds, Series 2017A-2. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the property within the District. The Bonds are payable May 2029. The Bonds bear interest at 6.0% payable semi-annually on the first day of each May and November. Principal is due serially each November 1, commencing November 2017. During 2019, the District made prepayments of \$3,510,000.

**AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT**

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

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

**\$3,500,000 Special Assessment Bonds, Series 2019** – On July 9, 2019, the District issued \$3,500,000 in Special Assessment Bonds, Series 2019. The Bonds were issued to refund part of the \$4,440,000 Special Assessment Bonds, Series 2017A-2 for the costs of construction projects. The Bonds are payable in annual principal installments through November 2049. The Bonds bear interest ranging from 3.35% to 4.375% payable semi-annually on the first day of each May and November. Principal is due serially each November 1, commencing November 2019.

The Bond Indenture has certain 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 agreed to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The requirements have been met for the fiscal year ended September 30, 2019.

The following is a summary of activity in the long-term debt of the District for the year ended September 30, 2019:

	Balance 10/1/2018	Additions	Deletions	Balance 9/30/2019	Due Within One Year
Special Assessment Bonds, Series 2017	\$ 2,415,000	\$ -	\$ 35,000	\$ 2,380,000	\$ 35,000
Special Assessment Bonds, Series 2017A-1	7,215,000	-	95,000	7,120,000	100,000
Special Assessment Bonds, Series 2017A-2	3,550,000	-	3,510,000	40,000	-
Special Assessment Bonds, Series 2019	-	3,500,000	-	3,500,000	-
	<u>13,180,000</u>	<u>3,500,000</u>	<u>3,640,000</u>	<u>13,040,000</u>	<u>135,000</u>
Unamortized bond discount	(322,575)	(11,140)	(3,121)	(330,594)	-
	<u>\$ 12,857,425</u>	<u>\$ 3,488,860</u>	<u>\$ 3,636,879</u>	<u>\$ 12,709,406</u>	<u>\$ 135,000</u>

# AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT

## NOTES TO FINANCIAL STATEMENTS

September 30, 2019

### NOTE F – LONG-TERM LIABILITIES (CONTINUED)

The annual requirements to amortize the principal and interest of bonded debt outstanding as of September 30, 2019 are as follows:

<u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 135,000	\$ 665,122	\$ 800,122
2021	205,000	692,542	897,542
2022	215,000	682,970	897,970
2023	225,000	672,797	897,797
2024	235,000	662,270	897,270
2025-2029	1,400,000	3,130,936	4,530,936
2030-2034	1,760,000	2,727,269	4,487,269
2035-2039	2,305,000	2,187,022	4,492,022
2040-2044	3,045,000	1,471,588	4,516,588
2045-2049	3,515,000	519,981	4,034,981
	<u>\$ 13,040,000</u>	<u>\$ 13,412,497</u>	<u>\$ 13,408,906</u>

### NOTE G - 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 I – SUBSEQUENT EVENTS

Management has performed an analysis of the activities and transactions subsequent to September 30, 2019, to determine the need for any adjustments to and/or disclosures within the audited financial statements for the year ended September 30, 2019. As a result of the spread of COVID-19, economic uncertainties have risen which are likely to negatively impact operating results, though such potential impact is unknown at this time. Management has performed their analysis through May 22, 2020, the audit completion date.

### NOTE J - 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; natural disasters; and environmental remediation. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. Settled claims from these risks have not exceeded commercial insurance coverage over the past three years.

### NOTE K – CONCENTRATION

The Districts activity is dependent upon the continued involvement of the Developer, the loss of which could have a material adverse effect on the District operations.

**AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL – GENERAL FUND**  
**Year Ended September 30, 2019**

	* BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
<b>REVENUES</b>			
Special assessments	\$ 320,435	\$ 410,933	\$ 90,498
Miscellaneous revenue	-	7	7
<b>TOTAL REVENUES</b>	320,435	410,940	90,505
 <b>EXPENDITURES</b>			
Current			
General government	97,115	124,452	(27,337)
Physical environment	223,320	171,868	51,452
<b>TOTAL EXPENDITURES</b>	320,435	296,320	24,115
 <b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>			
	\$ -	114,620	\$ 114,620
 <b>FUND BALANCES</b>			
Beginning of year		9,868	
End of year		\$ 124,488	

\* Original and final budget.

**AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT**  
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).

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, 2019.

The variance between budgeted and actual general fund revenues is not considered significant. The actual general fund expenditures for the current fiscal year were lower than budgeted amounts due primarily to anticipated costs which were not incurred in the current fiscal year.

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  
Avalon Groves Community Development District  
Lake County, Florida

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Avalon Groves Community Development District, as of September 30, 2019 and for the year ended September 30, 2019, which collectively comprise Avalon Groves Community Development District's basic financial statements and have issued our report thereon dated May 22, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit, 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 over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect 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 of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

This report is intended 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.

*DiBartolomeo, McBee, Hartley & Barnes*

DiBartolomeo, McBee, Hartley & Barnes, P.A.  
Fort Pierce, Florida  
May 22, 2020

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  
Avalon Groves Community Development District  
Lake County, Florida

We have examined the District's compliance with the requirements of Section 218.415, Florida Statutes with regards to the District's investments during the year ended September 30, 2019. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

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

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2019.

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 Avalon Groves Community Development District, Lake County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

*DiBartolomeo, McBee, Hartley & Barnes*

DiBartolomeo, McBee Hartley & Barnes, P.A.  
Fort Pierce, Florida  
May 22, 2020



Management Letter

To the Board of Supervisors  
Avalon Groves Community Development District  
Lake County, Florida

**Report on the Financial Statements**

We have audited the financial statements of Avalon Groves Community Development District as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated May 22, 2020.

**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 Auditor General.

**Other Reports and Schedule**

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated May 22, 2020, should be considered in conjunction with this management letter.

**Prior Audit Findings**

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

**Official Title and Legal Authority**

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. Refer to Note A in the notes to the financial statements.

## **Financial Condition**

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

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor Avalon Groves Community Development District's 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.

## **Annual Financial Report**

Section 10.554(1)(i)5.b. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and report the results of our determination as to whether the annual financial report for Avalon Groves Community Development District for the fiscal year ended September 30, 2019, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2019. In connection with our audit, we determined that these two reports were in agreement.

