

*Narcoossee Community
Development District*

Agenda

July 28, 2020

AGENDA

Narcoossee

Community Development District

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

July 21, 2020

Board of Supervisors
Narcoossee Community
Development District

Dear Board Members:

The Board of Supervisors of the Narcoossee Community Development District will meet **Tuesday, July 28, 2020 at 3:00 p.m. via Zoom; by following this link <https://zoom.us/j/96489049452> or by calling in via (646) 876-9923 and entering the Meeting ID: 964 8904 9452.** Following is the advance agenda for the meeting:

Audit Committee Meeting

1. Roll Call
2. Public Comment Period
3. Approval of Minutes of May 19, 2020 Meeting
4. Tally of Audit Committee Members Rankings and Selection of an Auditor
5. Adjournment

Board of Supervisors Meeting

1. Roll Call
2. Public Comment Period
3. Approval of Minutes from the May 19, 2020 Meeting
4. Public Hearings
 - A. Consideration of Resolution 2020-05 Adopting Amended and Restated Rules of Procedure
 - B. Consideration of Resolution 2020-06 Adopting the Fiscal Year 2021 Budget and Relating to the Annual Appropriations
 - C. Consideration of Resolution 2020-07 Imposing Special Assessments and Certifying an Assessment Roll
5. Consideration of First Amendment to Landscape Maintenance Services Agreement with SSS Down to Earth Opco, LLC
6. Acceptance of Audit Committee Recommendation and Selection of #1 Ranked Firm to Provide Auditing Services for Fiscal Year 2020
7. Staff Reports
 - A. Attorney
 - B. Engineer
 - C. District Manager's Report
 - i. Approval of Check Register
 - ii. Balance Sheet and Income Statement
 - iii. Approval of Fiscal Year 2021 Meeting Schedule
8. Other Business
9. Supervisors Requests
10. Next Meeting Date – September 29, 2020
11. Adjournment

The second order of business of the Audit Committee Meeting is the Public Comment Period where the public has an opportunity to be heard on propositions coming before the Board as reflected on the agenda, and any other items. The third order of business is the approval of the minutes from the May 19, 2020 meeting. The minutes are enclosed for your review. The fourth order of business is the tally of the audit committee members rankings and selection of an auditor. Rankings from all audit committee members will be tallied at the meeting to develop an overall audit committee ranking. The RFP responses have been provided separately and the tally sheet has been enclosed in your agenda package.

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

The third order of business of the Board of Supervisors meeting is the approval of the minutes from the May 19, 2020 Board of Supervisors meeting. The minutes are enclosed for your review.

The fourth order of business opens the public hearings. Section A is consideration of Resolution 2020-05 adopting amended and restated rules of procedure. A copy of the resolution is enclosed for your review. Section B is consideration of Resolution 2020-06 adopting the Fiscal Year 2021 budget and relating to the annual appropriations. A copy of the resolution is enclosed for your review. Section C is consideration of Resolution 2020-07 imposing special assessments and certifying an assessment roll. A copy of the resolution is enclosed for your review.

The fifth order of business is consideration of first amendment to landscape maintenance services agreement with SSS Down to Earth Opco, LLC. A copy of the agreement is enclosed for your review.

The sixth order of business is acceptance of Audit Committee recommendation and selection of #1 ranked firm to provide auditing services for Fiscal Year 2020.

Section C of the seventh order of business is the District Manager's Report. Section 1 includes the check register being submitted for approval and Section 2 is the balance sheet and income statement for review. Section 3 is approval of Fiscal Year 2021 meeting schedule.

The balance of the agenda will be discussed at the meeting. If you should have any questions, please contact me.

Sincerely,


Jason Showe
District Manager

Cc: Roy Van Wyk, District Counsel
Rey Malave, District Engineer
Darrin Mossing, GMS

AUDIT COMMITTEE MEETING

SECTION III

MINUTES OF MEETING
NARCOOSSEE
COMMUNITY DEVELOPMENT DISTRICT

The Narcoossee Community Development District Audit Committee met Tuesday, May 19, 2020 at 6:58 p.m. via Zoom Video Conferencing, pursuant to Executive Orders 20-52, 20-69 and 20-91 (as extended by Executive Order 20-112) issued by Governor DeSantis on March 9, 2020, March 20, 2020, April 1, 2020, and April 29, 2020 respectively, and pursuant to Section 120.54(5)(b)2., *Florida Statutes*.

Present were:

Jeffrey Smyk
Steve Giercyk
Peter Wong
Betsy Burgos
Jason Showe
Roy Van Wyk
Rey Malave
Alan Scheerer

FIRST ORDER OF BUSINESS

Roll Call

Mr. Showe called the Audit Committee meeting to order at 6:58 p.m. and called the roll and stated the meeting is being conducted via Zoom.

SECOND ORDER OF BUSINESS

Public Comment Period

There being none, the next item followed.

THIRD ORDER OF BUSINESS

Audit Services

A. Approval of Request for Proposals and Selection of Criteria

Mr. Showe stated the request for proposals is standard, but the one item the board has flexibility on is the selection criteria. The one item you have flexibility with is pricing and we recommend leaving pricing in. Typically, the firms who bid are all qualified and price is helpful in the evaluation. We typically include pricing when we bid this service.

Mr. Smyk stated I definitely agree to keep price as part of the criteria.

Mr. Wong asked do we get any price advantage by having a five-year contract?

Mr. Showe stated I think they just started allowing the five-year contracts.

Mr. Van Wyk stated the rules you are going to consider at your next meeting will provide for longer contracts; to go out for a five-year period. Again, each of these contracts that we do are one-year contracts are renewable for up to five-years total. You are really not entering into a five-year contract; you have a one-year renewable contract. It gives you comfort to know if you get the prices and you like the prices you can stick with them over the five-year period.

Mr. Showe stated item 12 of the request for proposals has 3 years but with counsel's review we can make that a 5-year contract, so they provide five years of pricing.

Mr. Wong asked if you go for five years of pricing, after year three can the district decide to go out for bid again?

Mr. Showe responded yes.

Mr. Wong asked can we put in a preference for price advantage?

Mr. Van Wyk stated there is two sides to that. If you ask for discounted prices for a longer term contract then you would be locking into that longer term contract as opposed to having a one-year with the renewable options. I don't know if it is an advantage to you or not. You won't know what you are going to get until you get your responses and make that decision.

On MOTION by Mr. Smyk seconded by Mr. Giercyk with all in favor the request for proposals and the selection criteria to include price was approved as amended for a 5-year term.

B. Approval of Notice of Request for Proposals for Audit Services

Mr. Showe stated next is the notice of the request for proposals for audit services. The due date is July 17th so that we have them back for your July board meeting.

On MOTION by Ms. Burgos seconded by Mr. Giercyk with all in favor the notice of the request for proposals for audit services was approved.

C. Public Announcement of Opportunity to Provide Audit Services

Mr. Showe announced the opportunity to provide audit services for the Narcoossee Community Development District.

On MOTION by Mr. Giercyk seconded by Ms. Burgos with all in favor the Audit Committee adjourned at 7:06 p.m.

FOURTH ORDER OF BUSINESS

Adjournment

Secretary/Assistant Secretary

Chairman/Vice Chairman

SECTION IV

Narcoossee CDD CDD Auditor Selection

	Ability of Personnel (20 pts)	Proposer's Experience (20 pts)	Understanding of Scope of Work (20 pts)	Ability to Furnish the Required Services (20 pts)	Price (20 pts)		Total Points Earned	Ranking (1 being highest)
					18 pts			
Grau & Associates					2020 - \$3,300 2021 - \$3,400 2022 - \$3,500 2023 - \$3,600 2024 - \$3,700			
Berger, Toombs, Elam, Gaines & Frank					20 pts			
					2020 - \$2,895 2021 - \$2,895 2022 - \$3,050 2023 - \$3,105 2024 - \$3,105			
McDirmitt Davis					15 pts			
					2020 - \$4,000 2021 - \$4,000 2022 - \$4,100 2023 - \$4,200 2024 - \$4,200			



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

Proposal to Provide Financial Auditing Services:

NARCOOSSEE

COMMUNITY DEVELOPMENT DISTRICT

**Proposal Due: July 16, 2020
2:00PM**

Submitted to:

Narcoossee
Community Development District
C/o District Manager
219 E. Livingston Street
Orlando, FL 32801

Submitted by:

Antonio J. Grau, Partner
Grau & Associates
951 Yamato Road, Suite 280
Boca Raton, Florida 33431
Tel (561) 994-9299
(800) 229-4728
Fax (561) 994-5823

tgrau@graucpa.com

www.graucpa.com



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

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Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

July 16, 2020

Narcoossee Community Development District
C/o District Manager
219 E. Livingston Street
Orlando, FL 32801

Re: Request for Proposal for Professional Auditing Services for the fiscal year ended September 30, 2020, with an option for four (4) additional annual renewals.

Grau & Associates (Grau) welcomes the opportunity to respond to the Narcoossee Community Development District's (the "District") Request for Proposal (RFP), and we look forward to working with you on your audit. We are an energetic and robust team of knowledgeable professionals and are a recognized leader of providing services to Community Development Districts. As one of Florida's few firms to primarily focus on government, we are especially equipped to provide you an effective and efficient audit.

Special district audits are at the core of our practice: **we have a total of 360 clients, 329 or 91% of which are special districts.** We know the specifics of the professional services and work products needed to meet your RFP requirements like no other firm. With this level of experience, we are able to increase efficiency, to provide immediate and continued savings, and to minimize disturbances to client operations.

Why Grau & Associates:

Knowledgeable Audit Team

Grau is proud that the personnel we assign to your audit are some of the most seasoned auditors in the field. Our staff performs governmental engagements year round. When not working on your audit, your team is refining their audit approach for next year's audit. Our engagement partners have decades of experience and take a hands-on approach to our assignments, which all ensures a smoother process for you.

Servicing your Individual Needs

Our clients enjoy personalized service designed to satisfy their unique needs and requirements. First, we ensure that the transition to a new firm is as smooth and seamless as possible. Throughout the process of our audit, you will find that we welcome working with you to resolve any issues as swiftly and easily as possible. In addition, due to Grau's very low turnover rate for our industry, you also won't have to worry about retraining your auditors from year to year.

Developing Relationships

We strive to foster mutually beneficial relationships with our clients. We stay in touch year round, updating, collaborating and assisting you in implementing new legislation, rules and standards that affect your organization. We are also available as a sounding board and assist with technical questions.

Maintaining an Impeccable Reputation

We have never been involved in any litigation, proceeding or received any disciplinary action. Additionally, we have never been charged with, or convicted of, a public entity crime of any sort. We are financially stable and have never been involved in any bankruptcy proceedings.

Complying With Standards

Our audit will follow the Auditing Standards of the AICPA, Generally Accepted Government Auditing Standards, issued by the Comptroller General of the United States, and the Rules of the Auditor General of the State of Florida, and any other applicable federal, state and local regulations. We will deliver our reports in accordance with your requirements.

This proposal is a firm and irrevocable offer for 90 days. We certify this proposal is made without previous understanding, agreement or connection either with any previous firms or corporations offering a proposal for the same items. We also certify our proposal is in all respects fair, without outside control, collusion, fraud, or otherwise illegal action, and was prepared in good faith. Only the person(s), company or parties interested in the project as principals are named in the proposal. Grau has no existing or potential conflicts, and anticipates no conflicts during the engagement. Our Federal I.D. number is 20-2067322.

We would be happy to answer any questions or to provide any additional information. We are genuinely excited about the prospect of serving you and establishing a long-term relationship. Please do not hesitate to call or email either of our Partners, Antonio J. Grau, CPA (tgrau@graucpa.com) or Racquel McIntosh, CPA (rmcintosh@graucpa.com) at 561.994.9299. We thank you for considering our firm's qualifications and experience.

Very truly yours,
Grau & Associates

A handwritten signature in blue ink, appearing to read 'Antonio J. Grau', is written over a horizontal line.

Antonio J. Grau



Firm Qualifications



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

Grau's Focus and Experience

Our Team



2005

Year founded

Services Provided



297 Community Development Districts Served

Properly registered and licensed professional corporation by the state of FLORIDA

We are proud Members of the **American Institute of Certified Public Accountants** & the **Florida Institute of Certified Public Accountants**

Quality Controls

See next page for report and certificate

- ⇒ External quality review program: consistently receives a pass
- ⇒ Internal: ongoing monitoring to maintain quality



AICPA | FICPA | GFOA | FASD | FGFOA



FICPA Peer Review Program
Administered in Florida
by The Florida Institute of CPAs



Peer Review
Program

AICPA Peer Review Program
Administered in Florida
by the Florida Institute of CPAs

February 20, 2020

Antonio Grau
Grau & Associates
951 Yamato Rd Ste 280
Boca Raton, FL 33431-1809

Dear Antonio Grau:

It is my pleasure to notify you that on February 20, 2020, the Florida Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is December 31, 2022. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation.

Sincerely,
FICPA Peer Review Committee

Peer Review Team
FICPA Peer Review Committee
paul@ficpa.org
800-342-3197 ext. 251

Florida Institute of CPAs

cc: Daniel Hevia, Racquel McIntosh

Firm Number: 900004390114

Review Number: 571202

3800 Esplanade Way, Suite 210 | Tallahassee, FL 32311 | 800.342.3197, in Florida | 850.224.2727 | Fax: 850.222.8190 | www.ficpa.org

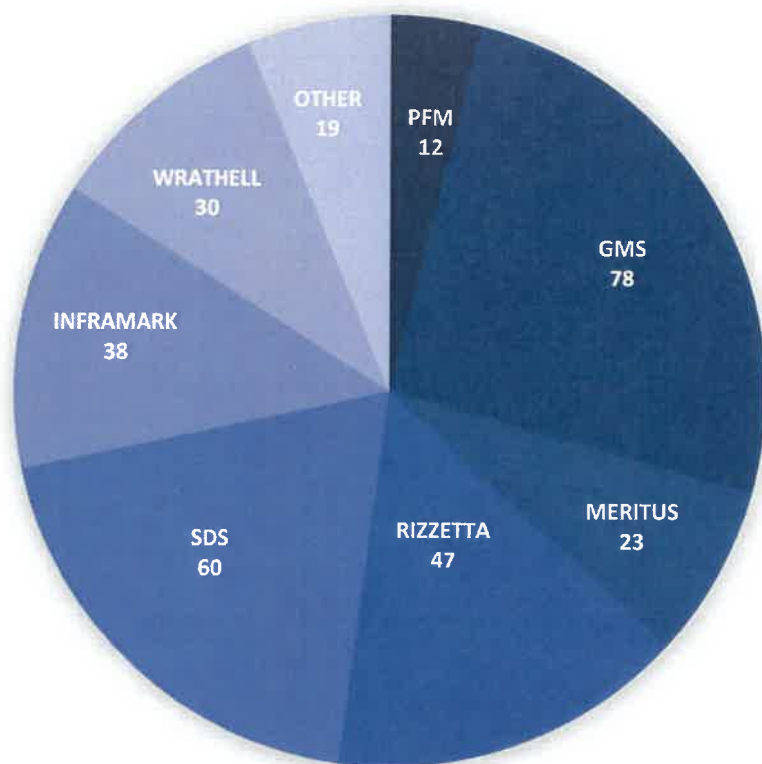


Firm & Staff Experience



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

GRAU AND ASSOCIATES COMMUNITY DEVELOPMENT DISTRICT EXPERIENCE BY MANAGEMENT COMPANY



Profile Briefs:

Antonio J GRAU, CPA (Partner)

*Years Performing
Audits: 30+*

*CPE (last 2 years):
Government*

*Accounting, Auditing:
66 hours; Accounting,
Auditing and Other:
25 hours*

*Professional
Memberships: AICPA,
FICPA, FGFOA, GFOA*

Racquel McIntosh, CPA (Partner)

*Years Performing
Audits: 14+*

*CPE (last 2 years):
Government*

*Accounting, Auditing:
59 hours; Accounting,
Auditing and Other:
45 hours*

*Professional
Memberships: AICPA,
FICPA, FGFOA, FASD*

"Here at Grau & Associates, staying up to date with the current technological landscape is one of our top priorities. Not only does it provide a more positive experience for our clients, but it also allows us to perform a more effective and efficient audit. With the every changing technology available and utilized by our clients, we are constantly innovating our audit process."

- Tony Grau

"Quality audits and exceptional client service are at the heart of every decision we make. Our clients trust us to deliver a quality audit, adhering to high standards and assisting them with improvements for their organization."

-Racquel McIntosh

YOUR ENGAGEMENT TEAM

Grau's client-specific engagement team is meticulously organized in order to meet the unique needs of each client. Constant communication within our solution team allows for continuity of staff and audit team.

Grau contracts with an outside group of IT management consultants to assist with matters including, but not limited to; network and database security, internet security and vulnerability testing.

An advisory consultant will be available as a sounding board to advise in those areas where problems are encountered.



The assigned personnel will work closely with the partner and the District to ensure that the financial statements and all other reports are prepared in accordance with professional standards and firm policy. Responsibilities will include planning the audit; communicating with the client and the partners the progress of the audit; and determining that financial statements and all reports issued by the firm are accurate, complete and are prepared in accordance with professional standards and firm policy.

The Engagement Partner will participate extensively during the various stages of the engagement and has direct responsibility for engagement policy, direction, supervision, quality control, security, confidentiality of information of the engagement and communication with client personnel. The engagement partner will also be involved directing the development of the overall audit approach and plan; performing an overriding review of work papers and ascertain client satisfaction.



Antonio "Tony" J. Grau, CPA
Partner

Contact: tgrau@graucpa.com | (561) 939-6672

Experience

For over 30 years, Tony has been providing audit, accounting and consulting services to the firm's governmental, non-profit, employee benefit, overhead and arbitrage clients. He provides guidance to clients regarding complex accounting issues, internal controls and operations.

As a member of the Government Finance Officers Association Special Review Committee, Tony participated in the review process for awarding the GFOA Certificate of Achievement in Financial Reporting. Tony was also the review team leader for the Quality Review of the Office of Management Audits of School Board of Miami-Dade County. Tony received the AICPA advanced level certificate for governmental single audits.

Education

University of South Florida (1983)
Bachelor of Arts
Business Administration

Clients Served (partial list)

(>300) Various Special Districts, including:

Bayside Improvement Community Development District	St. Lucie West Services District
Dunes Community Development District	Ave Maria Stewardship Community District
Fishhawk Community Development District (I,II,IV)	Rivers Edge II Community Development District
Grand Bay at Doral Community Development District	Bartram Park Community Development District
Heritage Harbor North Community Development District	Bay Laurel Center Community Development District
Boca Raton Airport Authority	
Greater Naples Fire Rescue District	
Key Largo Wastewater Treatment District	
Lake Worth Drainage District	
South Indian River Water Control	

Professional Associations/Memberships

American Institute of Certified Public Accountants Florida Government Finance Officers Association
Florida Institute of Certified Public Accountants Government Finance Officers Association Member
City of Boca Raton Financial Advisory Board Member

Professional Education (over the last two years)

<u>Course</u>	<u>Hours</u>
Government Accounting and Auditing	66
Accounting, Auditing and Other	25
Total Hours	<u>91</u> (includes of 4 hours of Ethics CPE)



Racquel C. McIntosh, CPA

Partner

Contact : rmcintosh@graucpa.com | (561) 939-6669

Experience

Racquel has been providing government audit, accounting and advisory services to our clients for over 14 years. She serves as the firm's quality control partner; in this capacity she closely monitors engagement quality ensuring standards are followed and maintained throughout the audit.

Racquel develops in-house training seminars on current government auditing, accounting, and legislative topics and also provides seminars for various government organizations. In addition, she assists clients with implementing new accounting software, legislation, and standards.

Education

Florida Atlantic University (2004)

Master of Accounting

Florida Atlantic University (2003)

Bachelor of Arts:

Finance, Accounting

Clients Served (partial list)

(>300) Various Special Districts, including:

Carlton Lakes Community Development District
Golden Lakes Community Development District
Rivercrest Community Development District
South Fork III Community Development District
TPOST Community Development District

Westchase Community Development District
Monterra Community Development District
Palm Coast Park Community Development District
Long Leaf Community Development District
Watergrass Community Development District

East Central Regional Wastewater Treatment Facilities
Indian Trail Improvement District
Pinellas Park Water Management District
Ranger Drainage District
South Trail Fire Protection and Rescue Service District

Professional Associations/ Memberships

American Institute of Certified Public Accountants
Florida Institute of Certified Public Accountants

FICPA State & Local Government Committee
FGFOA Palm Beach Chapter

Professional Education (over the last two years)

Course

Government Accounting and Auditing
Accounting, Auditing and Other

Total Hours

Hours

59

45

104 (includes of 4 hours of Ethics CPE)



References



Grau & Associates
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We have included three references of government engagements that require compliance with laws and regulations, follow fund accounting, and have financing requirements, which we believe are similar to the District.

Dunes Community Development District

Scope of Work	Financial audit
Engagement Partner	Antonio J. Grau
Dates	Annually since 1998
Client Contact	Darrin Mossing, Finance Director 475 W. Town Place, Suite 114 St. Augustine, Florida 32092 904-940-5850

Two Creeks Community Development District

Scope of Work	Financial audit
Engagement Partner	Antonio J. Grau
Dates	Annually since 2007
Client Contact	William Rizzetta, President 3434 Colwell Avenue, Suite 200 Tampa, Florida 33614 813-933-5571

Journey's End Community Development District

Scope of Work	Financial audit
Engagement Partner	Antonio J. Grau
Dates	Annually since 2004
Client Contact	Todd Wodraska, Vice President 2501 A Burns Road Palm Beach Gardens, Florida 33410 561-630-4922



Specific Audit Approach



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

AUDIT APPROACH

Grau's Understanding of Work Product / Scope of Services:

We recognize the District is an important entity and we are confident our firm is eminently qualified to meet the challenges of this engagement and deliver quality audit services. ***You would be a valued client of our firm and we pledge to commit all firm resources to provide the level and quality of services (as described below) which not only meet the requirements set forth in the RFP but will exceed those expectations.*** Grau & Associates fully understands the scope of professional services and work products requested. Our audit will follow the Auditing Standards of the AICPA, *Generally Accepted Government Auditing Standards*, issued by the Comptroller General of the United States, and the Rules of the Auditor General of the State of Florida and any other applicable Federal, State or Local regulations. **We will deliver our reports in accordance with your requirements.**

Proposed segmentation of the engagement

Our approach to the audit engagement is a risk-based approach which integrates the best of traditional auditing techniques and a total systems concept to enable the team to conduct a more efficient and effective audit. The audit will be conducted in three phases, which are as follows:



Phase I - Preliminary Planning

A thorough understanding of your organization, service objectives and operating environment is essential for the development of an audit plan and for an efficient, cost-effective audit. During this phase, we will meet with appropriate personnel to obtain and document our understanding of your operations and service objectives and, at the same time, give you the opportunity to express your expectations with respect to the services that we will provide. Our work effort will be coordinated so that there will be minimal disruption to your staff.

During this phase we will perform the following activities:

- » Review the regulatory, statutory and compliance requirements. This will include a review of applicable federal and state statutes, resolutions, bond documents, contracts, and other agreements;
- » Read minutes of meetings;
- » Review major sources of information such as budgets, organization charts, procedures, manuals, financial systems, and management information systems;
- » Obtain an understanding of fraud detection and prevention systems;
- » Obtain and document an understanding of internal control, including knowledge about the design of relevant policies, procedures, and records, and whether they have been placed in operation;
- » Assess risk and determine what controls we are to rely upon and what tests we are going to perform and perform test of controls;
- » Develop audit programs to incorporate the consideration of financial statement assertions, specific audit objectives, and appropriate audit procedures to achieve the specified objectives;
- » Discuss and resolve any accounting, auditing and reporting matters which have been identified.

Phase II – Execution of Audit Plan

The audit team will complete a major portion of transaction testing and audit requirements during this phase. The procedures performed during this period will enable us to identify any matter that may impact the completion of our work or require the attention of management. Tasks to be performed in Phase II include, but are not limited to the following:

- » Apply analytical procedures to further assist in the determination of the nature, timing, and extent of auditing procedures used to obtain evidential matter for specific account balances or classes of transactions;
- » Perform tests of account balances and transactions through sampling, vouching, confirmation and other analytical procedures; and
- » Perform tests of compliance.

Phase III - Completion and Delivery

In this phase of the audit, we will complete the tasks related to year-end balances and financial reporting. All reports will be reviewed with management before issuance, and the partners will be available to meet and discuss our report and address any questions. Tasks to be performed in Phase III include, but are not limited to the following:

- » Perform final analytical procedures;
- » Review information and make inquiries for subsequent events; and
- » Meeting with Management to discuss preparation of draft financial statements and any potential findings or recommendations.

You should expect more from your accounting firm than a signature in your annual financial report. Our concept of truly responsive professional service emphasizes taking an active interest in the issues of concern to our clients and serving as an effective resource in dealing with those issues. In following this approach, we not only audit financial information with hindsight but also consider the foresight you apply in managing operations.

Application of this approach in developing our management letter is particularly important given the increasing financial pressures and public scrutiny facing today's public officials. We will prepare the management letter at the completion of our final procedures.

In preparing this management letter, we will initially review any draft comments or recommendations with management. In addition, we will take necessary steps to ensure that matters are communicated to those charged with governance.

In addition to communicating any recommendations, we will also communicate the following, if any:

- » Significant audit adjustments;
- » Significant deficiencies or material weaknesses;
- » Disagreements with management; and
- » Difficulties encountered in performing the audit.

Our findings will contain a statement of condition describing the situation and the area that needs strengthening, what should be corrected and why. Our suggestions will withstand the basic tests of corrective action:

Is the recommendation cost effective?

Is the recommendation the simplest to effectuate in order to correct a problem?

Is the recommendation at the heart of the problem and not just correcting a symptomatic matter?

Is the corrective action taking into account why the deficiency occurred?

To assure full agreement with facts and circumstances, we will fully discuss each item with Management prior to the final exit conference. This policy means there will be no “surprises” in the management letter and fosters a professional, cooperative atmosphere.

Communications

We emphasize a continuous, year-round dialogue between the District and our management team. We typically begin our audit process with an entrance conference before the onsite fieldwork begins. We regularly communicate through personal telephone calls and electronic mail throughout the audit and on a regular basis. Our clients have the ability to transmit information to us on our secure client portal with the ability to assign different staff with separate log on and viewing capability. This further facilitates efficiency as all assigned users receive electronic mail notification as soon as new information has been posted into the portal. We strive to continue to keep an open line of communication through the fieldwork and ending with an exit conference.



Cost of Services



Grau & Associates
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Our proposed all-inclusive fees for the financial audit for the fiscal years ended September 30, 2020-2024 are as follows:

<u>Year Ended September 30,</u>	<u>Fee</u>
2020	\$3,300
2021	\$3,400
2022	\$3,500
2023	\$3,600
2024	<u>\$3,700</u>
TOTAL (2020-2024)	<u>\$17,500</u>

The above fees are based on the assumption that the District maintains its current level of operations. Should conditions change or additional Bonds are issued the fees would be adjusted accordingly upon approval from all parties concerned.