## **Other Matters**

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

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

## **Purpose of this Letter**

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

*DiBartolomeo, McBee, Hartley & Barnes*

DiBartolomeo, McBee, Hartley & Barnes, P.A.

Fort Pierce, Florida

May 22, 2020

# EXHIBIT 6

\_\_\_\_\_, 2020

Avalon Groves Community Development District  
c/o Patricia Comings-Thibault, District Manager  
Development Planning & Financing Group, Inc.  
250 International Parkway, Suite 280  
Lake Mary, FL 32746

RE: Letter Agreement for Acquisition of Hardscape & Sidewalk Improvements and  
Work Product

Dear Patricia,

Pursuant to the *Acquisition Agreement (2017 Bonds)*, dated April 6, 2017 ("**Acquisition Agreement**"), you are hereby notified that VK Avalon Groves LLC ("**Developer**") has completed and wishes to sell ("**Sale**") to the Avalon Groves Community Development District ("**District**") certain hardscape and sidewalk improvements ("**Improvements**") and related work product ("**Work Product**") as described in **Exhibit A** attached hereto. Subject to the terms of the Acquisition Agreement, the following terms govern the proposed Sale:

- As consideration for the Sale, the District agrees to pay from the available proceeds of the District's Series 2017 Bonds, if any, the lesser of \$47,833.17 or the remaining amounts available in the construction fund.
- The Developer agrees, at the direction of the District, to assist with the transfer of any permits or similar approvals necessary for the operation of the Improvements.
- The Developer agrees to convey or cause to be conveyed when finalized any and all site plans, construction and development drawings, plans and specifications, surveys, engineering and soil reports and studies, and approvals (including but not limited to licenses, permits, zoning approvals, etc.), pertaining or applicable to or in any way connected with the development, construction, and ownership of the Improvements and Work Product described in such subparagraphs.

[CONTINUED ON NEXT PAGE]

If the District is in agreement with the terms stated herein, please execute this letter agreement in the space below and proceed with the necessary steps to effect the Sale.

Sincerely,

**VK AVALON GROVES LLC**, a Florida limited liability company

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Agreed to by:

**AVALON GROVES COMMUNITY  
DEVELOPMENT DISTRICT**

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

DRAFT

**Exhibit A**

Description of Improvements and Work Product

**Contractor: REP Services, Inc.**

**Contract: *Contractor Agreement*, dated August 9, 2019, rev. September 17, 2018**

**Pay Application #1**

***Hardscape & Sidewalk Improvements*** – Those certain shelter and sidewalk improvements located within Tracts D-2 and T-4, identified in the plat known as Serenoa Village 1 Phase 1A-1, recorded in Plat Book 69, Page 20, of the Official Records of Lake County, Florida.

<b>Improvement</b>	<b>Total Amount</b>
Shelter	\$38,179.00
Sidewalk	\$3,571.77
<b>TOTAL:</b>	<b>\$41,750.77</b>

**Professional: Heidt Design, LLC**

**Contract: *Agreement for Professional Services*, dated \_\_\_\_\_**

**Invoices Dated: September 30, 2018, October 31, 2018, November 30, 2018 and November 30, 2018**

**Work Product** – Any and all site plans, construction and development drawings, plans and specifications, documents, surveys, engineering and soil reports and studies, licenses, permits, zoning approvals, entitlements, building permits, demolition and excavation permits, curb cut and right-of-way permits, utility permits, drainage rights, bonds, and similar or equivalent private and governmental documents of every kind and character whatsoever pertaining or applicable to or in any way connected with the development, construction, and ownership of the above-referenced improvements.

	<b>Total Amount</b>
<b>Engineering</b>	\$6,082.40
<b>TOTAL:</b>	<b>\$6,082.40</b>

**GRAND TOTAL OF IMPROVEMENTS & WORK PRODUCT: \$47,833.17**

**AFFIDAVIT REGARDING COSTS PAID**  
**(HARDSCAPE & SIDEWALK IMPROVEMENTS AND WORK PRODUCT )**

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

I, \_\_\_\_\_, of VK Avalon Groves LLC, a Florida limited liability company (“**VK Avalon Groves**”), being first duly sworn, do hereby state for my affidavit as follows:

1. I have personal knowledge of the matters set forth in this Affidavit.
2. My name is \_\_\_\_\_ and I am employed by VK Avalon Groves as \_\_\_\_\_. I have authority to make this Affidavit on behalf of VK Avalon Groves.
3. VK Avalon Groves is the developer of certain lands within the Avalon Groves Community Development District, a special purpose unit of local government established pursuant to Chapter 190, *Florida Statutes* (“**District**”).
4. The District’s *Engineer’s Supplemental Report* dated February 23, 2017, as amended and/or supplemented from time to time (“**Engineer’s Report**”) describes certain public infrastructure improvements and/or work product that the District intends to finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate, or maintain pursuant to Chapter 190, *Florida Statutes*.
5. VK Avalon Groves has expended funds to develop and/or acquire certain of the public infrastructure improvements and work product described in the Engineer’s Report and more specifically described in **Exhibit A**. The attached **Exhibit A** accurately identifies certain of those improvements and work product that have been completed to date and states the amounts that VK Avalon Groves has spent on those improvements.
6. In making this Affidavit, I understand that the District intends to rely on this Affidavit for purposes of acquiring the improvements and work product identified in **Exhibit A**.

[CONTINUED ON NEXT PAGE]

Under penalties of perjury, I declare that I have read the foregoing Affidavit Regarding Costs Paid and the facts alleged are true and correct to the best of my knowledge and belief.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

**VK AVALON GROVES LLC**, a Florida limited liability company

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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

The foregoing instrument was acknowledged before me by means of  physical presence or  online notarization, this \_\_\_\_ day of \_\_\_\_\_, 2020, by \_\_\_\_\_ as \_\_\_\_\_ of VK Avalon Groves LLC, a Florida limited liability company, on behalf of the company, who is personally known to me or has produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF FLORIDA

(NOTARY SEAL)

Name: \_\_\_\_\_  
(Name of Notary Public, Printed,  
Stamped or Typed as Commissioned)

**Exhibit A – Description of Improvements & Work Product**



**DISTRICT ENGINEER'S CERTIFICATE**  
**(HARDSCAPE & SIDEWALK IMPROVEMENTS AND WORK PRODUCT)**

\_\_\_\_\_, 2020

Board of Supervisors  
Avalon Groves Community Development District

Re: Avalon Groves Community Development District (Lake County, Florida)  
Acquisition of Hardscape & Sidewalk Improvements and Work Product

Ladies and Gentlemen:

The undersigned is a representative of Heidt Design, LLC ("**District Engineer**"), as District Engineer for the Avalon Groves Community Development District ("**District**"). The District Engineer is not the Engineer of Record for the Improvements as defined below. Instead, the District Engineer, having prepared and administered the Engineer's Report (defined herein), does hereby make the following certifications in connection with the District's acquisition from VK Avalon Groves LLC ("**Developer**") of certain improvements ("**Improvements**") and work product ("**Work Product**"), as further described in **Exhibit A** attached hereto, all as more fully described in those certain bills of sale ("**Bill of Sale**") dated as of or about the same date as this certificate. The undersigned, an authorized representative of the District Engineer, hereby certifies that:

1. I have reviewed observable portions of the Improvements and Work Product. I have further reviewed certain documentation relating to the same, including but not limited to, the Bill of Sale, agreements, invoices, plans, as-builts, and other documents.
2. The Improvements are within the scope of the District's capital improvement plan as set forth in the District's *Engineer's Supplemental Report* dated February 23, 2017, as amended and/or supplemented from time to time ("**Engineer's Report**"), and specially benefit property within the District as further described in the Engineer's Report.
3. The Improvements were installed in accordance with their specifications, and, subject to the design specifications, are capable of performing the functions for which they were intended.
4. The total costs associated with the Improvements and Work Product are as set forth in the Bill of Sale. Such costs are equal to or less than each of the following:
  - (i) what was actually paid by the Developer to create and/or construct the

Improvements and Work Product, and (ii) the reasonable fair market value of the Improvements and Work Product.

5. 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.
6. With this document, I hereby certify that it is appropriate at this time to acquire the Improvements and Work Product.

FURTHER AFFIANT SAYETH NOT.

\_\_\_\_\_  
Tim Plate, PE  
Heidt Design, LLC  
Florida Registration No. \_\_\_\_\_  
District Engineer

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

The foregoing instrument was acknowledged before me by means of  physical presence or  online notarization, this \_\_\_\_ day of \_\_\_\_\_, 2020, by \_\_\_\_\_ as \_\_\_\_\_ of Heidt Design, LLC, who is personally known to me or has produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF FLORIDA

(NOTARY SEAL)

Name: \_\_\_\_\_  
(Name of Notary Public, Printed,  
Stamped or Typed as Commissioned)

**Exhibit A – Description of Improvements and Work Product**

**ACKNOWLEDGMENT AND RELEASE  
(HARDSCAPE & SIDEWALK IMPROVEMENTS)**

**THIS ACKNOWLEDGMENT AND RELEASE (“Release”)** is made the \_\_\_ day of \_\_\_\_\_, 2020, by **Rep Services, Inc.**, having offices located at 581 Technology Park, Suite 1009, Lake Mark, Florida 32746 (**“Contractor”**), in favor of the **Avalon Groves Community Development District (“District”)**, which is a local unit of special-purpose government situated in Lake County, Florida, and having offices at c/o Development Planning & Financing Group, Inc., 250 International Parkway, Suite 280, Lake Mary, Florida 32746.

**RECITALS**

**WHEREAS**, pursuant to that certain agreement (**“Contract”**) dated August 9, 2018, as revised September 17, 2018, and between Contractor and VK Avalon Groves LLC, a Florida limited liability company (**“Developer”**), Contractor has constructed for Developer certain infrastructure improvements, as described in **Exhibit A (“Improvements”)**; and

**WHEREAS**, Developer may in the future convey the Improvements to the District and for that purpose has requested Contractor to confirm the release of all restrictions on the District’s right to use and rely upon the Improvements; and

**WHEREAS**, Contractor has agreed to the release of any such restrictions.

**NOW, THEREFORE**, for and in consideration of mutual promises and obligations, the receipt and sufficiency of which are hereby acknowledged, Contractor provides the following acknowledgment and release:

**SECTION 1. GENERAL.** The recitals so stated above are true and correct and by this reference are incorporated as a material part of this Release.

**SECTION 2. ACQUISITION OF IMPROVEMENTS.** Contractor acknowledges that the District is or has acquired the Improvements constructed by Contractor in connection with the Contract, from Developer, and accordingly, the District has the unrestricted right to rely upon the terms of the Contract for same.

**SECTION 3. WARRANTY.** Contractor hereby expressly acknowledges the District’s right to enforce the terms of the Contract, including any warranties provided therein and to rely upon and enforce any other warranties provided under Florida law.

**SECTION 4. CERTIFICATE OF PAYMENT.** Except as set forth herein, Contractor hereby acknowledges that it has been fully compensated for its services and work related to completion of the Improvements. Contractor further certifies that, except as set forth herein, no outstanding requests for payment exist related to the Improvements, including any payments to subcontractors, materialmen, suppliers or otherwise, and that there is no

disagreement as to the appropriateness of payment made for the Improvements. Except as set forth herein, this document shall constitute a final waiver and release of lien for any payments due to Contractor by Developer or District for the Improvements.

**SECTION 5. EFFECTIVE DATE.** This Release shall take effect upon execution.

**REP SERVICES, INC.**

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

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

The foregoing instrument was acknowledged before me by means of  physical presence or  online notarization, this \_\_\_\_ day of \_\_\_\_\_, 2020, by \_\_\_\_\_ as \_\_\_\_\_ of REP Services, Inc., who is personally known to me or has produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF FLORIDA

(NOTARY SEAL)

Name: \_\_\_\_\_  
(Name of Notary Public, Printed,  
Stamped or Typed as Commissioned)

**ACKNOWLEDGMENT AND RELEASE  
WORK PRODUCT**

**THIS ACKNOWLEDGMENT & RELEASE (“Release”)** is made the \_\_\_\_ day of \_\_\_\_\_, 2020, by **Heidt Design, LLC**, having offices located at 5904-A Hampton Oaks Parkway, Tampa, Florida 33610 (“**Professional**”), in favor of the **Avalon Groves Community Development District (“District”)**, which is a local unit of special-purpose government situated in Polk County, Florida, and having offices at c/o Development Planning & Financing Group, Inc., 250 International Parkway, Suite 280, Lake Mary, Florida 32746.