Supplemental Information



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

PARTIAL LIST OF CLIENTS

SPECIAL DISTRICTS	Governmental Audit	Single Audit	Utility Audit	Current Client	Year End
Boca Raton Airport Authority	✓	✓		✓	9/30
Captain's Key Dependent District	✓			✓	9/30
Central Broward Water Control District	✓			✓	9/30
Coquina Water Control District	✓			✓	9/30
East Central Regional Wastewater Treatment Facility	✓		✓	✓	9/30
Florida Green Finance Authority	✓			✓	9/30
Greater Boca Raton Beach and Park District	✓			✓	9/30
Greater Naples Fire Control and Rescue District	✓			✓	9/30
Green Corridor P.A.C.E. District	✓			✓	9/30
Hobe-St. Lucie Conservancy District	✓			✓	9/30
Indian River Mosquito Control District	✓				9/30
Indian Trail Improvement District	✓			✓	9/30
Key Largo Waste Water Treatment District	✓	✓	✓	✓	9/30
Lake Padgett Estates Independent District	✓			✓	9/30
Lake Worth Drainage District	✓			✓	9/30
Loxahatchee Groves Water Control District	✓			✓	9/30
Old Plantation Control District	✓			✓	9/30
Pal Mar Water Control District	✓			✓	9/30
Pinellas Park Water Management District	✓			✓	9/30
Pine Tree Water Control District (Broward)	✓			✓	9/30
Pinetree Water Control District (Wellington)	✓			✓	9/30
Ranger Drainage District	✓			✓	9/30
Renaissance Improvement District	✓			✓	9/30
San Carlos Park Fire Protection and Rescue Service District	✓			✓	9/30
Sanibel Fire and Rescue District	✓			✓	9/30
South Central Regional Wastewater Treatment and Disposal Board	✓	✓	✓	✓	9/30
South-Dade Venture Development District	✓			✓	9/30
South Indian River Water Control District	✓	✓		✓	9/30
South Trail Fire Protection & Rescue District	✓			✓	9/30
Spring Lake Improvement District	✓			✓	9/30
St. Lucie West Services District	✓		✓	✓	9/30
Sunshine Water Control District	✓			✓	9/30
Sunny Hills Units 12-15 Dependent District	✓			✓	9/30
West Villages Improvement District	✓			✓	9/30
West Villages Independent District	✓		✓	✓	9/30
Various Community Development Districts (297)	✓			✓	9/30
TOTAL	333	4	5	332	

ADDITIONAL SERVICES

CONSULTING / MANAGEMENT ADVISORY SERVICES

Grau & Associates also provide a broad range of other management consulting services. Our expertise has been consistently utilized by Governmental and Non-Profit entities throughout Florida. Examples of engagements performed are as follows:

- Accounting systems
- Development of budgets
- Organizational structures
- Financing alternatives
- IT Auditing
- Fixed asset records
- Cost reimbursement
- Indirect cost allocation
- Grant administration and compliance

ARBITRAGE

The federal government has imposed complex rules to restrict the use of tax-exempt financing. Their principal purpose is to eliminate any significant arbitrage incentives in a tax-exempt issue. We have determined the applicability of these requirements and performed the rebate calculations for more than 150 bond issues, including both fixed and variable rate bonds.

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Current
Arbitrage
Calculations

We look forward to providing Narcoossee Community Development District with our resources and experience to accomplish not only those minimum requirements set forth in your Request for Proposal, but to exceed those expectations!

**For even more information on Grau & Associates
please visit us on www.graucpa.com.**

**NARCOOSSEE
COMMUNITY DEVELOPMENT DISTRICT
PROPOSAL FOR AUDIT SERVICES**

PROPOSED BY:

Berger, Toombs, Elam, Gaines & Frank
CERTIFIED PUBLIC ACCOUNTANTS, PL

600 Citrus Avenue, Suite 200
Fort Pierce, Florida 34950

(772) 461-6120

CONTACT PERSON:

J. W. Gaines, CPA, Director

DATE OF PROPOSAL:

July 16, 2020

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Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

July 16, 2020

Narcoossee Community Development District
Governmental Management Services, LLC
219 East Livingston Street
Orlando, FL 32801

Dear District Manager:

Thank you very much for the opportunity to present our professional credentials to provide audit services for Narcoossee Community Development District.

Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL has assembled a team of governmental and nonprofit specialists second to none to serve our clients. Our firm has the necessary qualifications and experience to serve as the independent auditors for Narcoossee Community Development District. We will provide you with top quality, responsive service.

Experience

Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL is a recognized leader in providing services to governmental and nonprofit agencies throughout Florida. We have been the independent auditors for a number of local governmental agencies and through our experience in performing their audits, we have been able to increase our audit efficiency and; therefore, reduce costs. We have continually passed this cost savings on to our clients and will continue to do so in the future. As a result of our experience and expertise, we have developed an effective and efficient audit approach designed to meet or exceed the performance specifications 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 the standards for financial and compliance audits. We will conduct the audit in accordance with auditing standards generally accepted in the United States of America; "Government Auditing Standards" issued by the Comptroller General of the United States; the provisions of the Single Audit Act, Subpart F of Title 2 US Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, with minimal disruption to your operations. Our firm has frequent technical updates to keep our personnel informed and up-to-date on all changes that are occurring within the industry.

Fort Pierce / Stuart

Member AICPA

- 1 -
Member AICPA Division For CPA Firms
Private Companies Practice Section

Member FICPA



Berger, Toombs, Elam,
Gaines & Frank
Certified Public Accountants PL

Narcoossee Community Development District
July 16, 2020

Our firm is a member of the Government Audit Quality Center, an organization dedicated to improving government audit quality. We also utilize the audit program software of a nationally recognized CPA firm to assure us that we are up to date with all auditing standards and to assist us maintain maximum audit efficiencies.

To facilitate your evaluation of our qualifications and experience, we have arranged this proposal to include a resume of our firm, including our available staff, our extensive prior governmental and nonprofit auditing experience and clients to be contacted.

You need a firm that will provide an efficient, cost-effective, high-quality audit within critical time constraints. You need a firm with the prerequisite governmental and nonprofit experience to perform your audit according to stringent legal and regulatory requirements, a firm that understands the complex nature of community development districts and their unique compliance requirements. You need a firm with recognized governmental and nonprofit specialists within the finance and governmental communities. And, certainly, you need a firm that will provide you with valuable feedback to enhance your current and future operations. Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL is that firm. J. W. Gaines is the person authorized to make representations for the firm.

Thank you again for the opportunity to submit this proposal to Narcoossee Community Development District.

Very truly yours,

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

PROFILE OF THE PROPOSER

Description and History of Audit Firm

Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL is a Treasure Coast public accounting firm, which qualifies as a small business firm, as established by the Small Business Administration (13 CFR 121.38), with offices in Fort Pierce and Stuart. We are a member of the Florida Institute of Certified Public Accountants and the American Institute of Certified Public Accountants. The firm was formed from the merger of Edwards, Berger, Harris & Company (originated in 1972) and McAlpin, Curtis & Associates (originated in 1949). J. W. Gaines and Associates (originated in 1979) merged with the firm in 2004. Our tremendous growth rate experienced over the last 69 years is directly attributable to the firm's unrelenting dedication to providing the highest quality, responsive professional services attainable to its clients.

We are a member of the Private Companies Practice Section (PCPS) of the American Institute of Certified Public Accountants (AICPA) to assure we meet the highest standards. Membership in this practice section requires that our firm meet more stringent standards than standard AICPA membership. These rigorous requirements include the requirement of a triennial peer review of our firm's auditing and accounting practice and annual Continuing Professional Education (CPE) for all accounting staff (whether CPA or non-CPA). For standard AICPA membership, only a quality review is required and only CPAs must meet CPE requirements.

We are also a member of the Government Audit Quality Center ("the Center") of the American Institute of Certified Public Accountants to assure the quality of our government audits. Membership in the Center, which is voluntary, requires our firm to comply with additional standards to promote the quality of government audits.

We have been extensively involved in serving local government entities with professional accounting, auditing and consulting services throughout the entire 69 year history of our firm. Our substantial experience over the years makes us uniquely qualified to provide accounting, auditing, and consulting services to these clients. We are a recognized leader in providing services to governmental and nonprofit agencies on the Treasure Coast and in Central and South Florida, with extensive experience in auditing community development districts and water control districts. We were the independent auditors of the City of Fort Pierce for over 37 years and currently, we are the independent auditors for St. Lucie County since 2002, and for 34 of the 38 years that the county has been audited by CPA firms. Additionally, we have performed audits of the City of Stuart, the City of Vero Beach, Indian River County and Martin County. We also presently audit over 75 Community Development Districts throughout Florida.

Our firm was founded on the belief that we are better able to respond to our clients needs through education, experience, independence, quality control, and personal service. Our firm's commitment to quality is reflected in our endeavor of professional excellence via continuing education, the use of the latest computer technology, professional membership in PCPS and peer review.

We believe our approach to audit engagements, intelligence and innovation teamed with sound professional judgment enables us to explore new concepts while remaining sensitive to the fundamental need for practical solutions. We take pride in giving you the assurance that the personal assistance you receive comes from years of advanced training, technical experience and financial acumen.

Professional Staff Resources

Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL has a total of 27 professional and administrative staff (including 12 professional staff with extensive experience servicing government entities). The work will be performed out of our Fort Pierce office with a proposed staff of one senior accountant and one or two staff accountants supervised by an audit manager and audit partner. With the exception of the directors of the firm's offices, the professional staff is not specifically assigned to any of our individual offices. The professional and administrative staff resources available to you through Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL are as follows:

	<u>Total</u>
Partners/Directors (CPA's)	5
Principals (CPA)	1
Managers (CPA)	1
Senior/Supervisor Accountants (2 CPA's)	3
Staff Accountants (1 CPA)	7
Computer Specialist	1
Paraprofessional	6
Administrative	<u>4</u>
Total – all personnel	28

Following is a brief description of each employee classification:

Staff Accountant – Staff accountants work directly under the constant supervision of the auditor-in-charge and, are responsible for the various testing of documents, account analysis and any other duties as his/her supervisor believes appropriate. Minimum qualification for a staff accountant is graduation from an accredited university or college with a degree in accounting or equivalent.

Senior Accountant – A senior accountant must possess all the qualifications of the staff accountant, in addition to being able to draft the necessary reports and financial statements, and supervise other staff accountants when necessary.

Managers – A manager must possess the qualifications of the senior accountant, plus be able to work without extensive supervision from the auditor-in-charge. The manager should be able to draft audit reports from start to finish and to supervise the audit team, if necessary.

Principal – A principal is a partner/director in training. He has been a manager for several years and possesses the technical skills to act as the auditor-in-charge. A principal has no financial interest in the firm.

Partner/Director – The director has extensive governmental auditing experience and acts as the auditor-in-charge. Directors have a financial interest in the firm.

Professional Staff Resources (Continued)

Independence – Independence of the public accounting firm, with respect to the audit client, is the foundation from which the public gains its trust in the opinion issued by the public accounting firm at the end of the audit process. This independence must be in appearance as well as in fact. The public must perceive that the accounting firm is independent of the audit entity to ensure that nothing would compromise the opinion issued by the public accounting firm. **Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL** is independent of Narcoossee Community Development District, including its elected officials and related parties, at the date of this proposal, as defined by the following rules, regulations, and standards:

AuSection 220 – Statements on Auditing Standards issued by the American Institute of Certified Public Accountants;

ET Sections 101 and 102 – Code of Professional Conduct of the American Institute of Certified Public Accountants;

Chapter 21A-1, Florida Administrative Code;

Section 473.315, Florida Statutes; and,

Government Auditing Standards, issued by the Comptroller General of the United States.

On an annual basis, all members of the firm are required to confirm, in writing, that they have no personal or financial relationships or holding that would impair their independence with regard to the firm's clients.

Independence is a hallmark of our profession. We encourage our staff to use professional judgment in situations where our independence could be impaired or the perception of a conflict of interest might exist. In the governmental sector, public perception is as important as professional standards. Therefore, the utmost care must be exercised by independent auditors in the performance of their duties.

Ability to Furnish the Required Services

As previously noted in the Profile of the Proposer section of this document, our firm has been in existence for over 69 years. We have provided audit services to some clients for over 30 years continually. Our firm is insured against physical loss through commercial insurance and we also carry liability insurance. The majority of our audit documentation is stored electronically, both on our office network and on each employee laptop or computer assigned to each specific job. Our office computer network is backed up on tape, so in the event of a total equipment loss, we can restore all data as soon as replacement equipment is acquired. In addition, our field laptop computers carry the same data and can be used in the event of emergency with virtually no delay in completing the required services.

ADDITIONAL SERVICES PROVIDED

Arbitrage Rebate Services

Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL also provides arbitrage rebate compliance and related services to governmental issuers. The Tax Reform Act of 1986 requires issuers of most tax-exempt obligations to pay (i.e., "rebate") to the United States government any arbitrage profits. Arbitrage profits are earnings on the investment of bond proceeds and certain other monies in excess of what would have been earned had such monies been invested at a yield equal to the yield on the bonds.

Federal tax law requires that interim rebate calculations and payments are due at the end of every fifth bond year. Final payment is required upon redemption of the bonds. More frequent calculations may be deemed advisable by an issuer's auditor, trustee or bond counsel or to assure that accurate and current records are available. These more frequent requirements are usually contained in the Arbitrage or Rebate Certificate with respect to the bonds.

Our firm performs a comprehensive rebate analysis and includes the following:

- Verifying that the issue is subject to rebate;
- Calculating the bond yield;
- Identifying, and separately accounting for, all "Gross Proceeds" (as that term is defined in the Code) of the bond issue, including those requiring analysis due to "transferred proceeds" and/or "commingled funds" circumstances;
- Determining what general and/or elective options are available to Gross proceeds of the issue;
- Calculating the issue's excess investment earning (rebate liability), if any;
- Delivering appropriate documentation to support all calculations;
- Providing an executive summary identifying the methodology employed, major assumptions, conclusions, and any other recommendations for changes in recordkeeping and investment policies;
- Assisting as necessary in the event of an Internal Revenue Service inquiry; and,
- Consulting with issue staff, as necessary, regarding arbitrage related matters.

GOVERNMENTAL AUDITING EXPERIENCE

Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL has been practicing public accounting in Florida for 69 years. Our success over the years has been the result of a strong commitment to providing personalized quality service to our clients.

The current members of our firm have performed audits of over 900 community development districts, and over 1,800 audits of municipalities, counties and other governmental entities such as the City of Fort Pierce and St. Lucie County.

Our firm provides a variety of accounting, auditing, tax litigation support, and consulting services. Some of the professional accounting, auditing and management consulting services that are provided by our firm are listed below:

- Performance of annual financial and compliance audits, including Single Audits of state and federal financial assistance programs, under the provisions of the Single Audit Act, Subpart F of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), with minimal disruptions to your operations;
- Performance of special compliance audits to ascertain compliance with the applicable local, state and federal laws and regulations;
- Issuance of comfort letters and consent letters in conjunction with the issuance of tax-exempt debt obligations, including compiling financial data and interim period financial statement reviews;
- Calculation of estimated and actual federal arbitrage rebates;
- Assistance in compiling historical financial data for first-time and supplemental submissions for GFOA Certificate of Achievement for Excellence in Financial Reporting;
- Preparation of indirect cost allocation systems in accordance with Federal and State regulatory requirements;
- Providing human resource and employee benefit consulting;
- Performance of automation feasibility studies and disaster recovery plans;
- Performance feasibility studies concerning major fixed asset acquisitions and utility plant expansion plans (including electric, water, pollution control, and sanitation utilities); and
- Assistance in litigation, including testimony in civil and criminal court.
- Assist clients who utilize QuickBooks software with their software needs. Our Certified QuickBooks Advisor has undergone extensive training through QuickBooks and has passed several exams to attain this Certification.

Continuing Professional Education

All members of the governmental audit staff of our firm, and audit team members assigned to this engagement, are in compliance with the Continuing Professional Education (CPE) requirements set forth in Government Auditing Standards issued by the Comptroller General of the United States. In addition, our firm is in compliance with the applicable provisions of the Florida Statutes that require CPA's to have met certain CPE requirements prior to proposing on governmental audit engagements.

GOVERNMENTAL AUDITING EXPERIENCE (CONTINUED)

The audit team has extensive experience in performing governmental audits and is exposed to intensive and continuing concentration on these types of audits. Due to the total number of governmental audits our team performs, each member of our governmental staff must understand and be able to perform several types of governmental audits. It is our objective to provide each professional employee fifty hours or more of comprehensive continuing professional education each year. This is accomplished through attending seminars throughout Florida and is reinforced through in-house training.

Our firm has made a steadfast commitment to professional education. Our active attendance and participation in continuing professional education is a major part of our objective to obtain the most recent knowledge on issues which are of importance to our clients. We are growing on the reputation for work that our firm is providing today.

Quality Control Program

Quality control requires continuing commitment to professional excellence. **Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL** is formally dedicated to that commitment.

To ensure maintaining the standards of working excellence required by our firm, we joined the Private Companies Practice Section (PCPS) of the American Institute of Certified Public Accountants (AICPA). To be a participating member firm of this practice section, a firm must obtain an independent Peer Review of its quality control policies and procedures to ascertain the firm's compliance with existing auditing standards on the applicable engagements.

The scope of the Peer Review is comprehensive in that it specifically reviews the following quality control policies and procedures of the participating firm:

- Professional, economic, and administrative independence;
- Assignment of professional personnel to engagements;
- Consultation on technical matters;
- Supervision of engagement personnel;
- Hiring and employment of personnel;
- Professional development;
- Advancement;
- Acceptance and continuation of clients; and,
- Inspection and review system.

We believe that our commitment to the program is rewarding not only to our firm, but primarily to our clients.

The external independent Peer Review of the elements of our quality control policies and procedures performed by an independent certified public accountant, approved by the PCPS of the AICPA, provides you with the assurance that we continue to conform to standards of the profession in the conduct of our accounting and auditing practice.

GOVERNMENTAL AUDITING EXPERIENCE (CONTINUED)

Our firm is also a member of Governmental Audit Quality Center (GAQC), a voluntary membership center for CPA firms that perform governmental audits. This center promotes the quality of governmental audits.

Our firm has completed successive Peer Reviews. These reviews included a representative sample of our firm's local governmental auditing engagements. As a result of these reviews, our firm obtained an unqualified opinion on our quality control program and work procedures. On page 31 is a copy of our most recent Peer Review report. It should be noted that we received a pass rating.

Our firm has never had any disciplinary actions by state regulatory bodies or professional organizations.

As our firm performs approximately one hundred audits each year that are reviewed by federal, state or local entities, we are constantly dealing with questions from these entities about our audits. We are pleased to say that any questions that have been raised were minor issues and were easily resolved without re-issuing any reports.

Certificate of Achievement for Excellence in Financial Reporting (CAFR)

We are proud and honored to have been involved with the City of Fort Pierce and the Fort Pierce Utilities Authority when they received their first Certificates of Achievement for Excellence in Financial Reporting for the fiscal years ended September 30, 1988 and 1994, respectively. We were also instrumental in the City of Stuart receiving the award, in our first year of performing their audit, for the year ended September 30, 1999.

We also assisted St. Lucie County, Florida for the year ended September 30, 2003, in preparing their first Comprehensive Annual Financial Report, and St. Lucie County has received their Certificate of Achievement for Excellence in Financial Reporting every year since.

As continued commitment to insuring that we are providing the highest level of experience, we have had at least one employee of our firm serve on the GFOA – Special Review Committee since the mid-1980s. This committee is made up of selective Certified Public Accountants throughout the United States who have demonstrated their high level of knowledge and expertise in governmental accounting. Each committee member attends a special review meeting at the Annual GFOA Conference. At this meeting, the committee reports on the Certificate of Achievement Program's most recent results, future goals, and common reporting deficiencies.

We feel that our previous experience in assisting the City of Fort Pierce, the Fort Pierce Utilities Authority and St. Lucie County obtain their first CAFRs, and the City of Stuart in continuing to receive a CAFR and our firm's continued involvement with the GFOA, and the CAFR review committee make us a valued asset for any client in the field of governmental financial reporting.

GOVERNMENTAL AUDIT EXPERIENCE (CONTINUED)

References

Terracina Community Development
District
Jeff Walker, Special District Services
(561) 630-4922

Gateway Community Development
District
Stephen Bloom, Severn Trent Management
(954) 753-5841

The Reserve Community Development District
Darrin Mossing, Governmental Management
Services LLC
(407) 841-5524

Port of the Islands Community Development
District
Cal Teague, Premier District Management
(239) 690-7100 ext 101

In addition to the above, we have the following additional governmental audit experience:

Community Development Districts

Aberdeen Community Development
District

Beacon Lakes Community
Development District

Alta Lakes Community Development
District

Beaumont Community Development
District

Amelia Concourse Community
Development District

Bella Collina Community Development
District

Amelia Walk Community
Development District

Bonnet Creek Community
Development District

Aqua One Community Development
District

Buckeye Park Community
Development District

Arborwood Community Development
District

Candler Hills East Community
Development District

Arlington Ridge Community
Development District

Cedar Hammock Community
Development District

Bartram Springs Community
Development District

Central Lake Community
Development District

Baytree Community Development
District

Channing Park Community
Development District

GOVERNMENTAL AUDIT EXPERIENCE (CONTINUED)

Cheval West Community Development District	Evergreen Community Development District
Coconut Cay Community Development District	Forest Brooke Community Development District
Colonial Country Club Community Development District	Gateway Services Community Development District
Connerton West Community Development District	Gramercy Farms Community Development District
Copperstone Community Development District	Greenway Improvement District
Creekside @ Twin Creeks Community Development District	Greyhawk Landing Community Development District
Deer Run Community Development District	Griffin Lakes Community Development District
Dowden West Community Development District	Habitat Community Development District
DP1 Community Development District	Harbor Bay Community Development District
Eagle Point Community Development District	Harbourage at Braden River Community Development District
East Nassau Stewardship District	Harmony Community Development District
Eastlake Oaks Community Development District	Harmony West Community Development District
Easton Park Community Development District	Harrison Ranch Community Development District
Estancia @ Wiregrass Community Development District	Hawkstone Community Development District

GOVERNMENTAL AUDIT EXPERIENCE (CONTINUED)

Heritage Harbor Community
Development District

Madeira Community Development
District

Heritage Isles Community
Development District

Marhsall Creek Community
Development District

Heritage Lake Park Community
Development District

Meadow Pointe IV Community
Development District

Heritage Landing Community
Development District

Meadow View at Twin Creek
Community Development District

Heritage Palms Community
Development District

Mediterra North Community
Development District

Heron Isles Community
Development District

Midtown Miami Community
Development District

Heron Isles Community Development
District

Mira Lago West Community
Development District

Highland Meadows II Community
Development District

Montecito Community
Development District

Julington Creek Community
Development District

Narcoossee Community
Development District

Laguna Lakes Community
Development District

Naturewalk Community
Development District

Lake Bernadette Community
Development District

New Port Tampa Bay Community
Development District

Lakeside Plantation Community
Development District

Overoaks Community Development
District

Landings at Miami Community
Development District

Panther Trace II Community
Development District

Legends Bay Community
Development District

Paseo Community Development
District

Lexington Oaks Community
Development District

Pine Ridge Plantation Community
Development District

Live Oak No. 2 Community
Development District

Piney Z Community Development
District

GOVERNMENTAL AUDIT EXPERIENCE (CONTINUED)

Poinciana Community Development District	Sampson Creek Community Development District
Poinciana West Community Development District	San Simeon Community Development District
Port of the Islands Community Development District	Six Mile Creek Community Development District
Portofino Isles Community Development District	South Village Community Development District
Quarry Community Development District	Southern Hills Plantation I Community Development District
Renaissance Commons Community Development District	Southern Hills Plantation III Community Development District
Reserve Community Development District	South Fork Community Development District
Reserve #2 Community Development District	St. John's Forest Community Development District
River Glen Community Development District	Stoneybrook South Community Development District
River Hall Community Development District	Stoneybrook South at ChampionsGate Community Development District
River Place on the St. Lucie Community Development District	Stoneybrook West Community Development District
Rivers Edge Community Development District	Tern Bay Community Development District
Riverwood Community Development District	Terracina Community Development District
Riverwood Estates Community Development District	Tison's Landing Community Development District
Rolling Hills Community Development District	TPOST Community Development District
Rolling Oaks Community Development District	

GOVERNMENTAL AUDIT EXPERIENCE (CONTINUED)

Triple Creek Community
Development District

Vizcaya in Kendall
Development District

TSR Community Development
District

Waterset North Community
Development District

Turnbull Creek Community
Development District

Westside Community Development
District

Twin Creeks North Community
Development District

WildBlue Community Development
District

Urban Orlando Community
Development District

Willow Creek Community
Development District

Verano #2 Community
Development District

Willow Hammock Community
Development District

Viera East Community
Development District

Winston Trails Community
Development District

VillaMar Community
Development District

Zephyr Ridge Community
Development District

GOVERNMENTAL AUDIT EXPERIENCE (CONTINUED)

Other Governmental Organizations

City of Westlake	Office of the Medical Examiner, District 19
Florida Inland Navigation District	Rupert J. Smith Law Library of St. Lucie County
Fort Pierce Farms Water Control District	St. Lucie Education Foundation
Indian River Regional Crime Laboratory, District 19, Florida	Seminole Improvement District
Viera Stewardship District	Troup Indiantown Water Control District

Current or Recent Single Audits.

St. Lucie County, Florida
Early Learning Coalition, Inc.
Treasure Coast Food Bank, Inc.

Members of our audit team have acquired extensive experience from performing or participating in over 1,800 audits of governments, independent special taxing districts, school boards, and other agencies that receive public money and utilize fund accounting.

Much of our firm's auditing experience is with compliance auditing, which is required for publicly financed agencies. In this type of audit, we do a financial examination and also confirm compliance with various statutory and regulatory guidelines.

Following is a summary of our other experience, including Auditor General experience, as it pertains to other governmental and fund accounting audits.

Counties

(Includes elected constitutional officers, utilities and dependent taxing districts)

Indian River
Martin
Okeechobee
Palm Beach

Municipalities

City of Port St. Lucie
City of Vero Beach
Town of Orchid

GOVERNMENTAL AUDIT EXPERIENCE (CONTINUED)

Special Districts

Bannon Lakes Community Development District
Boggy Creek Community Development District
Capron Trail Community Development District
Celebration Pointe Community Development District
Coquina Water Control District
Diamond Hill Community Development District
Dovera Community Development District
Durbin Crossing Community Development District
Golden Lakes Community Development District
Lakewood Ranch Community Development District
Martin Soil and Water Conservation District
Meadow Pointe III Community Development District
Myrtle Creek Community Development District
St. Lucie County – Fort Pierce Fire District
The Crossings at Fleming Island
St. Lucie West Services District
Indian River County Mosquito Control District
St. John's Water Control District
Westchase and Westchase East Community Development Districts
Pier Park Community Development District
Verandahs Community Development District
Magnolia Park Community Development District

Schools and Colleges

Federal Student Aid Programs – Indian River Community College
Indian River Community College
Okeechobee County District School Board
St. Lucie County District School Board

State and County Agencies

Central Florida Foreign-Trade Zone, Inc. (a nonprofit organization affiliated with the St. Lucie County Board of County Commissioners)
Florida School for Boys at Okeechobee
Indian River Community College Crime Laboratory
Indian River Correctional Institution

FEE SCHEDULE

We propose the fee for our audit services described below to be \$2,895 for the years ended September 30, 2020 and 2021, \$3,050 for the year ending September 30, 2022, and \$3,105 for the years ended September 30, 2023 and 2024. The fee is contingent upon the financial records and accounting systems of Narcoossee Community Development District being "audit ready" and the financial activity for the District is not materially increased. If we discover that additional preparation work or subsidiary schedules are needed, we will consult with your authorized representative. We can assist with this additional work at our standard rates should you desire.