**RECITALS**

**WHEREAS**, pursuant to that certain agreement (“**Contract**”) dated \_\_\_\_\_, and between Professional and VK Avalon Groves LLC, a Florida limited liability company (“**Developer**”), Professional has created for Developer certain work product, as described in **Exhibit A (“Work Product”)**; and

**WHEREAS**, Developer may in the future convey the Work Product to the District and for that purpose has requested Professional to confirm the release of all restrictions on the District’s right to use and rely upon the Work Product; and

**WHEREAS**, Contractor has agreed to the release of any such restrictions.

**NOW, THEREFORE**, for and in consideration of mutual promises and obligations, the receipt and sufficiency of which are hereby acknowledged, Professional provides the following acknowledgment and release:

1. **GENERAL.** The recitals so stated above are true and correct and by this reference are incorporated as a material part of this Release.

2. **ACQUISITION OF WORK PRODUCT.** Professional acknowledges that the District is acquiring or has acquired the Work Product created by the Professional in connection with the Contract, from Developer, and accordingly, the District has the unrestricted right to use and rely upon the Work Product for any and all purposes.

3. **WARRANTY.** Professional hereby expressly acknowledges the District’s right to enforce the terms of the Contract, including but not limited to any warranties and other forms of indemnification provided therein and to rely upon and enforce any other warranties provided under Florida law.

4. **CERTIFICATION.** Professional hereby acknowledges that it has been fully compensated for its services and work related to completion of the Work Product. This document shall constitute a final waiver and release of lien for any payments due to Professional by Developer or District for the Work Product.

5. **EFFECTIVE DATE.** This Release shall take effect upon execution.

\_\_\_\_\_  
Tim Plate, PE  
Heidt Design, LLC  
Florida Registration No. \_\_\_\_\_  
Consulting Engineer

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

The foregoing instrument was acknowledged before me by means of  physical presence or  online notarization, this \_\_\_\_ day of \_\_\_\_\_, 2020, by \_\_\_\_\_ as \_\_\_\_\_ of Heidt Design, LLC, a Florida limited liability company, on behalf of the company, who is personally known to me or has produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF FLORIDA

(NOTARY SEAL)

Name: \_\_\_\_\_  
(Name of Notary Public, Printed,  
Stamped or Typed as Commissioned)

**BILL OF SALE AND LIMITED ASSIGNMENT  
(HARDSCAPE & SIDEWALK IMPROVEMENTS AND WORK PRODUCT)**

**THIS BILL OF SALE AND LIMITED ASSIGNMENT** is made as of this \_\_\_\_ day of \_\_\_\_\_, 2020, by and between **VK Avalon Groves LLC**, a Florida limited liability company, whose address for purposes hereof is 101 NE 1 Street, Delray Beach, Florida 33444 ("**Grantor**"), and for good and valuable consideration, to it paid by the **Avalon Groves Community Development District**, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes* ("**District**" or "**Grantee**") whose address is c/o Development Planning & Financing Group, Inc., 250 International Parkway, Suite 280, Lake Mary, Florida 32746.

(Wherever used herein the terms "Grantor" and "Grantee" include all of the parties to this instrument and their respective successors and assigns.)

**BACKGROUND STATEMENT**

This instrument is intended to convey certain improvements and work product described below and attached hereto as **Exhibit A**.

**NOW THEREFORE**, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00), and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor and Grantee, intending to be legally bound, do hereby agree as follows:

1. Grantor hereby transfers, grants, conveys, and assigns to Grantee all right, title and interest of Grantor, if any, in and to the following improvements, work product and other property interests as described below to have and to hold for Grantee's own use and benefit forever:
  - a. Those certain shelter and sidewalk improvements located within Tracts D-2 and T-4, identified in the plat known as Serenoa Village 1 Phase 1A-1, recorded in Plat Book 69, Page 20, of the Official Records of Lake County, Florida ("**Improvements**"); and
  - b. All of the right, title, interest, and benefit of Grantor, if any, in, to and under any and all contracts, guaranties, affidavits, warranties, bonds, claims, lien waivers, and other forms of indemnification, given heretofore and with respect to the construction, installation, or composition of the Improvements; and
  - c. Any and all site plans, construction and development drawings, plans and specifications, documents, surveys, engineering and soil reports and studies, licenses, permits, zoning approvals, entitlements, building permits, demolition and excavation permits, curb cut and right-of-way permits, utility permits, drainage rights, bonds, and similar or equivalent private and governmental documents of every kind and character

whatsoever pertaining or applicable to or in any way connected with the development, construction, and ownership of the above-referenced Improvements (“**Work Product**”); and

d. All goodwill associated with the foregoing.

2. Grantor hereby covenants that: (i) Grantor is the lawful owner of the Improvements; (ii) the Improvements are free from any liens or encumbrances and the Grantor covenants to timely address any such liens or encumbrances if and when filed; (iii) Grantor has good right to sell the Improvements; and (iv) the Grantor will warrant and defend the sale of the Improvements hereby made unto the Grantee against the lawful claims and demands of all persons whosoever.

3. Except as otherwise separately agreed to in writing by Grantor, this conveyance is made on an “as is” basis. The Grantor represents that it has no knowledge of any latent or patent defects in the Improvements, and hereby assigns, transfers and conveys to the Grantee any and all rights against any and all firms or entities which may have caused any latent or patent defects, including, but not limited to, any and all warranties and other forms of indemnification.

4. By execution of this document, the Grantor affirmatively represents that it has the contractual right, consent and lawful authority of any and all forms to take this action in this document and in this form. Nothing herein shall be construed as a waiver of Grantee’s limitations on liability as provided in Section 768.28, *Florida Statutes*, and other statutes and law.

[CONTINUED ON NEXT PAGE]



**WHEREFORE**, the foregoing Bill of Sale and Limited Assignment is hereby executed and delivered on the date first set forth above.

Signed, sealed and delivered by:

**WITNESSES**

**VK AVALON GROVES LLC**, a Florida limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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

The foregoing instrument was acknowledged before me by means of  physical presence or  online notarization, this \_\_\_\_ day of \_\_\_\_\_, 2020, by \_\_\_\_\_ as \_\_\_\_\_ of VK Avalon Groves LLC, a Florida limited liability company, on behalf of the company, who is personally known to me or has produced \_\_\_\_\_ as identification.