SCOPE OF WORK TO BE PERFORMED

If selected as the District's auditors, we will perform a financial and compliance audit in accordance with Section 11.45, Florida Statutes, in order to express an opinion on an annual basis on the financial statements of Narcoossee Community Development District as of September 30, 2020, 2021, 2022, 2023, and 2024. The audits will be performed to the extent necessary to express an opinion on the fairness in all material respects with which the financial statements present the financial position, results of operations and changes in financial position in conformity with generally accepted accounting principles and to determine whether, for selected transactions, operations are properly conducted in accordance with legal and regulatory requirements. Reportable conditions that are also material weaknesses shall be identified as such in the Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters. Other (non-reportable) conditions discovered during the course of the audit will be reported in a separate letter to management, which will be referred to in the Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters.

Our audit will be performed in accordance with standards for financial and compliance audits contained in *Government Auditing Standards*, as well as in compliance with rules and regulations of audits of special districts as set forth by the State Auditor General in Chapter 10.550, Local Governmental Entity Audits, and other relevant federal, state and county orders, statutes, ordinances, charter, resolutions, bond covenants, Administrative Code and procedures, or rules and regulations which may pertain to the work required in the engagement.

The primary purpose of our audit will be to express an opinion on the financial statements discussed above. It should be noted that such audits are subject to the inherent risk that errors or irregularities may not be detected. However, if conditions are discovered which lead to the belief that material errors, defalcations or other irregularities may exist or if other circumstances are encountered that require extended services, we will promptly notify the appropriate individual.

Commitment to Quality Service

Personnel Qualifications and Experience

J. W. Gaines, CPA, CITP

Director – 40 years

Education

- ◆ Stetson University, B.B.A. – Accounting

Registrations

- ◆ Certified Public Accountant – State of Florida, State Board of Accountancy
- ◆ Certified Information Technology Professional (CITP) – American Institute of Certified Public Accountants

Professional Affiliations/Community Service

- ◆ Member of the American and Florida Institutes of Certified Public Accountants
- ◆ Affiliate member Government Finance Officers Association
- ◆ Past President, Vice President-Campaign Chairman, Vice President and Board Member of United Way of St. Lucie County, 1989 - 1994
- ◆ Past President, President Elect, Secretary and Treasurer of the Treasure Coast Chapter of the Florida Institute of Certified Public Accountants, 1988 - 1991
- ◆ Past President of Ft. Pierce Kiwanis Club, 1994 - 95, Member/Board Member since 1982
- ◆ Past President, Vice President and Treasurer of St. Lucie County Chapter of the American Cancer Society, 1980 -1986
- ◆ Member of the St. Lucie County Chamber of Commerce, Member Board of Directors, Treasurer, September 2002 - 2006, Chairman Elect 2007, Chairman 2008, Past Chairman 2009
- ◆ Member Lawnwood Regional Medical Center Board of Trustees, 2000 – Present, Chairman 2013 - Present
- ◆ Member of St. Lucie County Citizens Budget Committee, 2001 – 2002
- ◆ Member of Ft. Pierce Citizens Budget Advisory Committee, 2010 – 2011
- ◆ Member of Ft. Pierce Civil Service Appeals Board, 2013 - Present

Professional Experience

- ◆ Miles Grant Development/Country Club – Stuart, Florida, July 1975 – October 1976
- ◆ State Auditor General's Office – Public Accounts Auditor – November 1976 through September 1979
- ◆ Director - Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants PL, responsible for numerous government and nonprofit audits.
- ◆ Over 30 years experience in all phases of public accounting and auditing experience, with a concentration in financial and compliance audits. Mr. Gaines has been involved in all phases of the audits listed on the preceding pages.

Commitment to Quality Service

Personnel Qualifications and Experience

J. W. Gaines, CPA, CITP (Continued)

Director

Continuing Professional Education

- ♦ Has participated in numerous continuing professional education courses provided by nationally recognized sponsors over the last two years to keep abreast of the latest developments in accounting and auditing such as:
 - Governmental Accounting Report and Audit Update
 - Analytical Procedures, FICPA
 - Annual Update for Accountants and Auditors
 - Single Audit Sampling and Other Considerations

Commitment to Quality Service

Personnel Qualifications and Experience

David S. McGuire, CPA, CITP

Accounting and Audit Principal – 11 years

Accounting and Audit Manager – 4 years

Staff Accountant – 11 years

Education

- ◆ University of Central Florida, B.A. – Accounting
- ◆ Barry University – Master of Professional Accountancy

Registrations

- ◆ Certified Public Accountant – State of Florida, State Board of Accountancy
- ◆ Certified Information Technology Professional (CITP) – American Institute of Certified Public Accountants
- ◆ Certified Not-For-Profit Core Concepts 2018

Professional Affiliations/Community Service

- ◆ Member of the American and Florida Institutes of Certified Public Accountants
- ◆ Associate Member, Florida Government Finance Office Associates
- ◆ Assistant Coach – St. Lucie County Youth Football Organization (1994 – 2005)
- ◆ Assistant Coach – Greater Port St. Lucie Football League, Inc. (2006 – 2010)
- ◆ Board Member – Greater Port St. Lucie Football League, Inc. (2011 – present)
- ◆ Treasurer, AIDS Research and Treatment Center of the Treasure Coast, Inc. (2000 – 2003)
- ◆ Board Member/Treasurer, North Treasure Coast Chapter, American Red Cross (2004 – 2010)
- ◆ Member/Board Member of Port St. Lucie Kiwanis (1994 – 2001)
- ◆ President (2014/15) of Sunrise Kiwanis of Fort Pierce (2004 – present)
- ◆ St. Lucie District School Board Superintendent Search Committee (2013 – present)

Professional Experience

- ◆ Twenty-four years public accounting experience with an emphasis on nonprofit and governmental organizations.
- ◆ Audit Manager in-charge on a variety of audit and review engagements within several industries, including the following government and nonprofit organizations:
 - St. Lucie County, Florida
 - 19th Circuit Office of Medical Examiner
 - Troup Indiantown Water Control District
 - Exchange Club Center for the Prevention of Child Abuse, Inc.
 - Healthy Kids of St. Lucie County
 - Mustard Seed Ministries of Ft. Pierce, Inc.
 - Reaching Our Community Kids, Inc.
 - Reaching Our Community Kids - South
 - St. Lucie County Education Foundation, Inc.
 - Treasure Coast Food Bank, Inc.
 - North Springs Improvement District
- ◆ Four years of service in the United States Air Force in computer operations, with a top secret (SCI/SBI) security clearance.

Commitment to Quality Service

Personnel Qualifications and Experience

David S. McGuire, CPA, CITP (Continued)

Accounting and Audit Principal

Continuing Professional Education

- ♦ Mr. McGuire has attended numerous continuing professional education courses and seminars taught by nationally recognized sponsors in the accounting auditing and single audit compliance areas. He has attended courses over the last two years in those areas as follows:

Not-for-Profit Auditing Financial Results and Compliance Requirements

Update: Government Accounting Reporting and Auditing

Annual Update for Accountants and Auditors

Commitment to Quality Service

Personnel Qualifications and Experience

David F. Haughton, CPA

Accounting and Audit Manager – 28 years

Education

- ◆ Stetson University, B.B.A. – Accounting

Registrations

- ◆ Certified Public Accountant – State of Florida, State Board of Accountancy

Professional Affiliations/Community Service

- ◆ Member of the American and Florida Institutes of Certified Public Accountants
- ◆ Former Member of Florida Institute of Certified Public Accountants Committee on State and Local Government
- ◆ Affiliate Member Government Finance Officers Association (GFOA) for over 10 years
- ◆ Affiliate Member Florida Government Finance Officers Association (FGFOA) for over 10 years
- ◆ Technical Review – 1997 FICPA Course on State and Local Governments in Florida
- ◆ Board of Directors – Kiwanis of Ft. Pierce, Treasurer – 1994-1999; Vice President – 1999-2001

Professional Experience

- ◆ Twenty-seven years public accounting experience with an emphasis on governmental and nonprofit organizations.
- ◆ State Auditor General's Office – West Palm Beach, Staff Auditor, June 1985 to September 1985
- ◆ Accounting and Audit Manager of Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants PL, responsible for audit and accounting services including governmental and not-for-profit audits.
- ◆ Over 20 years of public accounting and governmental experience, specializing in governmental and nonprofit organizations with concentration in special districts, including Community Development Districts which provide services including water and sewer utilities. Governmental and non-profit entities served include the following:

Counties:

St. Lucie County

Municipalities:

City of Fort Pierce

City of Stuart

Commitment to Quality Service

Personnel Qualifications and Experience

David F. Haughton, CPA (Continued)
Accounting and Audit Manager

Professional Experience (Continued)

Special Districts:

Bluewaters Community Development District
Country Club of Mount Dora Community Development District
Fiddler's Creek Community Development District #1 and #2
Indigo Community Development District
North Springs Improvement District
Renaissance Commons Community Development District
St. Lucie West Services District
Stoneybrook Community Development District
Summerville Community Development District
Terracina Community Development District
Thousand Oaks Community Development District
Tree Island Estates Community Development District
Valencia Acres Community Development District

Non-Profits:

The Dunbar Center, Inc.
Hibiscus Children's Foundation, Inc.
Hope Rural School, Inc.
Maritime and Yachting Museum of Florida, Inc.
Tykes and Teens, Inc.
United Way of Martin County, Inc.
Workforce Development Board of the Treasure Coast, Inc.

- ◆ While with the Auditor General's Office he was on the staff for the state audits of the Martin County School District and Okeechobee County School District.
- ◆ During 1997 he performed a technical review of the Florida Institute of Certified Public Accountants state CPE course on Audits of State and Local Governments in Florida. His comments were well received by the author and were utilized in future updates to the course.

Continuing Professional Education

- ◆ During the past several years, he has participated in numerous professional development training programs sponsored by the AICPA and FICPA, including state conferences on special districts and governmental auditing in Florida. He averages in excess of 100 hours bi-annually of advanced training which exceeds the 80 hours required in accordance with the continuing professional education requirements of the Florida State Board of accountancy and the AICPA Private Companies Practice Section. He has over 75 hours of governmental CPE credit within the past two years.

Commitment to Quality Service

Personnel Qualifications and Experience

Matthew Gonano, CPA

Senior Staff Accountant – 8 years

Education

- ◆ University of North Florida, B.B.A. – Accounting
- ◆ University of Alicante, Spain – International Business
- ◆ Florida Atlantic University – Masters of Accounting

Professional Affiliations/Community Service

- ◆ American Institute of Certified Public Accountants
- ◆ Florida Institute of Certified Public Accountants

Professional Experience

- ◆ Senior Accountant with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.
- ◆ Performed audits of nonprofit and governmental organizations in accordance with Governmental Accounting Auditing Standards (GAAS)
- ◆ Performed Single Audits of nonprofit organizations in accordance with OMB Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations.

Continuing Professional Education

- ◆ Mr. Gonano has participated in numerous continuing professional education courses.

Commitment to Quality Service

Personnel Qualifications and Experience

Paul Daly

Staff Accountant – 7 years

Education

- ♦ Florida Atlantic University, B.S. – Accounting

Professional Experience

- ♦ Staff Accountant with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.

Continuing Professional Education

- ♦ Working to attain the requirements to take the Certified Public Accounting (CPA) exam.

Commitment to Quality Service

Personnel Qualifications and Experience

Melissa Marlin

Senior Staff Accountant – 5 years

Education

- ◆ Indian River State College, A.A. – Accounting
- ◆ Florida Atlantic University, B.B.A. – Accounting

Professional Experience

- ◆ Staff accountant with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.

Continuing Professional Education

- ◆ Mrs. Marlin participates in numerous continuing professional education courses provided by nationally recognized sponsors to keep abreast of the latest developments.
- ◆ Mrs. Marlin is currently studying to pass the CPA exam.

Commitment to Quality Service

Personnel Qualifications and Experience

Bryan Snyder

Staff Accountant – 4 years

Education

- ◆ Florida Atlantic University, B.B.A. – Accounting

Professional Experience

- ◆ Accountant beginning his professional auditing career with Berger, Toombs, Elam, Gaines, & Frank.
- ◆ Mr. Snyder is gaining experience auditing governmental & nonprofit entities.

Continuing Professional Education

- ◆ Mr. Snyder participates in numerous continuing education courses and plans on working to acquire his CPA certificate.
- ◆ Mr. Snyder is currently studying to pass the CPA exam.

Commitment to Quality Service

Personnel Qualifications and Experience

Maritza Stonebraker

Staff Accountant – 3 years

Education

- ♦ Indian River State College, B.S.A. – Accounting

Professional Experience

- ♦ Staff Accountant beginning her professional auditing career with Berger, Toombs, Elam, Gaines, & Frank.

Continuing Professional Education

- ♦ Mrs. Stonebraker participates in numerous continuing education courses and plans on acquiring her CPA.
- ♦ Mrs. Stonebraker is currently studying to pass the CPA exam.

Commitment to Quality Service

Personnel Qualifications and Experience

Jonathan Herman, CPA

Senior Staff Accountant – 5 years

Education

- ◆ University of Central Florida, B.S. – Accounting
- ◆ Florida Atlantic University, MACC

Professional Experience

- ◆ Accounting graduate with five years experience with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.

Continuing Professional Education

- ◆ Mr. Herman participates in numerous continuing professional education courses provided by nationally recognized sponsors to keep abreast of the latest developments.

Commitment to Quality Service

Personnel Qualifications and Experience

Sean Stanton, CPA

Staff Accountant – 3 years

Education

- ◆ University of South Florida, B.S. – Accounting
- ◆ Florida Atlantic University, M.B.A. – Accounting

Professional Experience

- ◆ Staff accountant with Berger, Toombs, Elam, Gaines, & Frank auditing governmental and non-profit entities.

Continuing Professional Education

- ◆ Mr. Stanton participates in numerous continuing professional education courses provided by nationally recognized sponsors to keep abreast of the latest developments.

Commitment to Quality Service

Personnel Qualifications and Experience
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Taylor Nuccio

Staff Accountant – 1 year

Education

- ♦ Indian River State College, B.S.A. – Accounting

Professional Experience

- ♦ Staff Accountant with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.

Continuing Professional Education

- ♦ Ms. Nuccio participates in numerous continuing professional education courses provided by nationally recognized sponsors to keep abreast of the latest developments.
- ♦ Ms. Nuccio is currently working towards completing an additional 30 hours of education to qualify to sit for CPA exam.

Commitment to Quality Service

Personnel Qualifications and Experience

Kirk Vasser
Staff Accountant

Education

- ◆ Indian River State College, B.S.A. – Accounting

Professional Experience

- ◆ Staff Accountant with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.

Continuing Professional Education

- ◆ Mr. Vasser participates in numerous continuing professional education courses provided by nationally recognized sponsors to keep abreast of the latest developments.
- ◆ Mr. Vasser is currently working towards completing an additional 30 hours of education to qualify to sit for CPA exam.

Commitment to Quality Service

Personnel Qualifications and Experience
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Madison Ballash
Staff Accountant

Education

- ◆ Indian River State College, B.S.A. – Accounting (May 2020)

Professional Experience

- ◆ Staff Accountant with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.

Continuing Professional Education

- ◆ Ms. Ballash participates in numerous continuing professional education courses provided by nationally recognized sponsors to keep abreast of the latest developments.
- ◆ Ms. Ballash is currently working towards completing an additional 30 hours of education to qualify to sit for CPA exam.



Judson B. Baggett
MBA, CPA, CVA, Partner
6815 Dairy Road
Zephyrhills, FL 33542
(813) 788-2155
Marci Reutimann
CPA, Partner
(813) 782-8606

Report on the Firm's System of Quality Control

To the Partners
Berger, Toombs, Elam, Gaines & Frank, CPAs, PL
and the Peer Review Committee of the Florida Institute of Certified Public Accountants

October 30, 2019

We have reviewed the system of quality control for the accounting and auditing practice of Berger, Toombs, Elam, Gaines & Frank, CPAs, PL, (the firm), in effect for the year ended May 31, 2019. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control, and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Berger, Toombs, Elam, Gaines & Frank, CPAs, PL, in effect for the year ended May 31, 2019, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Berger, Toombs, Elam, Gaines & Frank, CPAs, PL has received a peer review rating of *pass*.

Baggett, Reutimann & Associates, CPAs, PA
BAGGETT, REUTIMANN & ASSOCIATES, CPAs, PA
Report prepared by Baggett, Reutimann & Associates, CPAs, PA, 11111 11111 11111 11111 11111 11111 11111 11111 11111 11111

Member American Institute of Certified Public Accountants (AICPA) and Florida Institute of Certified Public Accountants (FICPA)
National Association of Certified Valuation Analysts (NACVA)

**PROPOSAL TO PROVIDE
AUDITING SERVICES TO THE**

**NARCOOSSEE COMMUNITY
DEVELOPMENT DISTRICT**

FOR THE FISCAL YEARS ENDING

SEPTEMBER 30, 2020

With the Option for 4 Additional Annual Renewals

REQUEST FOR PROPOSAL - AUDIT SERVICES

July 16, 2020

Submitted by:



**934 NORTH MAGNOLIA AVENUE
SUITE 100
ORLANDO, FLORIDA 32803
(407) 843-5406**

CONTACT: Tamara Campbell, C.P.A.

tcampbell@mcdirmittdavis.com
www.mcdirmittdavis.com

Proposal for Audit Services to
Narcoossee Community Development District
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Letter of Interest



934 North Magnolia Avenue, Suite 100
Orlando, Florida 32803
407-843-5406
www.mcdermittdavis.com

July 16, 2020

Jason M. Showe, District Manager
Narcoossee Community Development District
219 East Livingston Street
Orlando, FL 32801

Thank you for the opportunity to submit our qualifications and experience to serve as independent auditors of *Narcoossee Community Development District*. The accompanying proposal will provide you detailed information regarding the scope of services to be provided, as well as a profile of the firm, the individuals who will serve you, our qualifications and experience, and representative clients, including specific references.

It is our understanding that we will provide the following services:

1. Financial audit as defined in Sec. 11.45(l)(b), Florida Statutes, of the basic financial statements of *Narcoossee Community Development District* for the fiscal year ending September 30, 2020, with the option of four additional annual renewals. We will commit to maintain staff required to conclude the audits within the time constraints indicated in the RFP.
2. The audit will be performed in accordance with generally accepted auditing standards, *Governmental Auditing Standards* and the Rules of the Auditor General of the State of Florida.

We believe we are the best-qualified firm to perform the engagement for the following reasons:

- We presently audit **over fifty Community Development Districts**, fourteen municipalities and one special water district and have an excellent working knowledge of generally accepted accounting principles related to governmental entities. We assist in the preparation of the CAFR for most of these governmental entities.
- We have assisted nine municipalities in receiving the GFOA "Certificate of Achievement for Excellence in Financial Reporting". Most of these municipalities have been receiving the "Certificate of Achievement" between ten and twenty years. Tamara Campbell is active as a national review team member of the GFOA's "Certificate of Achievement for Excellence in Financial Reporting" program. As a review team member, Ms. Campbell reviews and evaluates financial reports submitted by cities and counties to determine whether the financial reports meet the stringent requirements to receive the GFOA'S prestigious award. Participating as a review team member, Ms. Campbell has demonstrated her expertise in governmental accounting and auditing.
- We have strong information technology ability and will input the District's general ledger balances into our ProSystem fx Engagement software and perform a virtually "paperless" audit. The District's Financial Statements are linked to the general ledger; therefore, the likelihood of errors on the financial statements is reduced.
- We have recent and continuous experience and have devoted a great deal of our continuing education to the governmental auditing and accounting field. Our firm meets the independence and education requirements of the *Government Auditing Standards* issued by the Comptroller General of the United States. Our firm is independent of *Narcoossee Community Development District* as defined by *Government Auditing Standards*.

- We believe in continuing client contact throughout the year, not just during the audit. We encourage on-going client contact by not charging any fee for phone calls.
- We are members of the American and Florida Institutes of Certified Public Accountants and an Associate member of the Governmental Finance Officers Association. Our firm is active in governmental organizations throughout Central Florida and serves on governmental committees of the Florida Institute of CPA's.
- We are a local firm with personnel committed to quality and professional performance, accustomed to providing a high level of client satisfaction. We believe that our firm is part of a team effort to assist the District in developing the best financial reporting possible.
- We have a history of continuity of personnel assigned to the engagement. Our single office firm and low personnel turnover assures uninterrupted services from our partners and staff. We have a staff of 28 people and **8 of those are governmental audit staff.**
- We certify that we do not discriminate on the basis of race, color, sex, religion, disability, national origin, ancestry, sexual orientation, familial status, age, or any other protected characteristic as established in the Equal Employment Opportunity law.

McDimit Davis, LLC has not colluded with any of the Proposers, and we have not defaulted on any previous contract, and are not in arrears on any previous or existing contract and are properly licensed.

Because of our unique qualifications and a philosophy based on complete dedication to client service, we feel confident that we can provide you with responsiveness and a range of experience that will best serve your needs.

Ms. Tamara Campbell, partner, is authorized to represent the firm and may be contacted at 934 North Magnolia Avenue, Suite 100, Orlando, Florida 32803, or phone (407) 843-5406.

We would consider it a privilege to serve as independent auditors for *Narcoossee Community Development District*.

Sincerely,

McDimit Davis, LLC



Tamara Campbell, C.P.A.

Company Background



Company Background

Description and History of Audit Firm

McDermitt Davis, LLC was incorporated in the State of Florida in August 1984 and serves Central Florida from its centrally located office in Orlando, Florida. The partners and managers have over 150 years of combined experience in public accounting, and our firm has grown to be ranked as one of the top 10 accounting firms in Central Florida by the Orlando Business Journal.

Our firm now consists of the following staff:

Partners	5
Managers	4
Seniors	7
Staff Accountants/Paraprofessionals	7
Support Staff	4
Information Systems	
Technology Staff	<u>1</u>
	<u>28</u>

The total number of governmental audit staff is eight. We are members of the American and Florida Institutes of Certified Public Accountants and an associate member of the Governmental Finance Officers Association. We are also a member of the *Governmental Audit Quality Center*.

Our firm has a wide range of clients providing both goods and services in the Central Florida area. Our practice encompasses auditing, accounting, management advisory and tax services. A list of all governmental clients audited by us for the fiscal years 2013-2018 is as follows:

- **Over Fifty Community Development Districts**
- **Sun'n Lake of Sebring Improvement District**
- City of Winter Springs, Florida *
- City of Ocoee, Florida *
- City of Longwood, Florida *
- City of Lake Mary, Florida*
- City of Belle Isle, Florida *
- City of Mascotte, Florida
- City of Tavares, Florida *
- Town of Windermere, Florida
- City of Clermont, Florida *
- City of Inverness, Florida*
- City of Orange City, Florida*
- City of Groveland, Florida
- City of Fruitland Park, Florida
- City of Minneola, Florida
- City of Umatilla, Florida*
- Town of Montverde, Florida
- City of Oviedo, Florida*



- These entities are presently clients of McDermitt Davis, LLC
- These entities participate in the Certificate of Achievement for Excellence in Financial Reporting program.



Engagement Team

The following supervisory people will work on the audit:

- Tamara Campbell, C.P.A., engagement partner
- Michelle Sorbello, C.P.A., audit manager
- Matthew Lee, C.P.A., audit manager
- Robert Hernandez, IT specialist



All of the above people have considerable experience on governmental audit engagements. Resumes detailing their experience follow on pages 8 through 11. All supervisory personnel assigned to the audit, except the IT Professional, are Certified Public Accountants. The engagement partner and audit supervisor will be assigned to audit on a full-time basis.

The professional staff of our firm has been conducting governmental audits in the Central Florida area for the past thirty years. We are experienced auditors in a variety of industries and offer experience in auditing federal grants under the Single Audit Act and performing compliance audits of state grants. Our policy is to assign staff accountants to the same audit each year, however, rotate the areas they work on. We will notify the District prior to assigning new staff to the audit.

License to Practice in Florida

Our Firm and all key professional staff are properly licensed to practice in the state of Florida. In addition, our Firm and all assigned key personnel are in good standing with the Florida Board of Accountancy. We can provide a copy of actual License, if requested.

Independence

McDermitt Davis, LLC is independent of the District as defined by auditing standards contained in *Government Auditing Standards*.

Governmental Audit Quality Center

McDermitt Davis, LLC is a member of the AICPA's Governmental Audit Quality Center which is dedicated to establishing the highest standards of audit quality in the governmental accounting and audit sector.

External Quality Control Review

Our Firm understands the importance of developing a formal quality control program, and therefore have been a member of the Private Companies Practice Section of the American Institute of Certified Public Accountants **since 1985**. Member firms are required to adhere to quality control standards established by the AICPA Quality Control Standards Committee and to submit to peer reviews of the firm's accounting and audit practice. Peer reviews are intensive reviews of a firm's quality control system by an independent CPA firm. Our firm has had seven peer reviews performed by the American Institute of Certified Public Accountants. Each peer review has included a review of a local governmental entity. We received a "pass" opinion on each review, which represents the best opinion that a firm can receive.

On our most recent peer review performed in 2017, we received a peer review rating of "pass", which is the highest rating that a firm can receive under the revised peer review standards. We have never been subject to any litigation or disciplinary actions by a client, the State or any professional organization for substandard field work. A copy of our firm's most recent peer review report follows this page. These peer reviews included a review of at least two governmental engagements, and it should be noted that there were no findings as a result of this review. We have never withdrawn from an engagement prior to the agreed expiration date.



Federal or State Reviews

Any Federal or State desk review has resulted in no findings and we have never undergone a Federal or State field audit.

Other Services Provided

Our experience in governmental auditing has led to the development of efficient procedures that provide various client benefits. Our services provide our clients with a wide range of knowledge, confidence, and helpful management advice. Below is a listing of the type of other services that we have provided to governmental clients.

1. Assistance in preparation of Comprehensive Annual Financial Reports for recognition by the Government Finance Officers Certificate of Achievement Program.
2. Internal audit services.
3. Issuance of Comfort Letters and Consent Letters in conjunction with the issuance of tax-exempt bonds.
4. Assistance on early implementation of new GASB Statements.
5. Assisting in compiling historical financial data for first-time submissions for GFOA Certificate of Achievement for Excellence in Financial Reporting.
6. Detailed internal control studies and evaluations of accounting systems.



Gregory, Sharer & Stuart, P.A.

Certified Public Accountants and Business Consultants

Report on the Firm's System of Quality Control

October 13, 2017

To the Owners of McDirmit Davis & Company, LLC
And the Peer Review Committee of the Florida Institute of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of McDirmit Davis & Company, LLC (the firm) in effect for the year ended June 30, 2017. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards* including a compliance audit under the Single Audit Act and an audit of employee benefit plans.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of McDirmit Davis & Company, LLC in effect for the year ended June 30, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. McDirmit Davis & Company, LLC has received a peer review rating of *pass*.

Gregory, Sharer & Stuart, P.A.



Continuing Education

McDirmitt Davis, LLC is committed to the personal and professional growth of its staff. Our firm requires an annual minimum of 40 hours of continuing professional education for each staff member.

Our governmental audit staff complies with the continuing education requirements of the State of Florida, the Governmental Accountability Office (GAO), and *Governmental Auditing Standards* (Yellow Book). Therefore at least 24 hours during a 2 year period must be in subjects directly related to the government environment and to governmental auditing. Our governmental audit staff always exceed this requirement since they attend each year the Florida Governmental Financial Officer's Association Annual Conference which provides 22 hours of training in governmental accounting and auditing.



As a result of our governmental experience, our staff has taught classes or lectured on various topics. We offer "in-house" education courses for our staff, which at times, our clients have attended. In addition, we would be happy to teach seminars for the benefit of the District's accounting staff.

Information Technology

Our firm has one dedicated Information Technology specialist who has several years' experience in setting up and administering computer systems and networks of all sizes. In addition, all ten governmental audit personnel are experienced with various governmental software programs. We utilize automated, paperless auditing software which stores all trial balances and audit workpapers electronically. We also use Data Analysis Software, which enables us to obtain 100% of selected data and test "through your computer system."

One of the services we provide our clients is CLIENT PORTAL. This is a convenient online storage space in which files can be effortlessly uploaded, downloaded, stored and shared in a safe and secure environment. We understand that every business has different requirements when it comes to IT systems. To help you find the best IT system to suit your needs, our IT Specialist will evaluate your network and provide a comprehensive solution.

Records Retention

Our firm maintains records in accordance with local, state, and Federal Public Records Retention Requirements.

Experience

Resume - Tammy Campbell, CPA

Partner



Education, Certifications, and Licenses

- B.S. Degree in Accounting, University of Central Florida
- Masters in Taxation, University of Central Florida
- CPA, Certified Public Accountant - Florida, 2007

Affiliations and Community Involvement

- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Florida Government Finance Officers Association (FGFOA)
- Reviewer for GFOA's "Certificate of Achievement for Excellence in Financial Reporting" program
- Member of the Orange County School Board Audit Advisory Committee

Continuing Professional Education

Tammy has completed over 120 hours of Continuing Professional Education (CPE) in the area of governmental accounting and auditing within the past three years and meets the requirements of *Governmental Auditing Standards (the "Yellow Book")*. CPE included classes on Single Audits, the *Yellow Book*, and changes in governmental accounting principles, such as GASBS 67 and 68 on pension plans.

Experience

- Tammy has fifteen (15) years of governmental accounting and auditing experience, including municipalities and airport authorities.
- Her experience has included planning, fieldwork, and preparation of comprehensive annual financial reports for several governmental audit engagements.
- Tammy has worked with all 14 municipalities in the CAFR preparation process, including assisting most cities with obtaining the GFOA Certificate of Achievement.

Governmental Audit Experience (Past 5 years)

- **Over 60 Community Development Districts**
- City of Umatilla
- City of Clermont
- City of Oviedo
- City of Lake Mary
- City of Ocoee
- City of Tavares
- City of Orange City
- Town of Windermere
- City of Longwood
- City of Belle Isle
- City of Winter Springs
- City of Inverness
- City of Mascotte
- Homosassa Water District

Resume - Michelle Sorbello, CPA

Audit Manager



Education, Certifications, and Licenses

- B.S. Degree in Accounting, University of Central Florida
- Masters in Accounting, University of Central Florida
- CPA, Certified Public Accountant - Florida

Affiliations and Community Involvement

- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Florida Government Finance Officers Association (FGFOA)

Continuing Professional Education

Michelle has completed over 120 hours of Continuing Professional Education (CPE) in the area of governmental accounting and auditing within the past three years and meets the requirements of *Governmental Auditing Standards*.

Experience

- Michelle has 6 years of governmental accounting and auditing experience.
- She has significant experience in the audits of governmental and not-for-profit entities, including those subject to Federal and Florida Single Audit requirements.

Governmental Audit Experience (Past 5 years)

- | | |
|--|---------------------|
| • City of Winter Springs | • City of Lake Mary |
| • City of Longwood | • City of Ocoee |
| • City of Inverness | • City of Mascotte |
| • Various Community Development Districts | |



Resume - Matthew Lee, CPA

Audit Manager

Education, Certifications, and Licenses

- Master of Science in Accounting, University of Central Florida
- Master of Public Administration, University of Central Florida
- B.S. in Public Administration, University of Central Florida
- CPA, Certified Public Accountant - Florida

Affiliations and Community Involvement

- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Florida Government Finance Officers Association (FGFOA)

Continuing Professional Education

Matthew has completed over 120 hours of Continuing Professional Education (CPE) in the area of governmental accounting and auditing within the past three years and meets the requirements of *Governmental Auditing Standards*.

Experience

- Matthew has 8 years of governmental accounting and auditing experience.
- He has significant experience in the audits of governmental and not-for-profit entities, including those subject to Federal and Florida Single Audit requirements.

Governmental Audit Experience (Past 5 years)

- | | |
|--|----------------------|
| • City of Ocoee | • Town of Windermere |
| • City of Clermont | • City of Longwood |
| • City of Oviedo | • City of Tavares |
| • City of Winter Springs | • City of Umatilla |
| • Sun 'N Lake Improvement District | • City of Belle Isle |
| • Various Community Development Districts | |



Resume - Robert Hernandez

IT Manager

Education, Certifications, and Licenses

Associates Degree, Florida Technical College
MCSE

Experience

- Robert is an IT Professional with over 24 years' experience, managing information technology systems. Plan, organize, control and evaluate IT and electronic data operations. Design, develop, implement and coordinate systems, policies, and procedures. Ensure security of data, network access, and backup systems.

Key Skills

- Network & System Security
- Risk Management
- Vulnerability Assessments
- Authentication & Access Control
- System Monitoring
- System Integration Planning
- Multitier Network Architectures
- Implementation Planning
- End-user Training
- Staff Leadership/Mentoring
- System Administration
- Application Management
- User Requirements Analysis
- Help Design/Technical Support

Technology Summary

<u>Security Technologies:</u>	Anti-Virus Tools; Disaster Recovery, Network Administration; PCI security standards
<u>Systems:</u>	Windows, MAC, VMware, Cisco
<u>Networking:</u>	LANs, WANs, VPNs, Routers, Firewalls, TCP/IP



References of Governmental Accounting Experience

Principal Client Contact	Scope of Work	Years
Sun'n Lake of Sebring Improvement District		
<p>Ms. Tanya Cannady, General Manager.</p> <p>5306 Sun'n Lake Blvd. Sebring, FL 33872 tcannady@snldistrict.org</p>	<ul style="list-style-type: none"> Annual Financial & Compliance Audit and preparation of Financials 	2011 to Present
Rizzetta & Company (30 District Audits)		
<p>Ms. Kaitlyn Gallant Manager, District Accounting Services</p> <p>12750 Citrus Park Lane Suite 115 Tampa, Florida 33625 kgallant@rizzetta.com</p>	<ul style="list-style-type: none"> Annual Financial & Compliance Audit and preparation of Financials 	2008 to Present
Wrathell Hunt and Associates (6 District Audits)		
<p>Mr. Jeffrey Pinder Controller</p> <p>2300 Glades Road Suite 410W Boca Raton, Florida 33431 pinderj@whhassociates.com</p>	<ul style="list-style-type: none"> Annual Financial & Compliance Audit and preparation of Financials 	2015 to Present
GMS (10 District Audits)		
<p>Mr. Darrin Mossing, President</p> <p>dmossing@gmstnn.com</p>	<ul style="list-style-type: none"> Annual Financial & Compliance Audit and preparation of Financials 	2010 to Present
City of Mascotte, Florida		
<p>Mr. Jim Gleason, City Mgr.</p> <p>100 East Myers Blvd. Mascotte, FL 34753 jim.gleason@cityofmascotte.com</p>	<ul style="list-style-type: none"> Annual Financial & Compliance Audit and preparation of Financials 	2000 to Present
City of Longwood, Florida		
<p>Ms. Lisa Snead, Finance Director</p> <p>175 W. Warren Avenue Longwood, FL 32750 (407)260-3475 lsnead@longwoodfl.org</p>	<ul style="list-style-type: none"> Annual Financial & Compliance Audit (Single Audit) and preparation of CAFR Received GFOA's "Certificate of Achievement" 	1991 to 1993 and 1997 to Present



References of Governmental Accounting Experience - Continued:

Principal Client Contact	Scope of Work	Years
Town of Windermere, Florida		
Mr. Robert Smith, Town Manager 614 Main Street Windermere, FL 34786 (407)876-2563 rsmith@town.windermere.fl.us	<ul style="list-style-type: none"> Annual Financial & Compliance Audit and Preparation of Financials 	2000 to Present
City of Tavares, Florida		
Ms. Lori Houghton, Finance Director P.O. Box 1068 Tavares, FL 32778-1068 (352) 742-6212 lhoughton@tavares.org	<ul style="list-style-type: none"> Annual Financial & Compliance Audit (Single Audit) and preparation of CAFR Utility and Franchise Tax Audits 	1988 to Present
City of Ocoee, Florida		
Ms. Rebecca Roberts, Finance Director 150 Lakeshore Drive Ocoee, FL 34761 (407) 905-3200 rroberts@ocoe.org	<ul style="list-style-type: none"> Annual Financial & Compliance Audit (Single Audit) and preparation of CAFR Received GFOA's "Certificate of Achievement" 	1985 to Present
City of Lake Mary, Florida		
Mr. Brent Mason, Finance Director 100 N. Country Club Road Lake Mary, FL 32749 (407) 585-1402 bmason@lakemaryfl.com	<ul style="list-style-type: none"> Annual Financial & Compliance Audit Received GFOA's "Certificate of Achievement" 	1997 to Present
City of Winter Springs, Florida		
Mr. Shawn Boyle, City Manager 1126 E. State Road 434 Winter Springs, FL 32708 (407) 971-5544 sboyle@winterspringsfl.org	<ul style="list-style-type: none"> Annual Financial & Compliance Audit and preparation of CAFR Received GFOA's "Certificate of Achievement" 	2000 to Present

Service Approach



Service Approach

Our audit will be segmented as follows:

Phase 1:	Audit Planning
Phase 2:	Evaluation and Testing of Internal Controls
Phase 3:	Substantive Testing
Phase 4:	Reporting

Phase 1: Audit Planning

Preliminary planning includes deciding on an overall strategy for the audit, obtaining an understanding of the entity and its environment, including its internal control, making an initial assessment of audit risk and materiality, and deciding on the overall timing of the engagement. We will also begin to assemble our “permanent file,” which consists of copies of organizational charts, District manuals, documents, and financial and other management systems.

We will meet with staff of the District to obtain an understanding of the flow of transactions through your accounting system. This includes understanding your computer environment in order to comply with the requirements of SAS 94 *The Effect of Information Technology on the Auditor's Consideration of Internal Control in a Financial Statement Audit*. We will also gather information to identify fraud risks as required by SAS 99 *Consideration of Fraud in a Financial Statement Audit*.

We will also perform preliminary analytical procedures and compare trends for the current and at least the two previous years for unusual fluctuations. This will include review of both budget and actual amounts.

During this planning phase, we will ask management and staff at the District to identify areas of higher risk as well as other areas that they want us to focus on during our audit. We will also provide the District with a list of all schedules to be prepared by the District.

Phase 2: Evaluation and Testing of Internal Controls and Compliance

During Phase 2, we will evaluate your control policies and procedures to determine if they are functioning properly in significant transaction classes. To gain an understanding of the procedures in place, and current internal control structure, we typically conduct interviews with staff and management involved in the specific transaction class to be tested. We then perform tests of these controls to determine with reasonable assurance that control procedures are functioning as planned and whether further testing will be needed. As part of our tests of controls, we will include tests of compliance with applicable ordinances, and state and federal laws and regulations. In order to determine which ordinances, laws and regulations to test for compliance, we start by reviewing the FICPA Practice Aid *Compliance Auditing in Florida*. We then evaluate which ordinances, laws and regulations have a direct and material effect on the determination of financial statement amounts. Sample sizes are determined based upon our assessment of control risk and may be judgmental, random, or stratified, depending on the attributes of the population being tested. We will select samples from the significant transaction classes and trace from original documents through the computer system to the general ledger through the use of Data Analysis Software.





Service Approach - Continued

Phase 2: Evaluation and Testing of Internal Controls and Compliance - Continued

Our control testing includes obtaining an understanding of the computer software used by the District, and tracing sample selections through the system to determine the desired outcomes are being achieved. Our testing of Information Technology includes inquiries of appropriate personnel regarding data backups and access to District files.

After controls have been documented, evaluated and tested, we will finalize the District's audit plan. Audit programs will be tailored to fit the specifics of the District's accounting systems.

Phase 3: Substantive Testing

Prior to starting year-end substantive testing, we will have a pre-audit meeting with the District Manager. We plan to use an audit senior for the audit. The partner or senior will always be in the field to supervise the work.

Our year-end fieldwork will focus on verifying balances in accounts. For example, we will confirm cash balances, as well as debt balances with financial institutions. In addition to obtaining audit confirmations, representation letters and attorney letters, we will perform tests on account balances using analytical procedures, recalculation and verification. Our firm uses ProSystem fx Engagement electronic audit software which may allow us to interface with your accounting system and reduce the time required to transfer your accounting data to a separate software package. We believe it is important to use analytical review procedures in this substantive phase of the audit. We compare analytical results to our expectation of what the results should be in order to determine if additional audit procedures are required. Typical analytical procedures include expense variances with previous years and budget amounts, revenue variances with previous years and budgeted amounts.

We will keep the District's management up to date on the progress of the audit and will discuss preliminary findings and potential problems or opportunities as we encounter them. Our approach to resolving problems encountered is to discuss with the District Manager to make sure our understanding is correct. Our process to produce a meaningful "management letter" is to review results of testing of internal controls, as well as year-end field work and draft recommendations for improvements to be discussed with management.

Phase 4: Reporting

The audit work is reviewed by the engagement partner throughout the engagement. Once the engagement partner review is complete, a second review of the financial statements is performed by the review partner. This second review is required as part of McDermitt Davis's internal system of quality control and ensures the District receives the best service possible.

We will prepare a draft of the financial statements and then issue the following:

- Auditor's report on financial statements
- 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"
- Management Letter

We will provide technical assistance to the District to meet changes in required disclosures. Once reports have been reviewed by management and approved in final form, we will issue final reports and supply in electronic format.

Cost Proposal



Cost Proposal

We understand the requested services include audits of the District's financial statements for the years ended September 30, 2020, 2021, 2022, 2023 and 2024. The audit will be made in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

McDirmitt Davis, LLC is duly licensed under Chapter 473, Florida Statutes and is qualified to conduct audits in the State of Florida and audits in accordance with *Government Auditing Standards*.

Fees include all services, including but not limited to, meals and lodging, transportation, printing and binding, telephone, fax and copies. Out of pocket expense (if any) related to charges for confirmations will be in addition to the audit fee. Invoices will be submitted as work progresses on each phase of the audit.

<u>Audit fees (All-Inclusive)</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Audit Fee	\$4,000	\$4,000	\$4,100	\$4,200	\$4,200

**BOARD OF SUPERVISORS
MEETING**

SECTION III

MINUTES OF MEETING
NARCOOSSEE
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Narcoossee Community Development District was held Tuesday, May 19, 2020 at 6:00 p.m. via Zoom Video Conferencing, pursuant to Executive Orders 20-52, 20-69 and 20-91 (as extended by Executive Order 20-112) issued by Governor DeSantis on March 9, 2020, March 20, 2020, April 1, 2020, and April 29, 2020 respectively, and pursuant to Section 120.54(5)(b)2., *Florida Statutes*.

Present and constituting a quorum were:

Jeffrey Smyk	Chairman
Steve Giercyk	Vice Chairman
Peter Wong	Assistant Secretary
Betsy Burgos	Assistant Secretary

Also present were:

Jason Showe	District Manager
Roy Van Wyk	District Attorney
Rey Malave	District Engineer
Alan Scheerer	Field Manager

FIRST ORDER OF BUSINESS

Roll Call

Mr. Showe called the meeting to order, called the roll and stated the meeting today is being held pursuant to the governor's executive order no. 2052 and 2069, subsequently extended through executive order 2112 and 2114 so that the District may conduct meetings of its Board of supervisors without having a physical present quorum of its members present at any specific location and we are able to utilize communication techniques such as telephone and video media conferencing. This meeting is being held to address those items necessary for the proper operation of the District. Today's meeting is being conducted via Zoom, which allows anyone to participate by video or telephone conference, access information to today's meeting was available on the meeting notice as well as the website and through our office. In order to facilitate public participation, we were able to take any public comments in advance. As of right now I did not receive any public comments, but I will check my email throughout the meeting

and read those into the record. As with all meetings there is an opportunity for public comment, we will make that at the beginning of the agenda. As host for the meeting I can announce when those public comments are available and if there is anyone in the public who would like to make a comment, we ask that you use the Zoom raised hand feature.

SECOND ORDER OF BUSINESS

Public Comment Period

There being none, the next item followed.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the January 28, 2020 Meeting

There were no changes or corrections to the January 28, 2020 meeting minutes.

On MOTION by Mr. Smyk seconded by Ms. Burgos with all in favor the minutes of the January 28, 2020 meeting were approved as presented.
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FOURTH ORDER OF BUSINESS

Consideration of Resolution 2020-03 Setting a Public Hearing to Adopt the Amended and Restated Rules of Procedure

Mr. Showe stated next is the resolution setting a public hearing to adopt the amended and restated rules of procedure. Previously, the Board had set a public hearing to consider the amended rules and we were unable to hold that meeting and this resolution resets the date of the public hearing and that will now be held July 28, 2020. The governor's order allows us to meet via Zoom through July 7th so at this time the July 28th meeting would likely be an in-person meeting. We will include access information just as a backup.

Mr. Smyk asked would we coordinate Zoom and an in-person meeting or would we just do one or the other? I don't know if this opens up for Rey or Roy or anyone to be able to join us via Zoom as opposed to coming in person. I'm curious about that.

Mr. Van Wyk stated you could do a combination of the meetings; it would be more difficult for the District Manager. We think we will be able to hold an in-person meeting by July if not then we would just use Zoom. There is nothing that prohibits you from using Zoom any time you just have to be careful that once you start providing video access we have to make sure

we have accessibility requirements met. It is probably best that we have and continue our in-person meetings.

Mr. Wong asked what about quorum requirements? Is that still the case that you have to have three persons in person?

Mr. Van Wyk stated right now that rule was suspended by the governor. Jason outlined the three main orders that the governor put out. In his first order he did suspend all physical quorum requirements. The quorum requirements are still there, just the physical part was waived and the location requirements were waived so if you had a location where you had to meet and you changed that by doing it on Zoom but I suspect those will be lifted too when Phase 2 of the reopening comes around.

Mr. Wong asked right now there is no expiration date for that in person requirement, but it could change?

Mr. Showe stated it is actually July 7th right now.

Mr. Van Wyk stated the order that is currently in place is in place until he stops it so there is no expiration date so to speak for the quorum and use of the video technology, but that will probably stop when we hit Phase 2 or definitely Phase 3.

On MOTION by Mr. Giercyk seconded by Mr. Wong with all in favor Resolution 2020-03 Setting a Public Hearing to Adopt the Amended and Restated Rules of Procedure on July 28, 2020 at 6:00 p.m., was approved.

FIFTH ORDER OF BUSINESS

Consideration of Proposals with Down to Earth for Entrance Landscaping (2)

Mr. Showe stated the next two proposals deal with landscaping and we would like to have some discussion by the Board.

Mr. Scheerer stated the first was a request from the HOA manager, Lisa, for the Mirabella HOA, they want to make some changes to their planter beds. They had given us a drawing and then after I talked with Lisa and Aaron with Down to Earth there was some additional changes made. They started out wanting to change the planter beds, they had Society Garlands, Schefflera, the annuals and a couple of palms. They wanted some multi-trunk Robellini Palms so after discussion they switched that. They still want to change everything out in the raised planter bed. As you can see in the proposal there are 4 European Fan Palms, which would

be 2 in each planter bed, the main plant would be Arboricola Trinnetts as opposed to the Schefflera and Blue Daze instead of the Society Garlic. We would have to elevate that planter bed a little bit with new top soil and coco mulch and readjust some of the irrigation. This was a request of Lisa of the Mirabella homeowners' association. We are just presenting it to you for consideration.

Ms. Burgos stated from the last meeting when we discussed changing the Mirabella beds, they heard you and I'm very happy with that. They are willing to improve that area.

Mr. Scheerer stated it is just the planter bed. Obviously, they have sod in the front of theirs opposed to Ziani, which has the Dwarf Ixora.

Mr. Giercyk stated they are talking about 5 foot palms. How big do they get?

Mr. Scheerer stated these are going to be very small fan palms and shouldn't get any higher than 5 feet, but they aren't going to go in at 5 feet; they will probably go in at 2 ½ to 3 feet and it is going to take several years to achieve that. I didn't want to put any palm trees in that planter bed for fear that the base of the palm could at some point impact the integrity of the planter bed or the wall but according to Down to Earth they don't think a 15 gallon European Fan Palm is going to cause an issue with that. Palms don't spread like oaks and Elms; they are just a root ball.

Mr. Giercyk stated I like the fan palms. How big in diameter do they get and are they going to block the name, Mirabella?

Mr. Scheerer stated no.

On MOTION by Ms. Burgos seconded by Mr. Giercyk with all in favor the proposal from Down to Earth for Entrance Landscaping in the amount of \$2,725.50 was approved.

SIXTH ORDER OF BUSINESS

Discussion of Proposal from John Madison Landscape, Inc. for Ziani Entrance Landscaping

Mr. Scheerer stated the second one is for Ziani and I know there has been on and off discussions since the last Board meeting about landscape enhancements for Ziani. One of the things that Steve and I talked about was removing all the annuals from your planter bed and replacing them with Ixora. This proposal is to remove all the annuals, replace them with 3 gallon

dwarf red Ixora, some additional top soil and some coco mulch. We wanted to bring that forward to you for discussion. If that has changed then we can move in a different direction.

Mr. Giercyk stated I like the concept that is there. I think we talked a lot about removing the Italian Cypress and getting that area cleaned out and I thought that was a much higher priority than the beds themselves. I discovered just recently that the beds are at different heights under the Ziani sign; one has a foot and a half you can work with and the other only has 10 inches. I don't think the Dwarf Ixora would work in both beds. I think they would get too big in the one bed, but I may be wrong.

Mr. Scheerer stated just to touch base on the Italian Cypress we had a couple conversations about that and we were ready to remove the Italian Cypress but I believe we had another conversation that you asked to hold off because you were going to be doing a landscape plan to enhance the entrance to your community and at the time we were told to hold off. That is why that work wasn't completed. If you still want that done we can get it done relatively quickly, but I know you were working on a landscape plan with your HOA and you had to discuss it with the HOA. Whatever direction you want us to move we will move.

Mr. Giercyk stated we do have a plan, but the plan is not a final plan; it is a starting point. It is a complete redo of the front including the beds and probably runs way more money than we would like to spend. We are looking at options, one being having Down to Earth remove everything and John Madison put in all the new stuff, but I'm not sure that is a good approach because I haven't talked to Ken about it yet.

Ms. Burgos stated during the last meeting we had, I'm talking about Ziani HOA, they presented these, and it was suggested to you to present it to the CDD. I agree, it is completely overpriced, and my suggestion was to make some changes but not that many changes. We are talking about almost \$80,000 so who is going to pay for that, the CDD, HOA? I know the HOA will not pay for that. At this point we have to prioritize what we are going to do. I thought the cypress was approved and ready to go. If you agree, let's tell Alan to go ahead and do it. Then we can talk about what we want the CDD to do for Ziani. The beds after the cypress is removed or what specifically?

Mr. Scheerer stated part of that discussion was remove the cypress and cut the bed in half and we can make that happen until you determine what you want to put in that bed space, but that is not a lot a bed space. I can't make out the plant material that is in there, but I see about 4

trees on each side and a bunch of landscaping in front of it. If you want me to go ahead and do that I will take that as authorization and I will get it done with Aaron this Friday when we review everything.

Mr. Wong asked the cypress you are talking about removing is that the one by the pedestrian gate?

Mr. Scheerer stated yes.

Mr. Wong stated yes, definitely. They definitely have to go.

Mr. Scheerer stated you only have a few feet between the sidewalk and that wall on each side and on the other side on the west side you have all the utilities that run along the fence by the playground. If you want me to do that I will remove any additional soil that we can so you can look at what you want to plant, maybe look at putting Ixora in there for now. Whatever you would like me to do we will get it done.

Mr. Giercyk stated my personal thought is from trying to do this in one sequential operation I think we have some plans and I know you will help us with that Alan if we say remove the Italian Cypress, but until we get a plan in place we should probably leave the landscaping in place for the most part. Betsy, do you disagree with that?

Ms. Burgos stated I thought everything was approved for him to remove it and I think we were going to put the same plants that Mirabella has, that Alan put on the side. I thought everything was approved already. If you want to revisit it that is fine.

Mr. Giercyk stated I don't want to do the same thing that Mirabella is doing from the standpoint that I think we have a different kind of community.

Mr. Scheerer stated Mirabella is only doing the planter beds. You are talking about each side of the entrance and exit of your community, which is totally different.

Ms. Burgos asked Steve, what did you expect the CDD to cover on the outside of the gate?

Mr. Giercyk asked expense-wise?

Ms. Burgos stated yes, because this is \$80,000. Did you want them to cover all of that or did you want to go back to the company and they say give me a \$10,000 proposal?

Mr. Giercyk stated I think what I want to do with John Madison is go back to him and say can we change come of the landscaping, some of the trees and so forth to reduce the cost of those trees. Can we remove the rocks that he is talking about putting in there and what can we do to

come up with an in between proposal that runs someplace in the \$20,000 to \$40,000 range to redo everything? That being the case I would go back to the CDD and I talked to Ken the other day about sharing of the costs and he is agreeable to that as long as we don't get too far out of control.

Ms. Burgos stated I was not part of that conversation. The plan would be to go back and do a \$20,000 to \$30,000 proposal?

Mr. Giercyk stated yes, maybe \$40,000 max.

Mr. Showe stated the concept that Steve and I initially talked about is one in which the CDD could share some of that cost, but we have to make sure we have funds available for the other communities within the area as well. We would have to come up with a rational basis for how much we allocate from the CDD funds for this project and still leave some funding for the other communities should they want some upgraded landscaping.

Ms. Burgos asked Jason, how much are you thinking we can allocate for Ziani landscaping?

Mr. Showe stated we have done landscaping upgrades in some of the communities in the ballpark of about \$10,000. That is a rational number maybe a little more. It would be up to the Board to determine the appropriate funding level. Once we see the proposal we can make some recommendations. I think somewhere in the ballpark of \$10,000 to \$15,000 might not be out of range. It depends on the proposal and what the cost share proposal might be.

Ms. Burgos stated that is a good idea.

Mr. Smyk asked would not this money come out of the capital reserve account for each area?