(NOTARY SEAL)

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF FLORIDA

Name: \_\_\_\_\_  
(Name of Notary Public, Printed,  
Stamped or Typed as Commissioned)

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

(This space reserved for Clerk)

HOPPING GREEN & SAMS P.A.  
119 South Monroe Street, Suite 300  
Tallahassee, Florida 32301

**QUIT CLAIM DEED**

THIS QUIT CLAIM DEED is made as of the \_\_\_\_\_ day of \_\_\_\_\_, 2020, by and between **VK Avalon Groves LLC**, a Florida limited liability company (“**Grantor**”), whose mailing address is 101 NE 1 Street, Delray Beach, Florida 33444, and **Avalon Groves Community Development District**, a community development district formed pursuant to Chapter 190, Florida Statutes (“**Grantee**”), whose address is c/o Development Planning & Financing Group, Inc., 250 International Parkway, Suite 280, Lake Mary, Florida 32746.

(Wherever used herein, the terms “Grantor” and “Grantee” include all of the parties to this instrument, the heirs, legal representatives and assigns of individuals, and the successors and assigns of trustees, partnerships, limited liability companies, governmental entities, and corporations.)

WITNESSETH

THAT GRANTOR, for good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, does hereby remise, release and quit-claim unto the Grantee forever, all the right, title, interest, claim and demand which the Grantor has in and to the following described lot, piece or parcel of land, situate, lying and being in the County of Lake, State of Florida, and more particularly below (“**Property**”):

**Tracts C-5, C-6, D-1, D-2, D-3, F-2, N-6, S-1, S-2, S-3, S-4, T-3 and T-4, identified in the plat known as Serenoa Village 1 Phase 1A-1, recorded in Plat Book 69, Page 20, of the Official Records of Lake County, Florida.**

TOGETHER with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining.

TO HAVE AND TO HOLD the same in fee simple forever, subject to taxes for the year hereof and subsequent years, as applicable, and all easements, restrictions, reservations, conditions, covenants, limitations and agreements of record. This reference to such matters of record shall not operate to re-impose the same.

## RESERVATION OF EASEMENT

Grantor hereby reserves unto itself and its successors and assigns, and Grantee by acceptance hereby gives and grants unto Grantor and its successors and assigns, non-exclusive easements for (i) ingress and egress over, upon and across the Property conveyed hereby, (ii) together with the rights to install, maintain, repair, plant, mow, cultivate, irrigate, improve and care for all landscaping, hardscaping, irrigation, lighting, and related improvements, a portion of which shall be conveyed upon completion by separate instrument and which improvements shall not be deemed to be owned by Grantee until such separate conveyance, and (iii) the right to maintain, repair and replace and improve any improvements now or hereafter located on the Property; provided, however, that Grantor's reservation of rights hereunder shall be exercised in a manner consistent with the District's capital improvement plan and the District's obligations under any applicable trust indenture relating to any bonds issued by the District to finance the improvements on the Property, and shall not be deemed to impose any obligations on Grantor to maintain, repair or replace any part of the Property or improvements located thereon.

[CONTINUED ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Grantor has caused these presents to be executed on the day and year first above written.

**WITNESSES**

**VK AVALON GROVES LLC**, a Florida limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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

The foregoing instrument was acknowledged before me by means of  physical presence or  online notarization, this \_\_\_\_ day of \_\_\_\_\_, 2020, by \_\_\_\_\_ as \_\_\_\_\_ of VK Avalon Groves LLC, a Florida limited liability company, on behalf of the company, who is personally known to me or has produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF FLORIDA

(NOTARY SEAL)

Name: \_\_\_\_\_  
(Name of Notary Public, Printed,  
Stamped or Typed as Commissioned)

**Note to Examiner: This instrument evidences a conveyance of an interest in unencumbered real estate as a gift and is exempt from Florida documentary stamp tax pursuant to Rule 12B-4.014(2)(a), Florida Administrative Code.**

# EXHIBIT 7



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# Avalon Groves CDD

## Aquatic Maintenance Proposal

July 9th, 2020

Prepared for:

**Avalon Groves CDD**

**Patricia Comings-Thibault, District Manager**

**250 International Parkway, Suite #280 Lake Mary FL 32746**



---

Prepared by:

Mr. Joe Hamilton, Owner/Operator

Steadfast Environmental, LLC

30435 Commerce Dr. Suite 102

San Antonio, FL 33576

(813) 610-3927 Mobile

[joe@steadfastenv.com](mailto:joe@steadfastenv.com) • [www.steadfastenv.com/home](http://www.steadfastenv.com/home)

July 9<sup>th</sup>, 2020

**Avalon Groves CDD**

**Patricia Comings-Thibault, District Manager**

**250 International Parkway, Suite #280 Lake Mary FL 32746**

Dear Patricia,

We greatly appreciate the opportunity to bid on this project for you. Attached is the Agreement for waterway services at Avalon Groves CDD.

Our range of aquatic services are listed below;

- Long lasting results based off applied herbicide techniques
- Superior buffering and littoral maintenance
- Exceptional physical removal of nuisance and invasive vegetation.
- Planting of native beneficial vegetation.
- Conservation Cutback Services.
- Pond dye application.
- Stocking of Triploid grass carp for submersed aquatic plant species control.

We pride ourselves on providing the highest level of service in the industry and look forward to the opportunity of exceeding your expectations!

Respectfully yours,

Steadfast Environmental, LLC.

Signature



Joseph C. Hamilton, Owner/Operator

Monthly Maintenance Program:

Program to consist of: (Areas #1-34 as indicated on attached map) Area to be serviced measures 34,682 LF & 50.29 AC

- Monthly herbicide treatment of invasive and exotic vegetation.
- Inspections of outflow structures.
- Removal of normal size trash and debris items.
- Pond dye applications (If desirable).

Occurrence: 2 events/month

Annual Cost: **\$23,236.92**

(\$1,936.41 per month)

Special services can also be provided outside of the routine monthly maintenance at the Boards request. These will be proposed on separate estimates outside of the monthly maintenance service agreement.

Special Services Include:

- Physical & Mechanical Removals of invasive and exotic vegetation.
- Planting of native and desirable, low lying aquatic vegetation.
- Triploid Grass Carp stocking for submersed aquatic vegetation.
- Aluminum Sulfate Applications to better control algae.
- Bush hogging & Conservation/Woodline Cutbacks.