Mr. Showe stated it would but for La Vina there are four neighborhoods that share that capital project fund. It is not just for the Ziani community, it is also the other three communities and we want to make sure whatever we contribute to this project that we leave some funding for the other three communities as well.

Mr. Smyk asked how would we determine that? Would we determine it by home count and try to work up a percentage that way?

Mr. Showe responded yes, there are several ways to tackle that. There are ERU factors similar to the way we divide the costs between Parcels G & H and La Vina. There are a

multitude of ways we can look at it and once we have pricing we can start looking at different ways and methods of how the Board might want to allocate that.

Mr. Scheerer stated hold off on the Italian Cypress until we get some sort of a change on the landscape concept.

Ms. Burgos stated yes.

Mr. Giercyk stated yes.

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2020-04 Approving the Proposed Fiscal Year 2021 Budget and Setting a Public Hearing

Mr. Showe stated next is consideration of Resolution 2020-04, which approves the proposed Fiscal Year 2021 budget and setting the public hearing for July 28, 2020 and directs us to transmit this to Orange County and the City of Orlando. We kept all the assessments level, the costs for administrative and field operations are fairly level. We are still utilizing a portion of G&H for the maintenance along La Vina that benefits those properties and the services remain level. When you get to each of the individual communities you will see each community has their own capital reserve. We did factor in the Dowden wall improvements as well as some landscape projects.

Mr. Smyk stated I did notice that the printing and binding went down \$200 and I would have thought it would have been at least half since we are going to move towards digital with the iPads.

Mr. Showe stated that is fair, we can definitely make that.

Mr. Smyk asked in the La Vina miscellaneous comment area that is partially for the fencing project?

Mr. Showe stated that is for any project they would like throughout the year. The way we do the assessments is that in order to keep the assessments level you have to balance those funds with the previous year assessment because each of the assessments are built in such a way that there are components that factor into how we get to the total assessment for each community. That \$15,000 provides them some number for improvements, typically that then gets placed back into their capital reserve but in order to balance their assessments we have to keep those numbers the same otherwise the assessments change.

Mr. Smyk asked if that miscellaneous line were to go from \$15,000 to \$10,000 and their overall assessment was a little less does that throw a big wrench into things?

Mr. Showe responded not necessarily. The challenge would be in the future if you had to raise it again, you would have to do a mailed notice process again. With the large expense we had for the fencing that took away from their capital project fund this year, we felt it was appropriate to keep that funding in there so it would help with any capital projects especially to help replenish that capital project fund.

Mr. Smyk stated it seems like G & H reserves are inching back up to \$75,000. Is that too high? I know at one point they just had administrative; it seems like there is not much going on so the reserves build up a little bit.

Mr. Showe stated the reserves have been built up prior to this point. There is not a lot of excess there in those expenses. Depending on how we allocate capital projects we might be utilizing those capital projects funds. We are utilizing their capital fund more than we are putting in.

Mr. Smyk stated it was really to illicit discussion from the other Board Members such as it was getting too high or if there is any reason to think it was going to continue rising. It seems like the other communities because there is development there tend to utilize their capital reserve fund from time to time and they wouldn't.

Mr. Wong stated the reserve number of \$18,000 versus total revenue of \$74,000 the difference is not the reserve. What is the difference?

Mr. Showe stated the \$18,000 is what we budgeted for Parcels G&H this year to spend. The Board last year started allocating a portion of the La Vina expenses to Parcels G&H so La Vina wasn't bearing the expenses that benefited Parcels G&H. Of that we are projecting we are going to spend approximately \$17,000 for the whole year. There is not a lot of excess that is building that reserve up. That reserve has accumulated over the years; it just hasn't been utilized. We may utilize that in the future for lake bank projects or as the property gets developed on the corner there may be more CDD expenses.

Mr. Giercyk stated because of this pandemic I would think that we are doing a wise thing by leaving that number where it is rather than reducing it. I would hope that we are out of this cycle we are in by the next meeting but there is no guarantee. Maybe it would be best to leave that alone and move forward.

Mr. Showe stated your operating budget doesn't factor in any emergency situation, hurricanes or things we might need additional expenses for to clean up. The District has a lot of landscaping and those things aren't covered by FEMA or otherwise so the District would bear the costs of landscaping.

Mr. Van Wyk stated I would just make one modification to the resolution, if we can I would like to add language that will provide for remote hearing just in case we are required to stay in our quarantine place. We will add a simple paragraph to the final executed resolution to provide for electronic communications.

Mr. Showe stated absolutely.

On MOTION by Mr. Wong seconded by Ms. Burgos with all in favor Resolution 2020-04 Approving the Proposed Budget and Setting the Public Hearing for July 28, 2020 was approved as amended.

EIGHTH ORDER OF BUSINESS

Ratification of Non-Ad Valorem Assessment Administration Agreement with Orange County Property Appraiser

Mr. Showe stated this is an agreement we enter into annually with the Orange County property appraiser. In order to facilitate your assessment process, we have signed the agreement.

On MOTION by Mr. Smyk seconded by Mr. Giercyk with all in favor the non-ad valorem assessment administration agreement with the Orange County Property Appraiser was ratified.

NINTH ORDER OF BUSINESS

Review and Acceptance of Fiscal Year 2019 Audit Report

Mr. Showe gave an overview of the Fiscal Year 2019 audit and stated it was a clean audit with no recommendations or findings.

On MOTION by Mr. Smyk seconded by Mr. Giercyk with all in favor the Fiscal Year 2019 audit was accepted and staff was authorized to transmit the final audit to the State of Florida.

TENTH ORDER OF BUSINESS

Appointment of Audit Committee

On MOTION by Mr. Giercyk seconded by Mr. Wong with all in favor the Board Members were appointed to serve as the Audit Committee and Mr. Smyk was appointed Chair.

ELEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Van Wyk stated we are constantly monitoring orders of the governor and DBPR and Department of Health to what is going on with our amenity facilities, etc.

B. Engineer

i. Update on Fence Project

Mr. Malave stated it was brought to our attention that there was a section missing; they had to reorder that piece and it will be here shortly. Once that is installed we will do a final walk through and make sure the fence is built as designed.

Ms. Burgos asked what section is missing.

Mr. Malave stated a 60-foot section going into Pond A and it was overlooked as they were closing down and starting to work from home.

Mr. Giercyk stated I believe there are sections missing going into the retention ponds, they haven't gone down into the water. We talked originally about going into the water at least one fence section anywhere from 6 to 8 feet is what we talked about and going into the wetland from where it dropped off and going another 6 to 8 feet there as well. Are we going to be able to accomplish that?

Mr. Malave stated whatever we had on the plans is what we will be doing. I don't recall off the top of my head what those are. Once that missing section comes in we will meet with them in the field and coordinate the installation and see what we have on the plans. I will give you a call to make sure you are out there with us.

C. Manager

i. Approval of Check Register

On MOTION by Ms. Burgos seconded by Mr. Wong with all in favor the check registers were approved.

ii. Balance Sheet and Income Statement

A copy of the balance sheet and income statement were included in the agenda package.

iii. Presentation of Number of Registered Voters – 1,868

Mr. Showe stated as of April 15th there are 1,868 registered voters residing within the District.

iv. Discussion of Qualifying Period and Procedure

Mr. Showe stated we have three seats that are up for election this year; Seat 1 currently held by Mr. Smyk, Seat 2 currently held by Mr. Giercyk and Seat 4 currently held by Mr. Wong. This is the information you need if you wish to qualify. The qualifying period officially is from noon on June 8th through noon on June 12th. They will likely take your forms early if you want to file. That is all coordinated through the Orange County supervisor of elections.

Mr. Wong asked is this an in-person process only?

Mr. Showe stated I can't speak specifically but you can call them to see how they are handling it at this time.

Mr. Wong stated I wasn't here when we refinanced the bonds. What interest rate are we paying versus today's environment?

Mr. Van Wyk stated there is a call protection timeframe on the bonds so we can't really call it for ten years after we refinance. The second thing is the current interest rate is about 5 ½% to 6% so there is really no interest savings that would be sufficient enough for us to cause the expenses of the refinancing to be absorbed.

D. Field Manager

Mr. Scheerer stated we have been modifying the irrigation and everything is looking pretty good considering the time of year. We had a dry March and April and Down to Earth seems to be doing a good job in keeping the irrigation in check.

Mr. Smyk stated a Nona Crest homeowner trimmed his oak tree in the backyard and it has all gone seedy.

Mr. Scheerer stated when we were onsite two weeks ago we noticed that a resident had trimmed his oak tree, there is another resident a little further down that threw a bunch of excess plant material over the fence as well on Tract D Pond. We took photos of that and sent them to Lisa who issued two letters to the residents. I don't know that they have complied currently. I also copied Jim Gregoire on a follow-up email last Friday because the mess had not been cleaned up as of last Friday. If it has not been cleaned up by this Friday then maybe the CDD will send them a letter and if not maybe the HOA can clean it up and assess them for it. I will have to talk to Jim and Lisa about that. We could clean it up but what does that say to the homeowner if we clean it up if there is no way to impose a fine or fee on the resident for the cleanup. My thought was to work with Lisa and Jim and tell them if they don't clean it up we will add to your assessment put a lien on your property, do something. We clean up enough messes but it would be nice to have the HOA do something and levy a fine against them.

Mr. Smyk stated when you hear from Jim get back to me with an email so I can keep up on it.

Mr. Giercyk asked does the CDD mow around the ponds in Nona Crest? Are the ponds owned by the CDD or are they owned by the HOA?

Mr. Smyk stated it all depends. There are a couple that are within the community and there is one that we are talking about that is a CDD owned and maintained pond.

Mr. Scheerer stated the Tract A Pond butts up to Nona Preserve on Narcoossee Road, Trace D Pond is next to the fire station and then there are two interior ponds that the CDD maintains as well.

Mr. Giercyk stated if somebody wanted to do something with one of the interior ponds they need to contact the CDD. Is that right?

Mr. Scheerer stated we don't allow anybody to do anything with them.

Ms. Burgos asked what are people doing as far as social distancing in your communities? Do you close the parks? What are you doing? We closed our playground park.

Mr. Scheerer stated I know all playgrounds are currently closed.

Mr. Showe stated parks and open spaces have been open and we are encouraging social distancing in all of those locations, but playgrounds are closed.

Ms. Burgos asked are people following the social distancing in your communities?

Mr. Showe stated for the most part I think people have been respectful of those terms. We don't have monitors for the trails and eyes on everything; we are getting some facilities open this week and will have more perspective on the response to that.

TWELFTH ORDER OF BUSINESS Other Business

There being none, the next item followed.

THIRTEENTH ORDER OF BUSINESS Supervisors Requests

There being none, the next item followed.

FOURTEENTH ORDER OF BUSINESS Next Meeting Date – July 28, 2020

Mr. Showe stated the next meeting is July 28, 2020.

On MOTION by Mr. Smyk seconded by Mr. Giercyk with all in favor the meeting adjourned at 6:57 p.m.
--

Secretary/Assistant Secretary

Chairman/Vice Chairman

SECTION IV

SECTION A

RESOLUTION 2020-05

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE NARCOOSSEE COMMUNITY DEVELOPMENT DISTRICT ADOPTING AMENDED AND RESTATED RULES OF PROCEDURE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

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

WHEREAS, Chapter 190, *Florida Statutes*, authorizes the District to adopt rules to govern the administration of the District and to adopt resolutions as may be necessary for the conduct of District business; and

WHEREAS, the District has previously adopted Rules of Procedure to govern the administration of the District; and

WHEREAS, to provide for efficient and effective District operations and to maintain compliance with recent changes to Florida law, the Board of Supervisors finds that it is in the best interests of the District to adopt by resolution the Amended and Restated Rules of Procedure attached hereto as **Exhibit A** for immediate use and application; and

WHEREAS, the Board of Supervisors has complied with applicable Florida law concerning rule development and adoption.

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

SECTION 1. The attached Amended and Restated Rules of Procedure are hereby adopted pursuant to this resolution as necessary for the conduct of District business. These Amended and Restated Rules of Procedure replace all prior versions of the Rules of Procedure, and shall stay in full force and effect until such time as the Board of Supervisors may amend these rules in accordance with Chapter 190, *Florida Statutes*.

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

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

PASSED AND ADOPTED this 28th day of July, 2020.

ATTEST:

**NARCOOSSEE COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chairperson, Board of Supervisors

Exhibit A: Amended and Restated Rules of Procedure

EXHIBIT A:
AMENDED AND RESTATED RULES OF PROCEDURE

**AMENDED AND RESTATED
RULES OF PROCEDURE
NARCOOSSEE COMMUNITY DEVELOPMENT DISTRICT**

EFFECTIVE AS OF JULY 28, 2020

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Rule 1.0 General.

- (1) The Narcoossee Community Development District (the “District”) was created pursuant to the provisions of Chapter 190 of the Florida Statutes, and was established to provide for the ownership, operation, maintenance, and provision of various capital facilities and services within its jurisdiction. The purpose of these rules (the “Rules”) is to describe the general operations of the District.
- (2) Definitions located within any section of these Rules shall be applicable within all other sections, unless specifically stated to the contrary.
- (3) Unless specifically permitted by a written agreement with the District, the District does not accept documents filed by electronic mail or facsimile transmission. Filings are only accepted during normal business hours.
- (4) A Rule of the District shall be effective upon adoption by affirmative vote of the District Board. After a Rule becomes effective, it may be repealed or amended only through the rulemaking procedures specified in these Rules. Notwithstanding, the District may immediately suspend the application of a Rule if the District determines that the Rule conflicts with Florida law. In the event that a Rule conflicts with Florida law and its application has not been suspended by the District, such Rule should be interpreted in the manner that best effectuates the intent of the Rule while also complying with Florida law. If the intent of the Rule absolutely cannot be effectuated while complying with Florida law, the Rule shall be automatically suspended.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: §§ 190.011(5), 190.011(15), Fla. Stat.

Rule 1.1 Board of Supervisors; Officers and Voting.

- (1) Board of Supervisors. The Board of Supervisors of the District (the “Board”) shall consist of five (5) members. Members of the Board (“Supervisors”) appointed by ordinance or rule or elected by landowners must be citizens of the United States of America and residents of the State of Florida. Supervisors elected or appointed by the Board to elector seats must be citizens of the United States of America, residents of the State of Florida and of the District and registered to vote with the Supervisor of Elections of the county in which the District is located and for those elected, shall also be qualified to run by the Supervisor of Elections. The Board shall exercise the powers granted to the District under Florida law.
 - (a) Supervisors shall hold office for the term specified by Section 190.006 of the Florida Statutes. If, during the term of office, any Board member(s) vacates their office, the remaining member(s) of the Board shall fill the vacancies by appointment for the remainder of the term(s). If three or more vacancies exist at the same time, a quorum, as defined herein, shall not be required to appoint replacement Board members.
 - (b) Three (3) members of the Board shall constitute a quorum for the purposes of conducting business, exercising powers and all other purposes. A Board member shall be counted toward the quorum if physically present at the meeting, regardless of whether such Board member is prohibited from, or abstains from, participating in discussion or voting on a particular item.
 - (c) Action taken by the Board shall be upon a majority vote of the members present, unless otherwise provided in the Rules or required by law. Subject to Rule 1.3(10), a Board member participating in the Board meeting by teleconference or videoconference shall be entitled to vote and take all other action as though physically present.
 - (d) Unless otherwise provided for by an act of the Board, any one Board member may attend a mediation session on behalf of the Board. Any agreement resulting from such mediation session must be approved pursuant to subsection (1)(c) of this Rule.
- (2) Officers. At the first Board meeting held after each election where the newly elected members take office, the Board shall select a Chairperson, Vice-Chairperson, Secretary, Assistant Secretary, and Treasurer.
 - (a) The Chairperson must be a member of the Board. If the Chairperson resigns from that office or ceases to be a member of the Board, the Board shall select a Chairperson. The Chairperson serves at the pleasure of the Board. The Chairperson shall be authorized to execute resolutions and contracts on the District’s behalf. The Chairperson shall convene and conduct all meetings of the Board. In the event the Chairperson is unable

to attend a meeting, the Vice-Chairperson shall convene and conduct the meeting. The Chairperson or Vice-Chairperson may delegate the responsibility of conducting the meeting to the District's manager ("District Manager") or District Counsel, in whole or in part.

- (b) The Vice-Chairperson shall be a member of the Board and shall have such duties and responsibilities as specifically designated by the Board from time to time. The Vice-Chairperson has the authority to execute resolutions and contracts on the District's behalf in the absence of the Chairperson. If the Vice-Chairperson resigns from office or ceases to be a member of the Board, the Board shall select a Vice-Chairperson. The Vice-Chairperson serves at the pleasure of the Board.
- (c) The Secretary of the Board serves at the pleasure of the Board and need not be a member of the Board. The Secretary shall be responsible for maintaining the minutes of Board meetings and may have other duties assigned by the Board from time to time. An employee of the District Manager may serve as Secretary. The Secretary shall be bonded by a reputable and qualified bonding company in at least the amount of one million dollars (\$1,000,000), or have in place a fidelity bond, employee theft insurance policy, or a comparable product in at least the amount of one million dollars (\$1,000,000) that names the District as an additional insured.
- (d) The Treasurer need not be a member of the Board but must be a resident of the State of Florida. The Treasurer shall perform duties described in Section 190.007(2) and (3) of the Florida Statutes, as well as those assigned by the Board from time to time. The Treasurer shall serve at the pleasure of the Board. The Treasurer shall either be bonded by a reputable and qualified bonding company in at least the amount of one million dollars (\$1,000,000), or have in place a fidelity bond, employee theft insurance policy, or a comparable product in at least the amount of one million dollars (\$1,000,000) that names the District as an additional insured.
- (e) In the event that both the Chairperson and Vice-Chairperson are absent from a Board meeting and a quorum is present, the Board may designate one of its members or a member of District staff to convene and conduct the meeting. In such circumstances, any of the Board members present are authorized to execute agreements, resolutions, and other documents approved by the Board at such meeting. In the event that the Chairperson and Vice-Chairperson are both unavailable to execute a document previously approved by the Board, the Secretary or any Assistant Secretary may execute such document.

- (f) The Board may assign additional duties to District officers from time to time, which include, but are not limited to, executing documents on behalf of the District.
 - (g) The Chairperson, Vice-Chairperson, and any other person authorized by District Resolution may sign checks and warrants for the District, countersigned by the Treasurer or other persons authorized by the Board.
- (3) Committees. The Board may establish committees of the Board, either on a permanent or temporary basis, to perform specifically designated functions. Committees may include individuals who are not members of the Board. Such functions may include, but are not limited to, review of bids, proposals, and qualifications, contract negotiations, personnel matters, and budget preparation.
- (4) Record Book. The Board shall keep a permanent record book entitled "Record of Proceedings," in which shall be recorded minutes of all meetings, resolutions, proceedings, certificates, and corporate acts. The Records of Proceedings shall be located at a District office and shall be available for inspection by the public.
- (5) Meetings. For each fiscal year, the Board shall establish a schedule of regular meetings, which shall be published in a newspaper of general circulation in the county in which the District is located and filed with the local general-purpose governments within whose boundaries the District is located. All meetings of the Board and Committees serving an advisory function shall be open to the public in accord with the provisions of Chapter 286 of the Florida Statutes.
- (6) Voting Conflict of Interest. The Board shall comply with Section 112.3143 of the Florida Statutes, so as to ensure the proper disclosure of conflicts of interest on matters coming before the Board for a vote. For the purposes of this section, "voting conflict of interest" shall be governed by the Florida Constitution and Chapters 112 and 190 of the Florida Statutes, as amended from time to time. Generally, a voting conflict exists when a Board member is called upon to vote on an item which would inure to the Board member's special private gain or loss or the Board member knows would inure to the special private gain or loss of a principal by whom the Board member is retained, the parent organization or subsidiary of a corporate principal, a business associate, or a relative including only a father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law.
 - (a) When a Board member knows the member has a conflict of interest on a matter coming before the Board, the member should notify the Board's Secretary prior to participating in any discussion with the Board on the matter. The member shall publicly announce the conflict of interest at the meeting. This announcement shall appear in the minutes.

If the Board member was elected at a landowner's election or appointed to fill a vacancy of a seat last filled at a landowner's election, the Board member may vote or abstain from voting on the matter at issue. If the Board member was elected by electors residing within the District, the Board member is prohibited from voting on the matter at issue. In the event that the Board member intends to abstain or is prohibited from voting, such Board member shall not participate in the discussion on the item subject to the vote.

The Board's Secretary shall prepare a Memorandum of Voting Conflict (Form 8B) which shall then be signed by the Board member, filed with the Board's Secretary, and provided for attachment to the minutes of the meeting within fifteen (15) days of the meeting.

- (b) If a Board member inadvertently votes on a matter and later learns he or she has a conflict on the matter, the member shall immediately notify the Board's Secretary. Within fifteen (15) days of the notification, the member shall file the appropriate Memorandum of Voting Conflict, which will be attached to the minutes of the Board meeting during which the vote on the matter occurred. The Memorandum of Voting Conflict shall immediately be provided to other Board members and shall be read publicly at the next meeting held subsequent to the filing of the Memorandum of Voting Conflict. The Board member's vote is unaffected by this filing.
- (c) It is not a conflict of interest for a Board member, the District Manager, or an employee of the District to be a stockholder, officer or employee of a landowner or of an entity affiliated with a landowner.
- (d) In the event that a Board member elected at a landowner's election or appointed to fill a vacancy of a seat last filled at a landowner's election, has a continuing conflict of interest, such Board member is permitted to file a Memorandum of Voting Conflict at any time in which it shall state the nature of the continuing conflict. Only one such continuing Memorandum of Voting Conflict shall be required to be filed for each term the Board member is in office.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: §§ 112.3143, 190.006, 190.007, Fla. Stat.

Rule 1.2 District Offices; Public Information and Inspection of Records; Policies; Service Contract Requirements; Financial Disclosure Coordination.

- (1) District Offices. Unless otherwise designated by the Board, the official District office shall be the District Manager's office identified by the District Manager. If the District Manager's office is not located within the county in which the District is located, the Board shall designate a local records office within such county which shall at a minimum contain, but not be limited to, the following documents:
- (a) Agenda packages for prior 24 months and next meeting;
 - (b) Official minutes of meetings, including adopted resolutions of the Board;
 - (c) Names and addresses of current Board members and District Manager, unless such addresses are protected from disclosure by law;
 - (d) Adopted engineer's reports;
 - (e) Adopted assessment methodologies/reports;
 - (f) Adopted disclosure of public financing;
 - (g) Limited Offering Memorandum for each financing undertaken by the District;
 - (h) Proceedings, certificates, bonds given by all employees, and any and all corporate acts;
 - (i) District policies and rules;
 - (j) Fiscal year end audits; and
 - (k) Adopted budget for the current fiscal year.

The District Manager shall ensure that each District records office contains the documents required by Florida law.

- (2) Public Records. District public records include all documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the physical form, characteristics, or means of transmission, made or received in connection with the transaction of official business of the District. All District public records not otherwise restricted by law may be copied or inspected at the District Manager's office during regular business hours. Certain District records can also be inspected and copied at the District's local records office during regular business hours. All written public records requests shall be directed to the Secretary who by these rules is appointed

as the District's records custodian. Regardless of the form of the request, any Board member or staff member who receives a public records request shall immediately forward or communicate such request to the Secretary for coordination of a prompt response. The Secretary, after consulting with District Counsel as to the applicability of any exceptions under the public records laws, shall be responsible for responding to the public records request. At no time can the District be required to create records or summaries of records, or prepare opinions regarding District policies, in response to a public records request.

- (3) Service Contracts. Any contract for services, regardless of cost, shall include provisions required by law that require the contractor to comply with public records laws. The District Manager shall be responsible for initially enforcing all contract provisions related to a contractor's duty to comply with public records laws.
- (4) Fees; Copies. Copies of public records shall be made available to the requesting person at a charge of \$0.15 per page for one-sided copies and \$0.20 per page for two-sided copies if not more than 8 ½ by 14 inches. For copies of public records in excess of the sizes listed in this section and for outside duplication services, the charge shall be equal to the actual cost of reproduction. Certified copies of public records shall be made available at a charge of one dollar (\$1.00) per page. If the nature or volume of records requested requires extensive use of information technology resources or extensive clerical or supervisory assistance, the District may charge, in addition to the duplication charge, a special service charge that is based on the cost the District incurs to produce the records requested. This charge may include, but is not limited to, the cost of information technology resource, employee labor, and fees charged to the District by consultants employed in fulfilling the request. In cases where the special service charge is based in whole or in part on the costs incurred by the District due to employee labor, consultant fees, or other forms of labor, those portions of the charge shall be calculated based on the lowest labor cost of the individual(s) who is/are qualified to perform the labor, taking into account the nature or volume of the public records to be inspected or copied. The charge may include the labor costs of supervisory and/or clerical staff whose assistance is required to complete the records request, in accordance with Florida law. For purposes of this Rule, the word "extensive" shall mean that it will take more than 15 minutes to locate, review for confidential information, copy and re-file the requested material. In cases where extensive personnel time is determined by the District to be necessary to safeguard original records being inspected, the special service charge provided for in this section shall apply. If the total fees, including but not limited to special service charges, are anticipated to exceed twenty-five dollars (\$25.00), then, prior to commencing work on the request, the District will inform the person making the public records request of the estimated cost, with the understanding that the final cost may vary from that estimate. If the person making the public records request decides to proceed with the request, payment of the estimated cost is required in advance. Should the person fail to pay the estimate, the District is under no duty to produce

the requested records. After the request has been fulfilled, additional payments or credits may be due. The District is under no duty to produce records in response to future records requests if the person making the request owes the District for past unpaid duplication charges, special service charges, or other required payments or credits.

- (5) Records Retention. The Secretary of the District shall be responsible for retaining the District's records in accordance with applicable Florida law.
- (6) Policies. The Board may adopt policies related to the conduct of its business and the provision of services either by resolution or motion.
- (7) Financial Disclosure Coordination. Unless specifically designated by Board resolution otherwise, the Secretary shall serve as the Financial Disclosure Coordinator ("Coordinator") for the District as required by the Florida Commission on Ethics ("Commission"). The Coordinator shall create, maintain and update a list of the names, e-mail addresses, physical addresses, and names of the agency of, and the office or position held by, all Supervisors and other persons required by Florida law to file a statement of financial interest due to his or her affiliation with the District ("Reporting Individual"). The Coordinator shall provide this list to the Commission by February 1 of each year, which list shall be current as of December 31 of the prior year. Each Supervisor and Reporting Individual shall promptly notify the Coordinator in writing if there are any changes to such person's name, e-mail address, or physical address. Each Supervisor and Reporting Individual shall promptly notify the Commission in the manner prescribed by the Commission if there are any changes to such person's e-mail address.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: §§ 112.31446(3), 112.3145(8)(a)1., 119.07, 119.0701, 190.006, Fla. Stat.

Rule 1.3 Public Meetings, Hearings, and Workshops.