Thank you for reaching out with interest in our services! We look forward to building a long term, professional relationship.



Joseph Hamilton, Owner/Operator.

\_\_\_\_\_

Avalon Groves CDD Rep.





# EXHIBIT 8

## SERVICES CONTRACT

CUSTOMER NAME: Avalon Grove CDD  
PROPERTY NAME: Avalon Grove CDD  
CONTRACT EFFECTIVE DATE: July 1, 2020 – June 30, 2021  
SUBMITTED BY: Marti Veatch

This agreement (the "Agreement") is made as of the date indicated above, and is by and between SOLitude Lake Management, LLC ("SOLitude" or the "Company") and the customer identified above (the "Customer") on the terms and conditions set forth in this Agreement.

1. The Services. SOLitude will provide services at the Customer's property as described in Schedule A attached hereto:

2. PAYMENT TERMS. The Annual Contract Price is \$25,320.00. SOLitude shall invoice Customer \$2110.00 per month for the Services to be provided under this Agreement. The term of this agreement is for a period of twelve (12) months, with payment to be made in twelve (12) equal monthly payments due by the last day of each month. As a courtesy, the customer will be invoiced on the first day of each month, reminding them that a contract payment is due by the end of that same month. The customer is obligated to pay each monthly contract payment per the terms of this contract, without any obligation on the part of SOLitude to invoice or send any other sort of reminder or notice. The Annual Contract Price is based on the total value of services to be provided over a period of twelve (12) months. For the convenience of the customer, we offer Monthly Contract Pricing that is simply an even twelve (12) month amortization of the Annual Contract Price. Due to the seasonality of these services, and the disproportionate amount of time and materials dedicated to providing these services during some times of the year as compared to others, based on the season, weather patterns, and other natural factors, the amount billed and paid to date is not necessarily equivalent to the amount of work performed to date. For this reason, should the Customer cancel the contract early, or be in default for any reason, Customer will be responsible for immediately paying the remaining portion of annual contract work completed to date.

The Customer will be liable for any returned check fees and any collection costs, including reasonable attorney fees and court costs, for any invoices not otherwise timely paid, and interest at the rate of 1% per month may be added to all unpaid invoices. Should the work performed be subject to any local, state, or federal jurisdiction, agency, or other organization of authority for sales or other taxes or fees in addition to those expressly covered by this contract, customer will be invoiced and responsible for paying said additional taxes in addition to the contract price and other fees above. SOLitude shall be reimbursed by the customer for any non-routine expenses, administrative fees, compliance fees, or any other similar expense that are incurred as a result of requirements placed on SOLitude by the customer that are not covered specifically by the written specifications of this contract.

3. TERM AND EXPIRATION. This Agreement is for an annual management program as described in the Schedule A attached. Any additional services will be provided only upon additional terms as agreed to

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by the parties in writing. Contract will automatically renew annually at the end of the contract effective date for subsequent one (1) year terms, with a three percent (3%) escalation in the Annual Contract Price each year, under the same terms, specifications, and conditions as set forth by this contract, unless either party gives written notice of cancellation thirty (30) days prior to the termination date of this contract, or subsequent renewal contracts.

4. DISCLAIMER. SOLitude is not responsible for the failure of any treatment, equipment installation, or other work that result from dam or other structural failures, severe weather and storms, flooding, or other acts of God that are outside of the control of SOLitude.

Customer understands and acknowledges that there are irrigation restrictions associated with many of the products used to treat lakes and ponds. The customer is responsible for notifying SOLitude in advance of the contract signing and the start of the contract if they utilize any of the water in their lakes or ponds for irrigation purposes. The customer accepts full responsibility for any issues that may arise from the irrigation of turf, ornamentals, trees, crops, or any other plants as a result of treated water being used by the customer for irrigation without the consent or knowledge of SOLitude.

Although there is rarely direct fish toxicity with the products used for treatment when applied at the labeled rate, or the installation and normal operation of the equipment we install, there is a risk under certain circumstances of significant dissolved oxygen drops. This risk is most severe in times of extremely hot weather and warm water temperatures, as these are the conditions during which dissolved oxygen levels are naturally at their lowest levels. Often times lakes and ponds will experience natural fish kills under these conditions even if no work is performed. Every effort, to include the method and timing of application, the choice of products and equipment used, and the skill and training of the staff, is made to avoid such problems. However, the customer understands and accepts that there is always a slight risk of the occurrence of adverse conditions outside the control of SOLitude that will result in the death of some fish and other aquatic life. The customer also understands and accepts that similar risks would remain even if no work was performed. The customer agrees to hold SOLitude harmless for any issues with fish or other aquatic life which occur as described above, or are otherwise outside the direct control of the SOLitude, unless there is willful negligence on the part of SOLitude.

5. INSURANCE AND LIMITATION OF LIABILITY. SOLitude will maintain general liability and property damage insurance as necessary given the scope and nature of the Services. The Company will be responsible for those damages, claims, causes of action, injuries or legal costs to the extent of its own direct negligence or misconduct, and then only to an amount not to exceed the annual value of this Agreement. In no event will any party to this Agreement be liable to the other for incidental, consequential or purely economic damages.

6. FORCE MAJEURE. The Company shall not be liable for any delay in performing the Services, nor liable for any failure to provide the Services, due to any cause beyond its reasonable control.

7. ANTI-CORRUPTION AND BRIBERY. Each party represents that neither it nor anyone acting on its behalf has offered, given, requested or accepted any undue financial or other advantage of any kind in entering into this Agreement, and that it will comply with all applicable laws and regulations pertaining to corruption, competition and bribery in carrying out the terms and conditions of this Agreement.

8. GOVERNING LAW. This Agreement shall be governed and construed in accordance with the laws of the state in which the Services are performed.

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9. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between the parties with respect to the subject matter and replaces any prior agreements or understandings, whether in writing or otherwise. This Agreement may not be modified or amended except by written agreement executed by both parties. In the event that any provision of this Agreement is determined to be void, invalid, or unenforceable, the validity and enforceability of the remaining provisions of this Agreement shall not be affected.

10. NOTICE. Any written notice provided under this Agreement may be sent via overnight mail, certified mail, hand delivery or electronic mail with delivery confirmation, to the individuals and addresses listed below.

11. BINDING. This Agreement shall inure to the benefit of and be binding upon the legal representatives and successors of the parties.

ACCEPTED AND APPROVED:

SOLITUDE LAKE MANAGEMENT, LLC.

Avalon Grove CDD

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

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

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

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

Title: \_\_\_\_\_

Title: \_\_\_\_\_

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

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

Please Remit All Payments to:

1320 Brookwood Drive Suite H  
Little Rock AR 72202

**Customer's Address for Notice Purposes:**

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

Please Mail All Contracts to:

2844 Crusader Circle, Suite 450  
Virginia Beach, VA 23451

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SCHEDULE A – ANNUAL MANAGEMENT SERVICES

Annual pond maintenance for 34 ponds : 34,682 LF – 50.29 acres



Visual Inspections:

1. A visual inspection of the pond(s) will be performed during each visit to the site. The inspections shall include the following:
  - Water levels
  - Water clarity or quality
  - Turbidity
  - Beneficial Aquatic Vegetation
  - Nuisance, Invasive, or Exotic Aquatic Vegetation
  - Algae

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- Physical components such as above ground pipes, inlet and outlet structures, trash racks, emergency spillways, and dams
  - Erosion
  - Issues with shoreline and bank stabilization measures such as rip rap stone, bulkheads, retaining walls, etc.
  - Forebays and inflowing or outflowing swales, ditches, and stream channels
  - Vegetated buffers
  - Sedimentation
  - Nuisance animal activity
  - Fish habitat
  - Mosquito breeding conditions and habitat
  - Trash and debris
2. Any issues or deficiencies that are observed during this visual monitoring will be documented by our staff in the field notes of the service order completed at the time the issue was first observed and reported to the Customer in writing as part of that **month's service** report.
  3. Customer will be notified immediately if there are any deficiencies observed that appear in the judgment of our staff to be posing an immediate risk or otherwise jeopardizing the integrity of the pond(s) structures.
  4. The scope of these services is limited to what can be reasonably observed at the surface of the water and above the ground around the water that makes up the physical structure of the pond(s). These routine inspection services are not intended to replace any requirement or need for a more comprehensive engineered inspection, or any other type of inspection that would require expertise or equipment to survey the condition of the physical components of the pond(s) underground, underwater, or inside any of the associated structures.

Aquatic Weed Control:

1. Pond(s) will be inspected on a *two (2) times per month* basis.
2. Any growth of undesirable aquatic weeds and vegetation found in the pond(s) with each inspection shall be treated and controlled through the application of aquatic herbicides and aquatic surfactants as required to control the specific varieties of aquatic weeds and vegetation found in the pond(s) at the time of application.
3. Invasive and unwanted submersed and floating vegetation will be treated and controlled preventatively and curatively each spring and early summer through the use of systemic herbicides at the rate appropriate for control of the target species. Application rates will be designed to allow for selective control of unwanted species while allowing for desirable species of submersed and emergent wetland plants to prosper.

Shoreline Weed Control:

1. Shoreline areas will be inspected on a *two (2) times per month* basis.
2. Any growth of cattails, phragmites, or other unwanted shoreline vegetation found within the pond areas shall be treated and controlled through the application of aquatic herbicides and aquatic surfactants as required for control of the plants present at time of application.

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3. Any growth of unwanted plants or weeds growing in areas where stone has been installed for bank stabilization and erosion control shall be treated and controlled through the application of aquatic herbicides and aquatic surfactants as required to control the unwanted growth present at the time of application.

Pond Algae Control:

1. Pond(s) will be inspected on a *two (2) times per month* basis.
2. Any algae found in the pond(s) with each inspection shall be treated and controlled through the application of algaecides, aquatic herbicides, and aquatic surfactants as needed for control of the algae present at the time of service.

Trash Removal:

3. Trash and light debris will be removed from the pond(s) on a *two (2) times per month* basis.
4. Any large item or debris that is not easily and reasonably removable by one person **during the routine visit will be removed with the Customer's approval for an additional fee.**
5. Routine trash and debris removal services are for the pond areas only, and do not include any trash or debris removal from the surrounding terrestrial (dry land) areas.

Service Reporting:

1. Customer will be provided with a monthly service report detailing all of the work performed as part of this contract.

General Qualifications:

1. Company is a licensed pesticide applicator in the state in which service is to be provided.
2. Individual Applicators are Certified Pesticide Applicators in Aquatics, Public Health, Forestry, Right of Way, and Turf/Ornamental as required in the state in which service is to be provided.
3. Company is a SePRO Preferred Applicator and dedicated Steward of Water. Each individual applicator has been trained and educated in the water quality testing and analysis required for site specific water quality management prescriptions and utilizes an integrated approach that encompasses all aspects of ecologically balanced management. Each applicator has received extensive training in the proper selection, use, and application of all aquatic herbicides, algaecides, adjuvants, and water quality enhancement products necessary to properly treat our Customers' lakes and ponds as part of an overall integrated pest management program.
4. Company guarantees that all products used for treatment are EPA registered and labeled as appropriate and safe for use in lakes, ponds, and other aquatic sites, and are being applied in a manner consistent with their labeling.
5. All pesticide applications made directly to the water or along the shoreline for the control of algae, aquatic weeds, or other aquatic pests as specified in this contract will meet or exceed all of the Company's **legal regulatory requirements as set forth by the EPA and related state agencies for NPDES and FIFRA.** Company will perform treatments that are consistent with NPDES compliance standards as applicable in and

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- determined by the specific state in which treatments are made. All staff will be fully trained to perform all applications in compliance with all federal, state, and local law.
6. Company will continue to maintain all appropriate training and licensing necessary to perform all specified work in a safe and legal manner throughout the entire contract period.
  7. Company will furnish personnel, equipment, boats, materials, and other items required to provide the foregoing at his expense.

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# EXHIBIT 9

# Hopping Green & Sams

Attorneys and Counselors

## MEMORANDUM

**TO:** District Manager  
**FROM:** HGS Attorney  
**DATE:** July 1, 2020  
**RE:** Amendments to Section 189.069(2)(a), *Florida Statutes*

---

The Florida Legislature recently enacted amendments to the website requirements contained in Section 189.069(2)(a), *Florida Statutes*, effective July 1, 2020. The full text of these amendments is attached to this memorandum as **Exhibit A**, and the amendments are summarized below:

- The requirement to post the final, complete audit report for the most recent completed fiscal year and audit reports required by law or authorized by the governing body of the special district may be satisfied by providing a link to the audit report on the Auditor General's website.
- The public facilities report is no longer required to be posted.
- Meeting materials accompanying meeting or workshop agendas are no longer required to be posted. Please note that the agenda itself is still required to be posted.