- (1) Notice. Except in emergencies, or as otherwise required by statute or these Rules, at least seven (7) days, but no more than thirty (30) days public notice shall be given of any public meeting, hearing or workshop of the Board. Public notice shall be given by publication in a newspaper of general circulation in the District and in the county in which the District is located. "General circulation" means a publication that is printed and published at least once a week for the preceding year, offering at least 25% of its words in the English language, qualifies as a periodicals material for postal purposes in the county in which the District is located, is for sale to the public generally, is available to the public generally for the publication of official or other notices, and is customarily containing information of a public character or of interest or of value to the residents or owners of property in the county where published, or of interest or of value to the general public. The annual meeting notice required to be published by Section 189.015 of the Florida Statutes, shall be published in a newspaper not of limited subject matter, which is published at least five days a week, unless the only newspaper in the county is published less than five days a week. Each Notice shall state, as applicable:
- (a) The date, time and place of the meeting, hearing or workshop;
 - (b) A brief description of the nature, subjects, and purposes of the meeting, hearing, or workshop;
 - (c) The District office address for the submission of requests for copies of the agenda, as well as a contact name and telephone number for verbal requests for copies of the agenda; and
 - (d) The following or substantially similar language: "Pursuant to provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this meeting/hearing/workshop is asked to advise the District Office at least forty-eight (48) hours before the meeting/hearing/workshop by contacting the District Manager at (407) 841-5524. If you are hearing or speech impaired, please contact the Florida Relay Service at 1 (800) 955-8770 or 1 (800) 955-8771, who can aid you in contacting the District Office."
 - (e) The following or substantially similar language: "A person who decides to appeal any decision made at the meeting/hearing/workshop with respect to any matter considered at the meeting/hearing/workshop is advised that person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made including the testimony and evidence upon which the appeal is to be based."

- (f) The following or substantially similar language: “The meeting [or hearing or workshop] may be continued in progress without additional notice to a time, date, and location stated on the record.”
- (2) Mistake. In the event that a meeting is held under the incorrect assumption that notice required by law and these Rules has been given, the Board at its next properly noticed meeting shall cure such defect by considering the agenda items from the prior meeting individually and anew.
- (3) Agenda. The District Manager, under the guidance of District Counsel and the Chairperson or Vice-Chairperson, shall prepare an agenda of the meeting/hearing/workshop. The agenda and any meeting materials available in an electronic format, excluding any confidential and any confidential and exempt information, shall be available to the public at least seven days before the meeting/hearing/workshop, except in an emergency. Meeting materials shall be defined as, and limited to, the agenda, meeting minutes, resolutions, and agreements of the District that District staff deems necessary for Board approval. Inclusion of additional materials for Board consideration other than those defined herein as “meeting materials” shall not convert such materials into “meeting materials.” For good cause, the agenda may be changed after it is first made available for distribution, and additional materials may be added or provided under separate cover at the meeting. The requirement of good cause shall be liberally construed to allow the District to efficiently conduct business and to avoid the expenses associated with special meetings.

The District may, but is not required to, use the following format in preparing its agenda for its regular meetings:

- Call to order
- Roll call
- Public comment
- Organizational matters
- Review of minutes
- Specific items of old business
- Specific items of new business
- Staff reports
 - (a) District Counsel
 - (b) District Engineer
 - (c) District Manager
 - 1. Financial Report
 - 2. Approval of Expenditures
- Supervisor’s requests and comments
- Public comment
- Adjournment

- (4) Minutes. The Secretary shall be responsible for preparing and keeping the minutes of each meeting of the Board. Minutes shall be corrected and approved by the Board at a subsequent meeting. The Secretary may work with other staff members in preparing draft minutes for the Board's consideration.
- (5) Special Requests. Persons wishing to receive, by mail, notices or agendas of meetings, may so advise the District Manager or Secretary at the District Office. Such persons shall furnish a mailing address in writing and shall be required to pre-pay the cost of the copying and postage.
- (6) Emergency Meetings. The Chairperson, or Vice-Chairperson if the Chairperson is unavailable, upon consultation with the District Manager and District Counsel, if available, may convene an emergency meeting of the Board without first having complied with sections (1) and (3) of this Rule, to act on emergency matters that may affect the public health, safety, or welfare. Whenever possible, the District Manager shall make reasonable efforts to provide public notice and notify all Board members of an emergency meeting twenty-four (24) hours in advance. Reasonable efforts may include telephone notification. Notice of the emergency meeting must be provided both before and after the meeting on the District's website, if it has one. Whenever an emergency meeting is called, the District Manager shall be responsible for notifying at least one newspaper of general circulation in the District. After an emergency meeting, the Board shall publish in a newspaper of general circulation in the District, the time, date and place of the emergency meeting, the reasons why an emergency meeting was necessary, and a description of the action taken. Actions taken at an emergency meeting may be ratified by the Board at a regularly noticed meeting subsequently held.
- (7) Public Comment. The Board shall set aside a reasonable amount of time at each meeting for public comment and members of the public shall be permitted to provide comment on any proposition before the Board. The portion of the meeting generally reserved for public comment shall be identified in the agenda. Policies governing public comment may be adopted by the Board in accordance with Florida law.
- (8) Budget Hearing. Notice of hearing on the annual budget(s) shall be in accord with Section 190.008 of the Florida Statutes. Once adopted in accord with Section 190.008 of the Florida Statutes, the annual budget(s) may be amended from time to time by action of the Board. Approval of invoices by the Board in excess of the funds allocated to a particular budgeted line item shall serve to amend the budgeted line item.
- (9) Public Hearings. Notice of required public hearings shall contain the information required by applicable Florida law and by these Rules applicable to meeting notices and shall be mailed and published as required by Florida law. The District Manager shall ensure that all such notices, whether mailed or published, contain the information required by Florida law and these Rules and are mailed and

published as required by Florida law. Public hearings may be held during Board meetings when the agenda includes such public hearing.

- (10) Participation by Teleconference/Videoconference. District staff may participate in Board meetings by teleconference or videoconference. Board members may also participate in Board meetings by teleconference or videoconference if in the good judgment of the Board extraordinary circumstances exist; provided however, at least three Board members must be physically present at the meeting location to establish a quorum. Such extraordinary circumstances shall be presumed when a Board member participates by teleconference or videoconference, unless a majority of the Board members physically present determines that extraordinary circumstances do not exist.
- (11) Board Authorization. The District has not adopted Robert's Rules of Order. For each agenda item, there shall be discussion permitted among the Board members during the meeting. Unless such procedure is waived by the Board, approval or disapproval of resolutions and other proposed Board actions shall be in the form of a motion by one Board member, a second by another Board member, and an affirmative vote by the majority of the Board members present. Any Board member, including the Chairperson, can make or second a motion.
- (12) Continuances. Any meeting or public hearing of the Board may be continued without re-notice or re-advertising provided that:
 - (a) The Board identifies on the record at the original meeting a reasonable need for a continuance;
 - (b) The continuance is to a specified date, time, and location publicly announced at the original meeting; and
 - (c) The public notice for the original meeting states that the meeting may be continued to a date and time and states that the date, time, and location of any continuance shall be publicly announced at the original meeting and posted at the District Office immediately following the original meeting.
- (13) Attorney-Client Sessions. An Attorney-Client Session is permitted when the District's attorneys deem it necessary to meet in private with the Board to discuss pending litigation to which the District is a party before a court or administrative agency or as may be authorized by law. The District's attorney must request such session at a public meeting. Prior to holding the Attorney-Client Session, the District must give reasonable public notice of the time and date of the session and the names of the persons anticipated to attend the session. The session must commence at an open meeting in which the Chairperson or Vice-Chairperson announces the commencement of the session, the estimated length of the session, and the names of the persons who will be attending the session. The discussion during the session is confined to settlement negotiations or strategy related to

litigation expenses or as may be authorized by law. Only the Board, the District's attorneys (including outside counsel), the District Manager, and the court reporter may attend an Attorney-Client Session. During the session, no votes may be taken and no final decisions concerning settlement can be made. Upon the conclusion of the session, the public meeting is reopened, and the Chairperson or Vice-Chairperson must announce that the session has concluded. The session must be transcribed by a court-reporter and the transcript of the session filed with the District Secretary within a reasonable time after the session. The transcript shall not be available for public inspection until after the conclusion of the litigation.

- (14) Security and Firesafety Board Discussions. Portions of a meeting which relate to or would reveal a security or firesafety system plan or portion thereof made confidential and exempt by section 119.071(3)(a), Florida Statutes, are exempt from the public meeting requirements and other requirements of section 286.011, Florida Statutes, and section 24(b), Article 1 of the State Constitution. Should the Board wish to discuss such matters, members of the public shall be required to leave the meeting room during such discussion. Any records of the Board's discussion of such matters, including recordings or minutes, shall be maintained as confidential and exempt records in accordance with Florida law.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: §§ 189.069(2)(a)16, 190.006, 190.007, 190.008, 286.0105, 286.011, 286.0113, 286.0114, Fla. Stat.

Rule 1.4 Internal Controls to Prevent Fraud, Waste and Abuse

- (1) Internal Controls. The District shall establish and maintain internal controls designed to:
- (a) Prevent and detect “fraud,” “waste” and “abuse” as those terms are defined in section 11.45(1), Florida Statutes; and
 - (b) Promote and encourage compliance with applicable laws, rules contracts, grant agreements, and best practices; and
 - (c) Support economical and efficient operations; and
 - (d) Ensure reliability of financial records and reports; and
 - (e) Safeguard assets.
- (2) Adoption. The internal controls to prevent fraud, waste and abuse shall be adopted and amended by the District in the same manner as District policies.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.
Law Implemented: § 218.33(3), Fla. Stat.

Rule 2.0 Rulemaking Proceedings.

- (1) Commencement of Proceedings. Proceedings held for adoption, amendment, or repeal of a District rule shall be conducted according to these Rules. Rulemaking proceedings shall be deemed to have been initiated upon publication of notice by the District. A “rule” is a District statement of general applicability that implements, interprets, or prescribes law or policy, or describes the procedure or practice requirements of the District (“Rule”). Nothing herein shall be construed as requiring the District to consider or adopt rules unless required by Chapter 190 of the Florida Statutes. Policies adopted by the District which do not consist of rates, fees, rentals or other monetary charges may be, but are not required to be, implemented through rulemaking proceedings.
- (2) Notice of Rule Development.
 - (a) Except when the intended action is the repeal of a Rule, the District shall provide notice of the development of a proposed rule by publication of a Notice of Rule Development in a newspaper of general circulation in the District before providing notice of a proposed rule as required by section (3) of this Rule. Consequently, the Notice of Rule Development shall be published at least twenty-nine (29) days prior to the public hearing on the proposed Rule. The Notice of Rule Development shall indicate the subject area to be addressed by rule development, provide a short, plain explanation of the purpose and effect of the proposed rule, cite the specific legal authority for the proposed rule, and include a statement of how a person may promptly obtain, without cost, a copy of any preliminary draft, if available.
 - (b) All rules as drafted shall be consistent with Sections 120.54(1)(g) and 120.54(2)(b) of the Florida Statutes.
- (3) Notice of Proceedings and Proposed Rules.
 - (a) Prior to the adoption, amendment, or repeal of any rule other than an emergency rule, the District shall give notice of its intended action, setting forth a short, plain explanation of the purpose and effect of the proposed action, a reference to the specific rulemaking authority pursuant to which the rule is adopted, and a reference to the section or subsection of the Florida Statutes being implemented, interpreted, or made specific. The notice shall include a summary of the District’s statement of the estimated regulatory costs, if one has been prepared, based on the factors set forth in Section 120.541(2) of the Florida Statutes, and a statement that any person who wishes to provide the District with a lower cost regulatory alternative as provided by Section 120.541(1), must do so in writing within twenty-one (21) days after publication of the notice. The notice shall additionally include a statement that any affected person may request a public hearing

by submitting a written request within twenty-one (21) days after the date of publication of the notice. Except when intended action is the repeal of a rule, the notice shall include a reference to both the date on which and the place where the Notice of Rule Development required by section (2) of this Rule appeared.

- (b) The notice shall be published in a newspaper of general circulation in the District and each county in which the District is located not less than twenty-eight (28) days prior to the intended action. The proposed rule shall be available for inspection and copying by the public at the time of the publication of notice.
 - (c) The notice shall be mailed to all persons named in the proposed rule and to all persons who, at least fourteen (14) days prior to such mailing, have made requests of the District for advance notice of its rulemaking proceedings. Any person may file a written request with the District Manager to receive notice by mail of District proceedings to adopt, amend, or repeal a rule. Such persons must furnish a mailing address and may be required to pay the cost of copying and mailing.
- (4) Rule Development Workshops. Whenever requested in writing by any affected person, the District must either conduct a rule development workshop prior to proposing rules for adoption or the Chairperson must explain in writing why a workshop is unnecessary. The District may initiate a rule development workshop but is not required to do so.
- (5) Petitions to Initiate Rulemaking. All Petitions to Initiate Rulemaking proceedings must contain the name, address, and telephone number of the petitioner, the specific action requested, the specific reason for adoption, amendment, or repeal, the date submitted, the text of the proposed rule, and the facts showing that the petitioner is regulated by the District or has a substantial interest in the rulemaking. Not later than sixty (60) calendar days following the date of filing a petition, the Board shall initiate rulemaking proceedings or deny the petition with a written statement of its reasons for the denial. If the petition is directed to an existing policy that the District has not formally adopted as a rule, the District may, in its discretion, notice and hold a public hearing on the petition to consider the comments of the public directed to the policy, its scope and application, and to consider whether the public interest is served adequately by the application of the policy on a case-by-case basis, as contrasted with its formal adoption as a rule. However, this section shall not be construed as requiring the District to adopt a rule to replace a policy.
- (6) Rulemaking Materials. After the publication of the notice referenced in section (3) of this Rule, the Board shall make available for public inspection and shall provide, upon request and payment of the cost of copies, the following materials:

- (a) The text of the proposed rule, or any amendment or repeal of any existing rules;
 - (b) A detailed written statement of the facts and circumstances justifying the proposed rule;
 - (c) A copy of the statement of estimated regulatory costs if required by Section 120.541 of the Florida Statutes; and
 - (d) The published notice.
- (7) Hearing. The District may, or, upon the written request of any affected person received within twenty-one (21) days after the date of publication of the notice described in section (3) of this Rule, shall, provide a public hearing for the presentation of evidence, argument, and oral statements, within the reasonable conditions and limitations imposed by the District to avoid duplication, irrelevant comments, unnecessary delay, or disruption of the proceedings. The District shall publish notice of the public hearing in a newspaper of general circulation within the District either in the text of the notice described in section (3) of this Rule or in a separate publication at least seven (7) days before the scheduled public hearing. The notice shall specify the date, time, and location of the public hearing, and the name, address, and telephone number of the District contact person who can provide information about the public hearing. Written statements may be submitted by any person prior to or at the public hearing. All timely submitted written statements shall be considered by the District and made part of the rulemaking record.
- (8) Emergency Rule Adoption. The Board may adopt an emergency rule if it finds that immediate danger to the public health, safety, or welfare exists which requires immediate action. Prior to the adoption of an emergency rule, the District Manager shall make reasonable efforts to notify a newspaper of general circulation in the District. Notice of emergency rules shall be published as soon as possible in a newspaper of general circulation in the District. The District may use any procedure which is fair under the circumstances in the adoption of an emergency rule as long as it protects the public interest as determined by the District and otherwise complies with these provisions.
- (9) Negotiated Rulemaking. The District may use negotiated rulemaking in developing and adopting rules pursuant to Section 120.54(2)(d) of the Florida Statutes, except that any notices required under Section 120.54(2)(d) of the Florida Statutes, may be published in a newspaper of general circulation in the county in which the District is located.
- (10) Rulemaking Record. In all rulemaking proceedings, the District shall compile and maintain a rulemaking record. The record shall include, if applicable:

- (a) The texts of the proposed rule and the adopted rule;
 - (b) All notices given for a proposed rule;
 - (c) Any statement of estimated regulatory costs for the rule;
 - (d) A written summary of hearings, if any, on the proposed rule;
 - (e) All written comments received by the District and responses to those written comments; and
 - (f) All notices and findings pertaining to an emergency rule.
- (11) Petitions to Challenge Existing Rules.
- (a) Any person substantially affected by a rule may seek an administrative determination of the invalidity of the rule on the ground that the rule is an invalid exercise of the District's authority.
 - (b) The petition seeking an administrative determination must state with particularity the provisions alleged to be invalid with sufficient explanation of the facts or grounds for the alleged invalidity and facts sufficient to show that the person challenging a rule is substantially affected by it.
 - (c) The petition shall be filed with the District. Within 10 days after receiving the petition, the Chairperson shall, if the petition complies with the requirements of subsection (b) of this section, designate any member of the Board (including the Chairperson), District Manager, District Counsel, or other person as a hearing officer who shall conduct a hearing within 30 days thereafter, unless the petition is withdrawn or a continuance is granted by agreement of the parties. The failure of the District to follow the applicable rulemaking procedures or requirements in this Rule shall be presumed to be material; however, the District may rebut this presumption by showing that the substantial interests of the petitioner and the fairness of the proceedings have not been impaired.
 - (d) Within 30 days after the hearing, the hearing officer shall render a decision and state the reasons therefor in writing.
 - (e) Hearings held under this section shall be de novo in nature. The petitioner has a burden of proving by a preponderance of the evidence that the existing rule is an invalid exercise of District authority as to the objections raised. The hearing officer may:
 - (i) Administer oaths and affirmations;

- (ii) Rule upon offers of proof and receive relevant evidence;
 - (iii) Regulate the course of the hearing, including any pre-hearing matters;
 - (iv) Enter orders; and
 - (v) Make or receive offers of settlement, stipulation, and adjustment.
 - (f) The petitioner and the District shall be adverse parties. Other substantially affected persons may join the proceedings as intervenors on appropriate terms which shall not unduly delay the proceedings.
- (12) Variances and Waivers. A “variance” means a decision by the District to grant a modification to all or part of the literal requirements of a rule to a person who is subject to the rule. A “waiver” means a decision by the District not to apply all or part of a rule to a person who is subject to the rule. Variances and waivers from District rules may be granted subject to the following:
- (a) Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person, and when application of the rule would create a substantial hardship or would violate principles of fairness. For purposes of this section, "substantial hardship" means a demonstrated economic, technological, legal, or other type of hardship to the person requesting the variance or waiver. For purposes of this section, "principles of fairness" are violated when the literal application of a rule affects a particular person in a manner significantly different from the way it affects other similarly situated persons who are subject to the rule.
 - (b) A person who is subject to regulation by a District Rule may file a petition with the District, requesting a variance or waiver from the District’s Rule. Each petition shall specify:
 - (i) The rule from which a variance or waiver is requested;
 - (ii) The type of action requested;
 - (iii) The specific facts that would justify a waiver or variance for the petitioner; and
 - (iv) The reason why the variance or the waiver requested would serve the purposes of the underlying statute.
 - (c) The District shall review the petition and may request only that information needed to clarify the petition or to answer new questions

raised by or directly related to the petition. If the petitioner asserts that any request for additional information is not authorized by law or by Rule of the District, the District shall proceed, at the petitioner's written request, to process the petition.

- (d) The Board shall grant or deny a petition for variance or waiver and shall announce such disposition at a publicly held meeting of the Board, within ninety (90) days after receipt of the original petition, the last item of timely requested additional material, or the petitioner's written request to finish processing the petition. The District's statement granting or denying the petition shall contain a statement of the relevant facts and reasons supporting the District's action.

- (13) Rates, Fees, Rentals and Other Charges. All rates, fees, rentals, or other charges shall be subject to rulemaking proceedings. Policies adopted by the District which do not consist of rates, fees, rentals or other charges may be, but are not required to be, implemented through rulemaking proceedings.

Specific Authority: §§ 190.011(5), 190.011(15), 190.035, Fla. Stat.

Law Implemented: §§ 190.011(5), 190.035(2), Fla. Stat.

Rule 3.0 Competitive Purchase.

- (1) Purpose and Scope. In order to comply with Sections 190.033(1) through (3), 287.055 and 287.017 of the Florida Statutes, the following provisions shall apply to the purchase of Professional Services, insurance, construction contracts, design-build services, goods, supplies, and materials, Contractual Services, and maintenance services.
- (2) Board Authorization. Except in cases of an Emergency Purchase, a competitive purchase governed by these Rules shall only be undertaken after authorization by the Board.
- (3) Definitions.
 - (a) “Competitive Solicitation” means a formal, advertised procurement process, other than an Invitation to Bid, Request for Proposals, or Invitation to Negotiate, approved by the Board to purchase commodities and/or services which affords vendors fair treatment in the competition for award of a District purchase contract.
 - (b) “Continuing Contract” means a contract for Professional Services entered into in accordance with Section 287.055 of the Florida Statutes, between the District and a firm, whereby the firm provides Professional Services to the District for projects in which the costs do not exceed two million dollars (\$2,000,000), for a study activity when the fee for such Professional Services to the District does not exceed two hundred thousand dollars (\$200,000), or for work of a specified nature as outlined in the contract with the District, with no time limitation except that the contract must provide a termination clause (for example, a contract for general District engineering services). Firms providing Professional Services under Continuing Contracts shall not be required to bid against one another.
 - (c) “Contractual Service” means the rendering by a contractor of its time and effort rather than the furnishing of specific commodities. The term applies only to those services rendered by individuals and firms who are independent contractors. Contractual Services do not include auditing services, Maintenance Services, or Professional Services as defined in Section 287.055(2)(a) of the Florida Statutes, and these Rules. Contractual Services also do not include any contract for the furnishing of labor or materials for the construction, renovation, repair, modification, or demolition of any facility, building, portion of building, utility, park, parking lot, or structure or other improvement to real property entered into pursuant to Chapter 255 of the Florida Statutes, and Rules 3.5 or 3.6.

- (d) “Design-Build Contract” means a single contract with a Design-Build Firm for the design and construction of a public construction project.
- (e) “Design-Build Firm” means a partnership, corporation or other legal entity that:
 - (i) Is certified under Section 489.119 of the Florida Statutes, to engage in contracting through a certified or registered general contractor or a certified or registered building contractor as the qualifying agent; or
 - (ii) Is certified under Section 471.023 of the Florida Statutes, to practice or to offer to practice engineering; certified under Section 481.219 of the Florida Statutes, to practice or to offer to practice architecture; or certified under Section 481.319 of the Florida Statutes, to practice or to offer to practice landscape architecture.
- (f) “Design Criteria Package” means concise, performance-oriented drawings or specifications for a public construction project. The purpose of the Design Criteria Package is to furnish sufficient information to permit Design-Build Firms to prepare a bid or a response to the District’s Request for Proposals, or to permit the District to enter into a negotiated Design-Build Contract. The Design Criteria Package must specify performance-based criteria for the public construction project, including the legal description of the site, survey information concerning the site, interior space requirements, material quality standards, schematic layouts and conceptual design criteria of the project, cost or budget estimates, design and construction schedules, site development requirements, provisions for utilities, stormwater retention and disposal, and parking requirements applicable to the project. Design Criteria Packages shall require firms to submit information regarding the qualifications, availability, and past work of the firms, including the partners and members thereof.
- (g) “Design Criteria Professional” means a firm who holds a current certificate of registration under Chapter 481 of the Florida Statutes, to practice architecture or landscape architecture, or a firm who holds a current certificate as a registered engineer under Chapter 471 of the Florida Statutes, to practice engineering, and who is employed by or under contract to the District to provide professional architect services, landscape architect services, or engineering services in connection with the preparation of the Design Criteria Package.
- (h) “Emergency Purchase” means a purchase necessitated by a sudden unexpected turn of events (for example, acts of God, riot, fires, floods, hurricanes, accidents, or any circumstances or cause beyond the control of the Board in the normal conduct of its business), where the Board finds

that the delay incident to competitive purchase would be detrimental to the interests of the District. This includes, but is not limited to, instances where the time to competitively award the project will jeopardize the funding for the project, will materially increase the cost of the project, or will create an undue hardship on the public health, safety, or welfare.

- (i) “Invitation to Bid” is a written solicitation for sealed bids with the title, date, and hour of the public bid opening designated specifically and defining the commodity or service involved. It includes printed instructions prescribing conditions for bidding, qualification, evaluation criteria, and provides for a manual signature of an authorized representative. It may include one or more bid alternates.
- (j) “Invitation to Negotiate” means a written solicitation for competitive sealed replies to select one or more vendors with which to commence negotiations for the procurement of commodities or services.
- (k) “Negotiate” means to conduct legitimate, arm’s length discussions and conferences to reach an agreement on a term or price.
- (l) “Professional Services” means those services within the scope of the practice of architecture, professional engineering, landscape architecture, or registered surveying and mapping, as defined by the laws of Florida, or those services performed by any architect, professional engineer, landscape architect, or registered surveyor and mapper, in connection with the firm's or individual's professional employment or practice.
- (m) “Proposal (or Reply or Response) Most Advantageous to the District” means, as determined in the sole discretion of the Board, the proposal, reply, or response that is:
 - (i) Submitted by a person or firm capable and qualified in all respects to perform fully the contract requirements, who has the integrity and reliability to assure good faith performance;
 - (ii) The most responsive to the Request for Proposals, Invitation to Negotiate, or Competitive Solicitation as determined by the Board; and
 - (iii) For a cost to the District deemed by the Board to be reasonable.
- (n) “Purchase” means acquisition by sale, rent, lease, lease/purchase, or installment sale. It does not include transfer, sale, or exchange of goods, supplies, or materials between the District and any federal, state, regional or local governmental entity or political subdivision of the State of Florida.

- (o) “Request for Proposals” or “RFP” is a written solicitation for sealed proposals with the title, date, and hour of the public opening designated and requiring the manual signature of an authorized representative. It may provide general information, applicable laws and rules, statement of work, functional or general specifications, qualifications, proposal instructions, work detail analysis, and evaluation criteria as necessary.
- (p) “Responsive and Responsible Bidder” means an entity or individual that has submitted a bid that conforms in all material respects to the Invitation to Bid and has the capability in all respects to fully perform the contract requirements and the integrity and reliability that will assure good faith performance. “Responsive and Responsible Vendor” means an entity or individual that has submitted a proposal, reply, or response that conforms in all material respects to the Request for Proposals, Invitation to Negotiate, or Competitive Solicitation and has the capability in all respects to fully perform the contract requirements and the integrity and reliability that will assure good faith performance. In determining whether an entity or individual is a Responsive and Responsible Bidder (or Vendor), the District may consider, in addition to factors described in the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, the following:
 - (i) The ability and adequacy of the professional personnel employed by the entity/individual;
 - (ii) The past performance of the entity/individual for the District and in other professional employment;
 - (iii) The willingness of the entity/individual to meet time and budget requirements;
 - (iv) The geographic location of the entity’s/individual’s headquarters or office in relation to the project;
 - (v) The recent, current, and projected workloads of the entity/individual;
 - (vi) The volume of work previously awarded to the entity/individual;
 - (vii) Whether the cost components of the bid or proposal are appropriately balanced; and
 - (viii) Whether the entity/individual is a certified minority business enterprise.

- (q) “Responsive Bid,” “Responsive Proposal,” “Responsive Reply,” and “Responsive Response” all mean a bid, proposal, reply, or response which conforms in all material respects to the specifications and conditions in the Invitation to Bid, Request for Proposals, Invitations to Negotiate, or Competitive Solicitation document and these Rules, and the cost components of which, if any, are appropriately balanced. A bid, proposal, reply or response is not responsive if the person or firm submitting it fails to meet any material requirement relating to the qualifications, financial stability, or licensing of the bidder.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: §§ 190.033, 255.20, 287.055, Fla. Stat.

Rule 3.1 Procedure Under the Consultants' Competitive Negotiations Act.

- (1) Scope. The following procedures are adopted for the selection of firms or individuals to provide Professional Services exceeding the thresholds herein described, for the negotiation of such contracts, and to provide for protest of actions of the Board under this Rule. As used in this Rule, "Project" means that fixed capital outlay study or planning activity when basic construction cost is estimated by the District to exceed the threshold amount provided in Section 287.017 of the Florida Statutes, for CATEGORY FIVE, or for a planning study activity when the fee for Professional Services is estimated by the District to exceed the threshold amount provided in Section 287.017 for CATEGORY TWO, as such categories may be amended or adjusted from time to time.
- (2) Qualifying Procedures. In order to be eligible to provide Professional Services to the District, a consultant must, at the time of receipt of the firm's qualification submittal:
 - (a) Hold all required applicable state professional licenses in good standing;
 - (b) Hold all required applicable federal licenses in good standing, if any;
 - (c) Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the consultant is a corporation; and
 - (d) Meet any qualification requirements set forth in the District's Request for Qualifications.

Evidence of compliance with this Rule may be submitted with the qualifications, if requested by the District. In addition, evidence of compliance must be submitted any time requested by the District.

- (3) Public Announcement. Except in cases of valid public emergencies as certified by the Board, the District shall announce each occasion when Professional Services are required for a Project or a Continuing Contract by publishing a notice providing a general description of the Project, or the nature of the Continuing Contract, and the method for interested consultants to apply for consideration. The notice shall appear in at least one (1) newspaper of general circulation in the District and in such other places as the District deems appropriate. The notice must allow at least fourteen (14) days for submittal of qualifications from the date of publication. The District may maintain lists of consultants interested in receiving such notices. These consultants are encouraged to submit annually statements of qualifications and performance data. The District shall make reasonable efforts to provide copies of any notices to such consultants, but the failure to do so shall not give such consultants any bid protest or other rights or otherwise disqualify any otherwise valid procurement process. The Board has the

right to reject any and all qualifications, and such reservation shall be included in the published notice. Consultants not receiving a contract award shall not be entitled to recover from the District any costs of qualification package preparation or submittal.

(4) Competitive Selection.

- (a) The Board shall review and evaluate the data submitted in response to the notice described in section (3) of this Rule regarding qualifications and performance ability, as well as any statements of qualifications on file. The Board shall conduct discussions with, and may require public presentation by consultants regarding their qualifications, approach to the Project, and ability to furnish the required services. The Board shall then select and list the consultants, in order of preference, deemed to be the most highly capable and qualified to perform the required Professional Services, after considering these and other appropriate criteria:
 - (i) The ability and adequacy of the professional personnel employed by each consultant;
 - (ii) Whether a consultant is a certified minority business enterprise;
 - (iii) Each consultant's past performance;
 - (iv) The willingness of each consultant to meet time and budget requirements;
 - (v) The geographic location of each consultant's headquarters, office and personnel in relation to the project;
 - (vi) The recent, current, and projected workloads of each consultant; and
 - (vii) The volume of work previously awarded to each consultant by the District.
- (b) Nothing in these Rules shall prevent the District from evaluating and eventually selecting a consultant if less than three (3) Responsive qualification packages, including packages indicating a desire not to provide Professional Services on a given Project, are received.
- (c) If the selection process is administered by any person or committee other than the full Board, the selection made will be presented to the full Board with a recommendation that competitive negotiations be instituted with the selected firms in order of preference listed.

- (d) Notice of the rankings adopted by the Board, including the rejection of some or all qualification packages, shall be provided in writing to all consultants by United States Mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's ranking decisions under this Rule shall be in accordance with the procedures set forth in Rule 3.11.

(5) Competitive Negotiation.

- (a) After the Board has authorized the beginning of competitive negotiations, the District may begin such negotiations with the firm listed as most qualified to perform the required Professional Services at a rate or amount of compensation which the Board determines is fair, competitive, and reasonable.
- (b) In negotiating a lump-sum or cost-plus-a-fixed-fee professional contract for more than the threshold amount provided in Section 287.017 of the Florida Statutes, for CATEGORY FOUR, the firm receiving the award shall be required to execute a truth-in-negotiation certificate stating that "wage rates and other factual unit costs supporting the compensation are accurate, complete and current at the time of contracting." In addition, any professional service contract under which such a certificate is required, shall contain a provision that "the original contract price and any additions thereto, shall be adjusted to exclude any significant sums by which the Board determines the contract price was increased due to inaccurate, incomplete, or noncurrent wage rates and other factual unit costs."
- (c) Should the District be unable to negotiate a satisfactory agreement with the firm determined to be the most qualified at a price deemed by the District to be fair, competitive, and reasonable, then negotiations with that firm shall be terminated and the District shall immediately begin negotiations with the second most qualified firm. If a satisfactory agreement with the second firm cannot be reached, those negotiations shall be terminated and negotiations with the third most qualified firm shall be undertaken.
- (d) Should the District be unable to negotiate a satisfactory agreement with one of the top three (3) ranked consultants, additional firms shall be selected by the District, in order of their competence and qualifications. Negotiations shall continue, beginning with the first-named firm on the list, until an agreement is reached or the list of firms is exhausted.

- (6) Contracts: Public Records. In accordance with Florida law, each contract entered into pursuant to this Rule shall include provisions required by law that require the contractor to comply with public records laws.
- (7) Continuing Contract. Nothing in this Rule shall prohibit a Continuing Contract between a consultant and the District.
- (8) Emergency Purchase. The District may make an Emergency Purchase without complying with these Rules. The fact that an Emergency Purchase has occurred or is necessary shall be noted in the minutes of the next Board meeting.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: §§ 119.0701, 190.011(3), 190.033, 287.055, Fla. Stat.

Rule 3.2 Procedure Regarding Auditor Selection.

In order to comply with the requirements of Section 218.391 of the Florida Statutes, the following procedures are outlined for selection of firms or individuals to provide Auditing Services and for the negotiation of such contracts. For audits required under Chapter 190 of the Florida Statutes but not meeting the thresholds of Chapter 218 of the Florida Statutes, the District need not follow these procedures but may proceed with the selection of a firm or individual to provide Auditing Services and for the negotiation of such contracts in the manner the Board determines is in the best interests of the District.

(1) Definitions.

- (a) "Auditing Services" means those services within the scope of the practice of a certified public accounting firm licensed under Chapter 473 of the Florida Statutes, and qualified to conduct audits in accordance with government auditing standards as adopted by the Florida Board of Accountancy.
- (b) "Committee" means the auditor selection committee appointed by the Board as described in section (2) of this Rule.

(2) Establishment of Auditor Selection Committee. Prior to a public announcement under section (4) of this Rule that Auditing Services are required, the Board shall establish an auditor selection committee ("Committee"), the primary purpose of which is to assist the Board in selecting an auditor to conduct the annual financial audit required by Section 218.39 of the Florida Statutes. The Committee shall include at least three individuals, at least one of which must also be a member of the Board. The establishment and selection of the Committee must be conducted at a publicly noticed and held meeting of the Board. The Chairperson of the Committee must be a member of the Board. An employee, a chief executive officer, or a chief financial officer of the District may not serve as a member of the Committee; provided however such individual may serve the Committee in an advisory capacity.

(3) Establishment of Minimum Qualifications and Evaluation Criteria. Prior to a public announcement under section (4) of this Rule that Auditing Services are required, the Committee shall meet at a publicly noticed meeting to establish minimum qualifications and factors to use for the evaluation of Auditing Services to be provided by a certified public accounting firm licensed under Chapter 473 of the Florida Statutes, and qualified to conduct audits in accordance with government auditing standards as adopted by the Florida Board of Accountancy.

- (a) Minimum Qualifications. In order to be eligible to submit a proposal, a firm must, at all relevant times including the time of receipt of the proposal by the District:

- (i) Hold all required applicable state professional licenses in good standing;
- (ii) Hold all required applicable federal licenses in good standing, if any;
- (iii) Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the proposer is a corporation; and
- (iv) Meet any pre-qualification requirements established by the Committee and set forth in the RFP or other specifications.

If requested in the RFP or other specifications, evidence of compliance with the minimum qualifications as established by the Committee must be submitted with the proposal.

- (b) Evaluation Criteria. The factors established for the evaluation of Auditing Services by the Committee shall include, but are not limited to:
 - (i) Ability of personnel;
 - (ii) Experience;
 - (iii) Ability to furnish the required services; and
 - (iv) Such other factors as may be determined by the Committee to be applicable to its particular requirements.

The Committee may also choose to consider compensation as a factor. If the Committee establishes compensation as one of the factors, compensation shall not be the sole or predominant factor used to evaluate proposals.

- (4) Public Announcement. After identifying the factors to be used in evaluating the proposals for Auditing Services as set forth in section (3) of this Rule, the Committee shall publicly announce the opportunity to provide Auditing Services. Such public announcement shall include a brief description of the audit and how interested firms can apply for consideration and obtain the RFP. The notice shall appear in at least one (1) newspaper of general circulation in the District and the county in which the District is located. The public announcement shall allow for at least seven (7) days for the submission of proposals.
- (5) Request for Proposals. The Committee shall provide interested firms with a Request for Proposals ("RFP"). The RFP shall provide information on how proposals are to be evaluated and such other information the Committee

determines is necessary for the firm to prepare a proposal. The RFP shall state the time and place for submitting proposals.

- (6) Committee's Evaluation of Proposals and Recommendation. The Committee shall meet at a publicly held meeting that is publicly noticed for a reasonable time in advance of the meeting to evaluate all qualified proposals and may, as part of the evaluation, require that each interested firm provide a public presentation where the Committee may conduct discussions with the firm, and where the firm may present information, regarding the firm's qualifications. At the public meeting, the Committee shall rank and recommend in order of preference no fewer than three firms deemed to be the most highly qualified to perform the required services after considering the factors established pursuant to subsection (3)(b) of this Rule. If fewer than three firms respond to the RFP or if no firms respond to the RFP, the Committee shall recommend such firm as it deems to be the most highly qualified. Notwithstanding the foregoing, the Committee may recommend that any and all proposals be rejected.

(7) Board Selection of Auditor.

- (a) Where compensation was not selected as a factor used in evaluating the proposals, the Board shall negotiate with the firm ranked first and inquire of that firm as to the basis of compensation. If the Board is unable to negotiate a satisfactory agreement with the first ranked firm at a price deemed by the Board to be fair, competitive, and reasonable, then negotiations with that firm shall be terminated and the Board shall immediately begin negotiations with the second ranked firm. If a satisfactory agreement with the second ranked firm cannot be reached, those negotiations shall be terminated and negotiations with the third ranked firm shall be undertaken. The Board may reopen formal negotiations with any one of the three top-ranked firms, but it may not negotiate with more than one firm at a time. If the Board is unable to negotiate a satisfactory agreement with any of the selected firms, the Committee shall recommend additional firms in order of the firms' respective competence and qualifications. Negotiations shall continue, beginning with the first-named firm on the list, until an agreement is reached or the list of firms is exhausted.
- (b) Where compensation was selected as a factor used in evaluating the proposals, the Board shall select the highest-ranked qualified firm or document in its public records the reason for not selecting the highest-ranked qualified firm.
- (c) In negotiations with firms under this Rule, the Board may allow the District Manager, District Counsel, or other designee to conduct negotiations on its behalf.

- (d) Notwithstanding the foregoing, the Board may reject any or all proposals. The Board shall not consider any proposal, or enter into any contract for Auditing Services, unless the proposed agreed-upon compensation is reasonable to satisfy the requirements of Section 218.39 of the Florida Statutes, and the needs of the District.
- (8) Contract. Any agreement reached under this Rule shall be evidenced by a written contract, which may take the form of an engagement letter signed and executed by both parties. The written contract shall include all provisions and conditions of the procurement of such services and shall include, at a minimum, the following:
 - (a) A provision specifying the services to be provided and fees or other compensation for such services;
 - (b) A provision requiring that invoices for fees or other compensation be submitted in sufficient detail to demonstrate compliance with the terms of the contract;
 - (c) A provision setting forth deadlines for the auditor to submit a preliminary draft audit report to the District for review and to submit a final audit report no later than June 30 of the fiscal year that follows the fiscal year for which the audit is being conducted;
 - (d) A provision specifying the contract period, including renewals, and conditions under which the contract may be terminated or renewed. The maximum contract period including renewals shall be five (5) years. A renewal may be done without the use of the auditor selection procedures provided in this Rule but must be in writing.
 - (e) Provisions required by law that require the auditor to comply with public records laws.
- (9) Notice of Award. Once a negotiated agreement with a firm or individual is reached, or the Board authorizes the execution of an agreement with a firm where compensation was a factor in the evaluation of proposals, notice of the intent to award, including the rejection of some or all proposals, shall be provided in writing to all proposers by United States Mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests regarding the award of contracts under this Rule shall be as provided for in Rule 3.11. No proposer shall be entitled to recover any costs of proposal preparation or submittal from the District.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.
Law Implemented: §§ 119.0701, 218.33, 218.391, Fla. Stat.

Rule 3.3 Purchase of Insurance.

- (1) Scope. The purchases of life, health, accident, hospitalization, legal expense, or annuity insurance, or all of any kinds of such insurance for the officers and employees of the District, and for health, accident, hospitalization, and legal expenses upon a group insurance plan by the District, shall be governed by this Rule. This Rule does not apply to the purchase of any other type of insurance by the District, including but not limited to liability insurance, property insurance, and directors and officers insurance. Nothing in this Rule shall require the District to purchase insurance.
- (2) Procedure. For a purchase of insurance within the scope of these Rules, the following procedure shall be followed:
 - (a) The Board shall cause to be prepared a Notice of Invitation to Bid.
 - (b) Notice of the Invitation to Bid shall be advertised at least once in a newspaper of general circulation within the District. The notice shall allow at least fourteen (14) days for submittal of bids.
 - (c) The District may maintain a list of persons interested in receiving notices of Invitations to Bid. The District shall make reasonable efforts to provide copies of any notices to such persons, but the failure to do so shall not give such consultants any bid protest or other rights or otherwise disqualify any otherwise valid procurement process.
 - (d) Bids shall be opened at the time and place noted in the Invitation to Bid.
 - (e) If only one (1) response to an Invitation is received, the District may proceed with the purchase. If no response to an Invitation to Bid is received, the District may take whatever steps are reasonably necessary in order to proceed with the purchase.
 - (f) The Board has the right to reject any and all bids and such reservations shall be included in all solicitations and advertisements.
 - (g) Simultaneously with the review of the submitted bids, the District may undertake negotiations with those companies that have submitted reasonable and timely bids and, in the opinion of the District, are fully qualified and capable of meeting all services and requirements. Bid responses shall be evaluated in accordance with the specifications and criteria contained in the Invitation to Bid; in addition, the total cost to the District, the cost, if any, to the District officers, employees, or their dependents, the geographic location of the company's headquarters and offices in relation to the District, and the ability of the company to guarantee premium stability may be considered. A contract to purchase

insurance shall be awarded to that company whose response to the Invitation to Bid best meets the overall needs of the District, its officers, employees, and/or dependents.

- (h) Notice of the intent to award, including rejection of some or all bids, shall be provided in writing to all bidders by United States Mail, by hand delivery, or by overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's procurement of insurance under this Rule shall be in accordance with the procedures set forth in Rule 3.11.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: § 112.08, Fla. Stat.

Rule 3.4 Pre-qualification

- (1) Scope. In its discretion, the District may undertake a pre-qualification process in accordance with this Rule for vendors to provide construction services, goods, supplies, and materials, Contractual Services, and maintenance services.
- (2) Procedure. When the District seeks to pre-qualify vendors, the following procedures shall apply:
 - (a) The Board shall cause to be prepared a Request for Qualifications.
 - (b) For construction services exceeding the thresholds described in Section 255.20 of the Florida Statutes, the Board must advertise the proposed pre-qualification criteria and procedures and allow at least seven (7) days notice of the public hearing for comments on such pre-qualification criteria and procedures. At such public hearing, potential vendors may object to such pre-qualification criteria and procedures. Following such public hearing, the Board shall formally adopt pre-qualification criteria and procedures prior to the advertisement of the Request for Qualifications for construction services.
 - (c) The Request for Qualifications shall be advertised at least once in a newspaper of general circulation within the District and within the county in which the District is located. The notice shall allow at least seven (7) days for submittal of qualifications for goods, supplies and materials, Contractual Services, maintenance services, and construction services under two hundred fifty thousand dollars (\$250,000). The notice shall allow at least twenty-one (21) days for submittal of qualifications for construction services estimated to cost over two hundred fifty thousand dollars (\$250,000) and thirty (30) days for construction services estimated to cost over five hundred thousand dollars (\$500,000).
 - (d) The District may maintain lists of persons interested in receiving notices of Requests for Qualifications. The District shall make a good faith effort to provide written notice, by electronic mail, United States Mail, hand delivery, or facsimile, to persons who provide their name and address to the District Manager for inclusion on the list. However, failure of a person to receive the notice shall not invalidate any pre-qualification determination or contract awarded in accordance with these Rules and shall not be a basis for a protest of any pre-qualification determination or contract award.
 - (e) If the District has pre-qualified vendors for a particular category of purchase, at the option of the District, only those persons who have been pre-qualified will be eligible to submit bids, proposals, replies or

responses in response to the applicable Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.

- (f) In order to be eligible to submit qualifications, a firm or individual must, at the time of receipt of the qualifications:
 - (i) Hold all required applicable state professional licenses in good standing;
 - (ii) Hold all required applicable federal licenses in good standing, if any;
 - (iii) Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the vendor is a corporation; and
 - (iv) Meet any special pre-qualification requirements set forth in the Request for Qualifications.

Evidence of compliance with these Rules must be submitted with the qualifications if required by the District. Failure to submit evidence of compliance when required may be grounds for rejection of the qualifications.

- (g) Qualifications shall be presented to the Board, or a committee appointed by the Board, for evaluation in accordance with the Request for Qualifications and this Rule. Minor variations in the qualifications may be waived by the Board. A variation is minor if waiver of the variation does not create a competitive advantage or disadvantage of a material nature.
- (h) All vendors determined by the District to meet the pre-qualification requirements shall be pre-qualified. To assure full understanding of the responsiveness to the requirements contained in a Request for Qualifications, discussions may be conducted with qualified vendors. Vendors shall be accorded fair treatment prior to the submittal date with respect to any opportunity for discussion and revision of qualifications. For construction services, any contractor pre-qualified and considered eligible by the Department of Transportation to bid to perform the type of work the project entails shall be presumed to be qualified to perform the project.
- (i) The Board shall have the right to reject all qualifications if there are not enough to be competitive or if rejection is determined to be in the best interest of the District. No vendor shall be entitled to recover any costs of qualification preparation or submittal from the District.

(j) Notice of intent to pre-qualify, including rejection of some or all qualifications, shall be provided in writing to all vendors by United States Mail, electronic mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's pre-qualification decisions under this Rule shall be in accordance with the procedures set forth in Rule 3.11; provided however, protests related to the pre-qualification criteria and procedures for construction services shall be resolved in accordance with section (2)(b) of this Rule and Section 255.20(1)(b) of the Florida Statutes.

(3) Suspension, Revocation, or Denial of Qualification

(a) The District, for good cause, may deny, suspend, or revoke a prequalified vendor's pre-qualified status. A suspension, revocation, or denial for good cause shall prohibit the vendor from bidding on any District construction contract for which qualification is required, shall constitute a determination of non-responsibility to bid on any other District construction or maintenance contract, and shall prohibit the vendor from acting as a material supplier or subcontractor on any District contract or project during the period of suspension, revocation, or denial. Good cause shall include the following:

- i. One of the circumstances specified under Section 337.16(2), Fla. Stat., has occurred.
- ii. Affiliated contractors submitted more than one proposal for the same work. In this event the pre-qualified status of all of the affiliated bidders will be revoked, suspended, or denied. All bids of affiliated bidders will be rejected.
- iii. The vendor made or submitted false, deceptive, or fraudulent statements, certifications, or materials in any claim for payment or any information required by any District contract.
- iv. The vendor or its affiliate defaulted on any contract or a contract surety assumed control of financial responsibility for any contract of the vendor.
- v. The vendor's qualification to bid is suspended, revoked, or denied by any other public or semi-public entity, or the vendor has been the subject of a civil enforcement proceeding or settlement involving a public or semi-public entity.
- vi. The vendor failed to comply with contract or warranty requirements or failed to follow District direction in the performance of a contract.

- vii. The vendor failed to timely furnish all contract documents required by the contract specifications, special provisions, or by any state or federal statutes or regulations. If the vendor fails to furnish any of the subject contract documents by the expiration of the period of suspension, revocation, or denial set forth above, the vendor's pre-qualified status shall remain suspended, revoked, or denied until the documents are furnished.
 - viii. The vendor failed to notify the District within 10 days of the vendor, or any of its affiliates, being declared in default or otherwise not completing work on a contract or being suspended from qualification to bid or denied qualification to bid by any other public or semi-public agency.
 - ix. The vendor did not pay its subcontractors or suppliers in a timely manner or in compliance with contract documents.
 - x. The vendor has demonstrated instances of poor or unsatisfactory performance, deficient management resulting in project delay, poor quality workmanship, a history of payment of liquidated damages, untimely completion of projects, uncooperative attitude, contract litigation, inflated claims or defaults.
 - xi. An affiliate of the vendor has previously been determined by the District to be non-responsible, and the specified period of suspension, revocation, denial, or non-responsibility remains in effect.
 - xii. The vendor or affiliate(s) has been convicted of a contract crime.
 - 1. The term "contract crime" means any violation of state or federal antitrust laws with respect to a public contract or any violation of any state or federal law involving fraud, bribery, collusion, conspiracy, or material misrepresentation with respect to a public contract.
 - 2. The term "convicted" or "conviction" means a finding of guilt or a conviction of a contract crime, with or without an adjudication of guilt, in any federal or state trial court of record as a result of a jury verdict, nonjury trial, or entry of a plea of guilty or nolo contendere.
- (b) A denial, suspension, or revocation shall prohibit the vendor from being a subcontractor on District work during the period of denial, suspension, or revocation, except when a prime contractor's bid has used prices of a subcontractor who becomes disqualified after the bid, but before the request for authorization to sublet is presented.

- (c) The District shall inform the vendor in writing of its intent to deny, suspend, or revoke its pre-qualified status and inform the vendor of its right to a hearing, the procedure which must be followed, and the applicable time limits. If a hearing is requested within 10 days after the receipt of the notice of intent, the hearing shall be held within 30 days after receipt by the District of the request for the hearing. The decision shall be issued within 15 days after the hearing.
- (d) Such suspension or revocation shall not affect the vendor's obligations under any preexisting contract.
- (e) In the case of contract crimes, the vendor's pre-qualified status under this Rule shall be revoked indefinitely. For all violations of Rule 3.4(3)(a) other than for the vendor's conviction for contract crimes, the revocation, denial, or suspension of a vendor's pre-qualified status under this Rule shall be for a specific period of time based on the seriousness of the deficiency.

Examples of factors affecting the seriousness of a deficiency are:

- i. Impacts on project schedule, cost, or quality of work;
- ii. Unsafe conditions allowed to exist;
- iii. Complaints from the public;
- iv. Delay or interference with the bidding process;
- v. The potential for repetition;
- vi. Integrity of the public contracting process;
- vii. Effect on the health, safety, and welfare of the public.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.
Law Implemented: §§ 190.033, 255.0525, 255.20, Fla. Stat.

Rule 3.5 Construction Contracts, Not Design-Build.

- (1) Scope. All contracts for the construction or improvement of any building, structure, or other public construction works authorized by Chapter 190 of the Florida Statutes, the costs of which are estimated by the District in accordance with generally accepted cost accounting principles to be in excess of the threshold amount for applicability of Section 255.20 of the Florida Statutes, as that amount may be indexed or amended from time to time, shall be let under the terms of these Rules and the procedures of Section 255.20 of the Florida Statutes, as the same may be amended from time to time. A project shall not be divided solely to avoid the threshold bidding requirements.
- (2) Procedure. When a purchase of construction services is within the scope of this Rule, the following procedures shall apply:
 - (a) The Board shall cause to be prepared an Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.
 - (b) Notice of the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation shall be advertised at least once in a newspaper of general circulation in the District and in the county in which the District is located. The notice shall also include the amount of the bid bond, if one is required. The notice shall allow at least twenty-one (21) days for submittal of sealed bids, proposals, replies, or responses, unless the Board, for good cause, determines a shorter period of time is appropriate. Any project projected to cost more than five hundred thousand dollars (\$500,000) must be noticed at least thirty (30) days prior to the date for submittal of bids, proposals, replies, or responses. If the Board has previously pre-qualified contractors pursuant to Rule 3.4 and determined that only the contractors that have been pre-qualified will be permitted to submit bids, proposals, replies, and responses, the Notice of Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation need not be published. Instead, the Notice of Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation shall be sent to the pre-qualified contractors by United States Mail, hand delivery, facsimile, or overnight delivery service.
 - (c) The District may maintain lists of persons interested in receiving notices of Invitations to Bid, Requests for Proposals, Invitations to Negotiate, and Competitive Solicitations. The District shall make a good faith effort to provide written notice, by electronic mail, United States Mail, hand delivery, or facsimile, to persons who provide their name and address to the District Manager for inclusion on the list. However, failure of a person to receive the notice shall not invalidate any contract awarded in accordance with this Rule and shall not be a basis for a protest of any contract award.

- (d) If the District has pre-qualified providers of construction services, then, at the option of the District, only those persons who have been pre-qualified will be eligible to submit bids, proposals, replies, or responses to Invitations to Bid, Requests for Proposals, Invitations to Negotiate, and Competitive Solicitations.
- (e) In order to be eligible to submit a bid, proposal, reply, or response, a firm or individual must, at the time of receipt of the bids, proposals, replies, or responses:
 - (i) Hold all required applicable state professional licenses in good standing;
 - (ii) Hold all required applicable federal licenses in good standing, if any;
 - (iii) Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the bidder is a corporation; and
 - (iv) Meet any special pre-qualification requirements set forth in the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.

Any contractor that has been found guilty by a court of any violation of federal labor or employment tax laws regarding subjects including but not limited to, reemployment assistance, safety, tax withholding, worker's compensation, unemployment tax, social security and Medicare tax, wage or hour, or prevailing rate laws within the past 5 years may be considered ineligible by the District to submit a bid, response, or proposal for a District project.

Evidence of compliance with these Rules must be submitted with the bid, proposal, reply, or response, if required by the District. Failure to submit evidence of compliance when required may be grounds for rejection of the bid, proposal, reply, or response.

- (f) Bids, proposals, replies, and responses, or the portions of which that include the price, shall be publicly opened at a meeting noticed in accordance with Rule 1.3, and at which at least one district representative is present. The name of each bidder and the price submitted in the bid shall be announced at such meeting and shall be made available upon request. Minutes should be taken at the meeting and maintained by the District. Bids, proposals, replies, and responses shall be evaluated in

accordance with the respective Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation and these Rules. Minor variations in the bids, proposals, replies, or responses may be waived by the Board. A variation is minor if waiver of the variation does not create a competitive advantage or disadvantage of a material nature. Mistakes in arithmetic extension of pricing may be corrected by the Board. Bids and proposals may not be modified or supplemented after opening; provided however, additional information may be requested and/or provided to evidence compliance, make non-material modifications, clarifications, or supplementations, and as otherwise permitted by Florida law.