The amendments do not prevent districts from including these documents on their websites, but districts may remove them if they so choose. We recommend requesting board direction on a district-by-district basis.

Please do not hesitate to contact your HGS attorney at (850) 222-7500 if you have any questions or concerns.

## CHAPTER 2020-77

### Committee Substitute for Senate Bill No. 1466

An act relating to government accountability; amending s. 189.031, F.S.; specifying conditions under which board members and public employees of special districts do not abuse their public positions; amending s. 189.069, F.S.; revising the list of items required to be included on the websites of special districts; amending s. 190.007, F.S.; specifying conditions under which board members and public employees of community development districts do not abuse their public positions; providing effective dates.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Effective January 1, 2021, subsection (6) is added to section 189.031, Florida Statutes, to read:

189.031 Legislative intent for the creation of independent special districts; special act prohibitions; model elements and other requirements; local general-purpose government/Governor and Cabinet creation authorizations.—

(6) GOVERNANCE.—For purposes of s. 8(h)(2), Art. II of the State Constitution, a board member or a public employee of a special district does not abuse his or her public position if the board member or public employee commits an act or omission that is authorized under s. 112.313(7), (12), (15), or (16) or s. 112.3143(3)(b), and an abuse of a board member’s position does not include any act or omission in connection with a vote when the board member has followed the procedures required by s. 112.3143.

Section 2. Paragraph (a) of subsection (2) of section 189.069, Florida Statutes, is amended to read:

189.069 Special districts; required reporting of information; web-based public access.—

(2)(a) A special district shall post the following information, at a minimum, on the district’s official website:

1. The full legal name of the special district.
2. The public purpose of the special district.
3. The name, official address, official e-mail address, and, if applicable, term and appointing authority for each member of the governing body of the special district.
4. The fiscal year of the special district.

5. The full text of the special district's charter, the date of establishment, the establishing entity, and the statute or statutes under which the special district operates, if different from the statute or statutes under which the special district was established. Community development districts may reference chapter 190 as the uniform charter but must include information relating to any grant of special powers.

6. The mailing address, e-mail address, telephone number, and website uniform resource locator of the special district.

7. A description of the boundaries or service area of, and the services provided by, the special district.

8. A listing of all taxes, fees, assessments, or charges imposed and collected by the special district, including the rates or amounts for the fiscal year and the statutory authority for the levy of the tax, fee, assessment, or charge. For purposes of this subparagraph, charges do not include patient charges by a hospital or other health care provider.

9. The primary contact information for the special district for purposes of communication from the department.

10. A code of ethics adopted by the special district, if applicable, and a hyperlink to generally applicable ethics provisions.

11. The budget of the special district and any amendments thereto in accordance with s. 189.016.

12. The final, complete audit report for the most recent completed fiscal year and audit reports required by law or authorized by the governing body of the special district. If the special district has submitted its most recent final, complete audit report to the Auditor General, this requirement may be satisfied by providing a link to the audit report on the Auditor General's website.

13. A listing of its regularly scheduled public meetings as required by s. 189.015(1).

~~14. The public facilities report, if applicable.~~

~~15.~~ The link to the Department of Financial Services' website as set forth in s. 218.32(1)(g).

~~15.16.~~ At least 7 days before each meeting or workshop, the agenda of the event, along with any meeting materials available in an electronic format, excluding confidential and exempt information. The information must remain on the website for at least 1 year after the event.

Section 3. Effective January 1, 2021, subsection (1) of section 190.007, Florida Statutes, is amended to read:

190.007 Board of supervisors; general duties.—

(1) The board shall employ, and fix the compensation of, a district manager. The district manager shall have charge and supervision of the works of the district and shall be responsible for preserving and maintaining any improvement or facility constructed or erected pursuant to the provisions of this act, for maintaining and operating the equipment owned by the district, and for performing such other duties as may be prescribed by the board. It shall not be a conflict of interest under chapter 112 for a board member or the district manager or another employee of the district to be a stockholder, officer, or employee of a landowner or of an entity affiliated with a landowner. The district manager may hire or otherwise employ and terminate the employment of such other persons, including, without limitation, professional, supervisory, and clerical employees, as may be necessary and authorized by the board. The compensation and other conditions of employment of the officers and employees of the district shall be as provided by the board. For purposes of s. 8(h)(2), Art. II of the State Constitution, a board member or a public employee of a district does not abuse his or her public position if the board member or public employee commits an act or omission that is authorized under this subsection, s. 112.313(7), (12), (15), or (16), or s. 112.3143(3)(b), and an abuse of a board member's public position does not include any act or omission in connection with a vote when the board member has followed the procedures required by s. 112.3143.

Section 4. Except as otherwise expressly provided in this act, this act shall take effect July 1, 2020.

Approved by the Governor June 23, 2020.

Filed in Office Secretary of State June 23, 2020.

# EXHIBIT 10



Proposal #42195  
 Date: 01/06/2020  
 From: Zachary Higginbotham

Proposal For

DPFG  
 250 International Pkwy  
 Suite 280  
 Lake Mary, FL 32746

main:  
 mobile:  
 districtap@dpfg.com

Location

17305 Bracken Fern Lane  
 Clermont, FL 34714

Terms: Net 30

- Back Filling along the sidewalk and sodding

ITEM DESCRIPTION	AMOUNT
Plant Installation	
Misc Service (Sub)	
Client Notes	

Signature		SUBTOTAL	\$3,130.00
x <i>Patricia Comings-Thibault</i>		SALES TAX	\$0.00
		<b>TOTAL</b>	<b>\$3,130.00</b>

Signature above authorizes Yellowstone Landscape to perform work as described above and verifies that the prices and specifications are hereby accepted. All overdue balances will be charge a 1.5% a month, 18% annual percentage rate.

Limited Warranty: All plant material is under a limited warranty for one year. Transplanted plant material and/or plant material that dies due to conditions out of Yellowstone Landscape's control (i.e. Acts of God, vandalism, inadequate irrigation due to water restrictions, etc.) shall not be included in the warranty.

Contact

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

Title: \_\_\_\_\_

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

Assigned To

Zachary Higginbotham  
 zhigginbotham@yellowstonelandscape.com