- (g) The lowest Responsive Bid submitted by a Responsive and Responsible Bidder in response to an Invitation to Bid shall be accepted. In relation to a Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, the Board shall select the Responsive Proposal, Reply, or Response submitted by a Responsive and Responsible Vendor which is most advantageous to the District. To assure full understanding of the responsiveness to the solicitation requirements contained in a Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, discussions may be conducted with qualified vendors. Vendors shall be accorded fair treatment prior to the submittal date with respect to any opportunity for discussion, preparation, and revision of bids, proposals, replies, and responses.
- (h) The Board shall have the right to reject all bids, proposals, replies, or responses because they exceed the amount of funds budgeted for the purchase, if there are not enough to be competitive, or if rejection is determined to be in the best interest of the District. No contractor shall be entitled to recover any costs of bid, proposal, response, or reply preparation or submittal from the District.
- (i) The Board may require potential contractors to furnish bid bonds, performance bonds, and/or other bonds with a responsible surety to be approved by the Board.
- (j) Notice of intent to award, including rejection of some or all bids, proposals, replies, or responses, shall be provided in writing to all contractors by United States Mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's purchase of construction services under this Rule shall be in accordance with the procedures set forth in Rule 3.11.

- (k) If less than three (3) Responsive Bids, Proposals, Replies, or Responses are received, the District may purchase construction services or may reject the bids, proposals, replies, or responses for a lack of competitiveness. If no Responsive Bid, Proposal, Reply, or Response is received, the District may proceed with the procurement of construction services, in the manner the Board determines is in the best interests of the District, which may include but is not limited to a direct purchase of the construction services without further competitive selection processes.
- (3) Sole Source: Government. Construction services that are only available from a single source are exempt from this Rule. Construction services provided by governmental agencies are exempt from this Rule. This Rule shall not apply to the purchase of construction services, which may include goods, supplies, or materials, that are purchased under a federal, state, or local government contract that has been competitively procured by such federal, state, or local government in a manner consistent with the material procurement requirements of these Rules. A contract for construction services is exempt from this Rule if state or federal law prescribes with whom the District must contract or if the rate of payment is established during the appropriation process.
- (4) Contracts: Public Records. In accordance with Florida law, each contract entered into pursuant to this Rule shall include provisions required by law that require the contractor to comply with public records laws.
- (5) Emergency Purchases. The District may make an Emergency Purchase without complying with these rules. The fact that an Emergency Purchase has occurred or is necessary shall be noted in the minutes of the next Board Meeting.
- (6) Exceptions. This Rule is inapplicable when:
 - (a) The project is undertaken as repair or maintenance of an existing public facility;
 - (b) The funding source of the project will be diminished or lost because the time required to competitively award the project after the funds become available exceeds the time within which the funding source must be spent;
 - (c) The District has competitively awarded a project and the contractor has abandoned the project or the District has terminated the contract; or
 - (d) The District, after public notice, conducts a public meeting under Section 286.011 of the Florida Statutes, and finds by a majority vote of the Board that it is in the public's best interest to perform the project using its own services, employees, and equipment.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: §§ 119.0701, 189.053, 190.033, 255.0518, 255.0525, 255.20, 287.055, Fla. Stat.

Rule 3.6 Construction Contracts, Design-Build.

- (1) Scope. The District may utilize Design-Build Contracts for any public construction project for which the Board determines that use of such contract is in the best interest of the District. When letting a Design-Build Contract, the District shall use the following procedure:
- (2) Procedure.
 - (a) The District shall utilize a Design Criteria Professional meeting the requirements of Section 287.055(2)(k) of the Florida Statutes, when developing a Design Criteria Package, evaluating the proposals and qualifications submitted by Design-Build Firms, and determining compliance of the project construction with the Design Criteria Package. The Design Criteria Professional may be an employee of the District, may be the District Engineer selected by the District pursuant to Section 287.055 of the Florida Statutes, or may be retained pursuant to Rule 3.1. The Design Criteria Professional is not eligible to render services under a Design-Build Contract executed pursuant to the Design Criteria Package.
 - (b) A Design Criteria Package for the construction project shall be prepared and sealed by the Design Criteria Professional. If the project utilizes existing plans, the Design Criteria Professional shall create a Design Criteria Package by supplementing the plans with project specific requirements, if any.
 - (c) The Board may either choose to award the Design-Build Contract pursuant to the competitive proposal selection process set forth in Section 287.055(9) of the Florida Statutes, or pursuant to the qualifications-based selection process pursuant to Rule 3.1.
 - (i) Qualifications-Based Selection. If the process set forth in Rule 3.1 is utilized, subsequent to competitive negotiations, a guaranteed maximum price and guaranteed completion date shall be established.
 - (ii) Competitive Proposal-Based Selection. If the competitive proposal selection process is utilized, the Board, in consultation with the Design Criteria Professional, shall establish the criteria, standards and procedures for the evaluation of Design-Build Proposals based on price, technical, and design aspects of the project, weighted for the project. After a Design Criteria Package and the standards and procedures for evaluation of proposals have been developed, competitive proposals from qualified firms shall be solicited pursuant to the design criteria by the following procedure:

1. A Request for Proposals shall be advertised at least once in a newspaper of general circulation in the county in which the District is located. The notice shall allow at least twenty-one (21) days for submittal of sealed proposals, unless the Board, for good cause, determines a shorter period of time is appropriate. Any project projected to cost more than five hundred thousand dollars (\$500,000) must be noticed at least thirty (30) days prior to the date for submittal of proposals.
2. The District may maintain lists of persons interested in receiving notices of Requests for Proposals. The District shall make a good faith effort to provide written notice, by electronic mail, United States Mail, hand delivery, or facsimile, to persons who provide their name and address to the District Manager for inclusion on the list. However, failure of a person to receive the notice shall not invalidate any contract awarded in accordance with this Rule and shall not be a basis for a protest of any contract award.
3. In order to be eligible to submit a proposal, a firm must, at the time of receipt of the proposals:
 - a. Hold the required applicable state professional licenses in good standing, as defined by Section 287.055(2)(h) of the Florida Statutes;
 - b. Hold all required applicable federal licenses in good standing, if any;
 - c. Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the proposer is a corporation;
 - d. Meet any special pre-qualification requirements set forth in the Request for Proposals and Design Criteria Package.

Any contractor that has been found guilty by a court of any violation of federal labor or employment tax laws regarding subjects including but not limited to reemployment assistance, safety, tax withholding, worker's compensation, unemployment tax, social security and Medicare tax, wage or hour, or prevailing rate laws within the past 5 years may

be considered ineligible by the District to submit a bid, response, or proposal for a District project.

Evidence of compliance with these Rules must be submitted with the proposal if required by the District. Failure to submit evidence of compliance when required may be grounds for rejection of the proposal.

4. The proposals, or the portions of which that include the price, shall be publicly opened at a meeting noticed in accordance with Rule 1.3, and at which at least one district representative is present. The name of each bidder and the price submitted in the bid shall be announced at such meeting and shall be made available upon request. Minutes should be taken at the meeting and maintained by the District. In consultation with the Design Criteria Professional, the Board shall evaluate the proposals received based on evaluation criteria and procedures established prior to the solicitation of proposals, including but not limited to qualifications, availability, and past work of the firms and the partners and members thereof. The Board shall then select no fewer than three (3) Design-Build Firms as the most qualified.
5. The Board shall have the right to reject all proposals if the proposals are too high, or rejection is determined to be in the best interest of the District. No vendor shall be entitled to recover any costs of proposal preparation or submittal from the District.
6. If less than three (3) Responsive Proposals are received, the District may purchase design-build services or may reject the proposals for lack of competitiveness. If no Responsive Proposals are received, the District may proceed with the procurement of design-build services in the manner the Board determines is in the best interests of the District, which may include but is not limited to a direct purchase of the design-build services without further competitive selection processes.
7. Notice of the rankings adopted by the Board, including the rejection of some or all proposals, shall be provided in writing to all consultants by United States Mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the

Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's rankings under this Rule shall be in accordance with the procedures set forth in Rule 3.11.

8. The Board shall negotiate a contract with the firm ranking the highest based on the evaluation standards and shall establish a price which the Board determines is fair, competitive and reasonable. Should the Board be unable to negotiate a satisfactory contract with the firm considered to be the most qualified at a price considered by the Board to be fair, competitive, and reasonable, negotiations with that firm must be terminated. The Board shall then undertake negotiations with the second most qualified firm, based on the ranking by the evaluation standards. Should the Board be unable to negotiate a satisfactory contract with the firm considered to be the second most qualified at a price considered by the Board to be fair, competitive, and reasonable, negotiations with that firm must be terminated. The Board shall then undertake negotiations with the third most qualified firm. Should the Board be unable to negotiate a satisfactory contract with the firm considered to be the third most qualified at a price considered by the Board to be fair, competitive, and reasonable, negotiations with that firm must be terminated. Should the Board be unable to negotiate a satisfactory contract with any of the selected firms, the Board shall select additional firms in order of their rankings based on the evaluation standards and continue negotiations until an agreement is reached or the list of firms is exhausted.
 9. After the Board contracts with a firm, the firm shall bring to the Board for approval, detailed working drawings of the project.
 10. The Design Criteria Professional shall evaluate the compliance of the detailed working drawings and project construction with the Design Criteria Package and shall provide the Board with a report of the same.
- (3) Contracts; Public Records. In accordance with Florida law, each contract entered into pursuant to this Rule shall include provisions required by law that require the contractor to comply with public records laws.
 - (4) Emergency Purchase. The Board may, in case of public emergency, declare an emergency and immediately proceed with negotiations with the best qualified

Design-Build Firm available at the time. The fact that an Emergency Purchase has occurred shall be noted in the minutes of the next Board meeting.

(5) Exceptions. This Rule is inapplicable when:

- (a) The project is undertaken as repair or maintenance of an existing public facility;
- (b) The funding source of the project will be diminished or lost because the time required to competitively award the project after the funds become available exceeds the time within which the funding source must be spent;
- (c) The District has competitively awarded a project and the contractor has abandoned the project or the District has terminated the contractor; or
- (d) The District, after public notice, conducts a public meeting under Section 286.011 of the Florida Statutes, and finds by a majority vote of the Board that it is in the public's best interest to perform the project using its own services, employees, and equipment.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: §§ 119.0701, 189.053, 190.033, 255.0518, 255.0525, 255.20, 287.055, Fla. Stat.

Rule 3.7 Payment and Performance Bonds.

- (1) Scope. This Rule shall apply to contracts for the construction of a public building, for the prosecution and completion of a public work, or for repairs upon a public building or public work and shall be construed in addition to terms prescribed by any other Rule that may also apply to such contracts.
- (2) Required Bond. Upon entering into a contract for any of the services described in section (1) of this Rule in excess of \$200,000, the Board should require that the contractor, before commencing the work, execute and record a payment and performance bond in an amount equal to the contract price. Notwithstanding the terms of the contract or any other law, the District may not make payment to the contractor until the contractor has provided to the District a certified copy of the recorded bond.
- (3) Discretionary Bond. At the discretion of the Board, upon entering into a contract for any of the services described in section (1) of this Rule for an amount not exceeding \$200,000, the contractor may be exempted from executing a payment and performance bond.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: § 255.05, Fla. Stat.

Rule 3.8 Goods, Supplies, and Materials.

- (1) Purpose and Scope. All purchases of goods, supplies, or materials exceeding the amount provided in Section 287.017 of the Florida Statutes, for CATEGORY FOUR, shall be purchased under the terms of this Rule. Contracts for purchases of “goods, supplies, and materials” do not include printing, insurance, advertising, or legal notices. A contract involving goods, supplies, or materials plus maintenance services may, in the discretion of the Board, be treated as a contract for maintenance services. However, a purchase shall not be divided solely in order to avoid the threshold bidding requirements.
- (2) Procedure. When a purchase of goods, supplies, or materials is within the scope of this Rule, the following procedures shall apply:
 - (a) The Board shall cause to be prepared an Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.
 - (b) Notice of the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation shall be advertised at least once in a newspaper of general circulation within the District and within the county in which the District is located. The notice shall also include the amount of the bid bond, if one is required. The notice shall allow at least seven (7) days for submittal of bids, proposals, replies, or responses.
 - (c) The District may maintain lists of persons interested in receiving notices of Invitations to Bid, Requests for Proposals, Invitations to Negotiate, or Competitive Solicitations. The District shall make a good faith effort to provide written notice, by electronic mail, United States Mail, hand delivery, or facsimile, to persons who provide their name and address to the District Manager for inclusion on the list. However, failure of a person to receive the notice shall not invalidate any contract awarded in accordance with this Rule and shall not be a basis for a protest of any contract award.
 - (d) If the District has pre-qualified suppliers of goods, supplies, and materials, then, at the option of the District, only those persons who have been pre-qualified will be eligible to submit bids, proposals, replies, or responses.
 - (e) In order to be eligible to submit a bid, proposal, reply, or response, a firm or individual must, at the time of receipt of the bids, proposals, replies, or responses:
 - (i) Hold all required applicable state professional licenses in good standing;
 - (ii) Hold all required applicable federal licenses in good standing, if any;

- (iii) Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the vendor is a corporation; and
- (iv) Meet any special pre-qualification requirements set forth in the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.

Evidence of compliance with these Rules must be submitted with the bid, proposal, reply or response if required by the District. Failure to submit evidence of compliance when required may be grounds for rejection of the bid, proposal, reply, or response.

Any firm or individual whose principal place of business is outside the State of Florida must also submit a written opinion of an attorney at law licensed to practice law in that foreign state, as to the preferences, if any or none, granted by the law of that foreign state to business entities whose principal places of business are in that foreign state, in the letting of any or all public contracts. Failure to submit such a written opinion or submission of a false or misleading written opinion may be grounds for rejection of the bid, proposal, reply, or response.

- (f) Bids, proposals, replies, and responses shall be publicly opened at the time and place noted on the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation. Bids, proposals, replies, and responses shall be evaluated in accordance with the respective Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, and this Rule. Minor variations in the bids, proposals, replies, or responses may be waived by the Board. A variation is minor if waiver of the variation does not create a competitive advantage or disadvantage of a material nature. Mistakes in arithmetic extension of pricing may be corrected by the Board. Bids and proposals may not be modified or supplemented after opening; provided however, additional information may be requested and/or provided to evidence compliance, make non-material modifications, clarifications, or supplementations, and as otherwise permitted by Florida law.
- (g) The lowest Responsive Bid, after taking into account the preferences provided for in this subsection, submitted by a Responsive and Responsible Bidder in response to an Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation shall be accepted. If the lowest Responsive Bid is submitted by a Responsive and Responsible Bidder whose principal place of business is located in a foreign state which does not grant a preference in competitive purchase to businesses whose principal place of business are in that foreign state, the

lowest Responsible and Responsive Bidder whose principal place of business is in the State of Florida shall be awarded a preference of five (5) percent. If the lowest Responsive Bid is submitted by a Responsive and Responsible Bidder whose principal place of business is located in a foreign state which grants a preference in competitive purchase to businesses whose principal place of business are in that foreign state, the lowest Responsible and Responsive Bidder whose principal place of business is in the State of Florida shall be awarded a preference equal to the preference granted by such foreign state.

To assure full understanding of the responsiveness to the solicitation requirements contained in an Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, discussions may be conducted with qualified vendors. Vendors shall be accorded fair treatment prior to the submittal date with respect to any opportunity for discussion, preparation, and revision of bids, proposals, replies, and responses.

- (h) The Board shall have the right to reject all bids, proposals, replies, or responses because they exceed the amount of funds budgeted for the purchase, if there are not enough to be competitive, or if rejection is determined to be in the best interest of the District. No vendor shall be entitled to recover any costs of bid, proposal, reply, or response preparation or submittal from the District.
- (i) The Board may require bidders and proposers to furnish bid bonds, performance bonds, and/or other bonds with a responsible surety to be approved by the Board.
- (j) Notice of intent to award, including rejection of some or all bids, proposals, replies, or responses shall be provided in writing to all vendors by United States Mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's purchase of goods, supplies, and materials under this Rule shall be in accordance with the procedures set forth in Rule 3.11.
- (k) If less than three (3) Responsive Bids, Proposals, Replies, or Responses are received, the District may purchase goods, supplies, or materials, or may reject the bids, proposals, replies, or responses for a lack of competitiveness. If no Responsive Bid, Proposal, Reply, or Response is received, the District may proceed with the procurement of goods, supplies, and materials, in the manner the Board determines is in the best interests of the District, which may include but is not limited to a direct

purchase of the goods, supplies, and materials without further competitive selection processes.

- (3) Goods, Supplies, and Materials included in a Construction Contract Awarded Pursuant to Rule 3.5 or 3.6. There may be occasions where the District has undergone the competitive purchase of construction services which contract may include the provision of goods, supplies, or materials. In that instance, the District may approve a change order to the contract and directly purchase the goods, supplies, and materials. Such purchase of goods, supplies, and materials deducted from a competitively purchased construction contract shall be exempt from this Rule.
- (4) Exemption. Goods, supplies, and materials that are only available from a single source are exempt from this Rule. Goods, supplies, and materials provided by governmental agencies are exempt from this Rule. A contract for goods, supplies, or materials is exempt from this Rule if state or federal law prescribes with whom the District must contract or if the rate of payment is established during the appropriation process. This Rule shall not apply to the purchase of goods, supplies or materials that are purchased under a federal, state, or local government contract that has been competitively procured by such federal, state, or local government in a manner consistent with the material procurement requirements of these Rules.
- (5) Renewal. Contracts for the purchase of goods, supplies, and/or materials subject to this Rule may be renewed for a maximum period of five (5) years.
- (6) Emergency Purchases. The District may make an Emergency Purchase without complying with these rules. The fact that an Emergency Purchase has occurred or is necessary shall be noted in the minutes of the next Board meeting.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: §§ 189.053, 190.033, 287.017, 287.084, Fla. Stat.

Rule 3.9 Maintenance Services.

- (1) Scope. All contracts for maintenance of any District facility or project shall be set under the terms of this Rule if the cost exceeds the amount provided in Section 287.017 of the Florida Statutes, for CATEGORY FOUR. A contract involving goods, supplies, and materials plus maintenance services may, in the discretion of the Board, be treated as a contract for maintenance services. However, a purchase shall not be divided solely in order to avoid the threshold bidding requirements.
- (2) Procedure. When a purchase of maintenance services is within the scope of this Rule, the following procedures shall apply:
 - (a) The Board shall cause to be prepared an Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.
 - (b) Notice of the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation shall be advertised at least once in a newspaper of general circulation within the District and within the county in which the District is located. The notice shall also include the amount of the bid bond, if one is required. The notice shall allow at least seven (7) days for submittal of bids, proposals, replies, or responses.
 - (c) The District may maintain lists of persons interested in receiving notices of Invitations to Bid, Requests for Proposals, Invitations to Negotiate, and Competitive Solicitations. The District shall make a good faith effort to provide written notice, by electronic mail, United States Mail, hand delivery, or facsimile, to persons who provide their name and address to the District Manager for inclusion on the list. However, failure of a person to receive the notice shall not invalidate any contract awarded in accordance with this Rule and shall not be a basis for a protest of any contract award.
 - (d) If the District has pre-qualified suppliers of maintenance services, then, at the option of the District, only those persons who have been pre-qualified will be eligible to submit bids, proposals, replies, and responses.
 - (e) In order to be eligible to submit a bid, proposal, reply, or response, a firm or individual must, at the time of receipt of the bids, proposals, replies, or responses:
 - (i) Hold all required applicable state professional licenses in good standing;
 - (ii) Hold all required applicable federal licenses in good standing, if any;

- (iii) Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the vendor is a corporation; and
- (iv) Meet any special pre-qualification requirements set forth in the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.

Evidence of compliance with these Rules must be submitted with the bid, proposal, reply, or response if required by the District. Failure to submit evidence of compliance when required may be grounds for rejection of the bid, proposal, reply, or response.

- (f) Bids, proposals, replies, and responses shall be publicly opened at the time and place noted on the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation. Bids, proposals, replies, and responses shall be evaluated in accordance with the respective Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, and these Rules. Minor variations in the bids, proposals, replies, and responses may be waived by the Board. A variation is minor if waiver of the variation does not create a competitive advantage or disadvantage of a material nature. Mistakes in arithmetic extension of pricing may be corrected by the Board. Bids and proposals may not be modified or supplemented after opening; provided however, additional information may be requested and/or provided to evidence compliance, make non-material modifications, clarifications, or supplementations, and as otherwise permitted by Florida law.
- (g) The lowest Responsive Bid submitted in response to an Invitation to Bid by a Responsive and Responsible Bidder shall be accepted. In relation to a Request for Proposals, Invitation to Negotiate or Competitive Solicitation the Board shall select the Responsive Proposal, Reply, or Response submitted by a Responsive and Responsible Vendor which is most advantageous to the District. To assure full understanding of the responsiveness to the solicitation requirements contained in a Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, discussions may be conducted with qualified vendors. Vendors shall be accorded fair treatment prior to the submittal date with respect to any opportunity for discussion, preparation, and revision of bids, proposals, replies, or responses.
- (h) The Board shall have the right to reject all bids, proposals, replies, or responses because they exceed the amount of funds budgeted for the purchase, if there are not enough to be competitive, or if rejection is determined to be in the best interest of the District. No Vendor shall be

entitled to recover any costs of bid, proposal, reply, or response preparation or submittal from the District.

- (i) The Board may require bidders and proposers to furnish bid bonds, performance bonds, and/or other bonds with a responsible surety to be approved by the Board.
 - (j) Notice of intent to award, including rejection of some or all bids, proposals, replies, or responses shall be provided in writing to all vendors by United States Mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's procurement of maintenance services under this Rule shall be in accordance with the procedures set forth in Rule 3.11.
 - (k) If less than three (3) Responsive Bids, Proposals, Replies, or Responses are received, the District may purchase the maintenance services or may reject the bids, proposals, replies, or responses for a lack of competitiveness. If no Responsive Bid, Proposal, Reply, or Response is received, the District may proceed with the procurement of maintenance services, in the manner the Board determines is in the best interests of the District, which may include but is not limited to a direct purchase of the maintenance services without further competitive selection processes.
- (3) Exemptions. Maintenance services that are only available from a single source are exempt from this Rule. Maintenance services provided by governmental agencies are exempt from this Rule. A contract for maintenance services is exempt from this Rule if state or federal law prescribes with whom the District must contract or if the rate of payment is established during the appropriation process.
 - (4) Renewal. Contracts for the purchase of maintenance services subject to this Rule may be renewed for a maximum period of five (5) years.
 - (5) Contracts: Public Records. In accordance with Florida law, each contract entered into pursuant to this Rule shall include provisions required by law that require the contractor to comply with public records laws.
 - (6) Emergency Purchases. The District may make an Emergency Purchase without complying with these rules. The fact that an Emergency Purchase has occurred or is necessary shall be noted in the minutes of the next Board meeting.

Specific Authority: §§ 190.011(5), 190.011(15), 190.033, Fla. Stat.
Law Implemented: §§ 119.0701, 190.033, 287.017, Fla. Stat.

Rule 3.10 Contractual Services.

- (1) Exemption from Competitive Purchase. Pursuant to Section 190.033(3) of the Florida Statutes, Contractual Services shall not be subject to competitive purchasing requirements. If an agreement is predominantly for Contractual Services, but also includes maintenance services or the purchase of goods and services, the contract shall not be subject to competitive purchasing requirements. Regardless of whether an advertisement or solicitation for Contractual Services is identified as an Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, no rights or remedies under these Rules, including but not limited to protest rights, are conferred on persons, firms, or vendors proposing to provide Contractual Services to the District.
- (2) Contracts; Public Records. In accordance with Florida law, each contract for Contractual Services shall include provisions required by law that require the contractor to comply with public records laws.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: §§ 119.0701, 190.011(3), 190.033, Fla. Stat.

Rule 3.11 Protests with Respect to Proceedings under Rules 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.8, and 3.9.

The resolution of any protests with respect to proceedings under Rules 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.8, and 3.9 shall be in accordance with this Rule.

(1) Filing.

- (a) With respect to a protest regarding qualifications, specifications, documentation, or other requirements contained in a Request for Qualifications, Request for Proposals, Invitation to Bid, or Competitive Solicitation issued by the District, the notice of protest shall be filed in writing within seventy-two (72) calendar hours (excluding Saturdays, Sundays, and state holidays) after the first advertisement of the Request for Qualifications, Request for Proposals, Invitation to Bid, or Competitive Solicitation. A formal protest setting forth with particularity the facts and law upon which the protest is based shall be filed within seven (7) calendar days (including Saturdays, Sundays, and state holidays) after the initial notice of protest was filed. For purposes of this Rule, wherever applicable, filing will be perfected and deemed to have occurred upon receipt by the District. Failure to file a notice of protest shall constitute a waiver of all rights to protest the District's intended decision. Failure to file a formal written protest shall constitute an abandonment of the protest proceedings and shall automatically terminate the protest proceedings.
- (b) Except for those situations covered by subsection (1)(a) of this Rule, any firm or person who is affected adversely by a District's ranking or intended award under Rules 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.8, or 3.9 and desires to contest the District's ranking or intended award, shall file with the District a written notice of protest within seventy-two (72) calendar hours (excluding Saturdays, Sundays, and state holidays) after receipt of the notice of the District's ranking or intended award. A formal protest setting forth with particularity the facts and law upon which the protest is based shall be filed within seven (7) calendar days (including Saturdays, Sundays, and state holidays) after the initial notice of protest was filed. For purposes of this Rule, wherever applicable, filing will be perfected and deemed to have occurred upon receipt by the District. Failure to file a notice of protest shall constitute a waiver of all rights to protest the District's ranking or intended award. Failure to file a formal written protest shall constitute an abandonment of the protest proceedings and shall automatically terminate the protest proceedings.
- (c) If the requirement for the posting of a protest bond and the amount of the protest bond, which may be expressed by a percentage of the contract to be awarded or a set amount, is disclosed in the District's competitive solicitation documents for a particular purchase under Rules 3.1, 3.2, 3.3,

3.4, 3.5, 3.6, 3.8, or 3.9, any person who files a notice of protest must post the protest bond. The amount of the protest bond shall be determined by District staff after consultation with the Board and within the limits, if any, imposed by Florida law. In the event the protest is successful, the protest bond shall be refunded to the protestor. In the event the protest is unsuccessful, the protest bond shall be applied towards the District's costs, expenses, and attorney's fees associated with hearing and defending the protest. In the event the protest is settled by mutual agreement of the parties, the protest bond shall be distributed as agreed to by the District and protestor.

- (d) The District does not accept documents filed by electronic mail or facsimile transmission. Filings are only accepted during normal business hours.
- (2) Contract Execution. Upon receipt of a notice of protest which has been timely filed, the District shall not execute the contract under protest until the subject of the protest is resolved. However, if the District sets forth in writing particular facts and circumstances showing that delay incident to protest proceedings will jeopardize the funding for the project, will materially increase the cost of the project, or will create an immediate and serious danger to the public health, safety, or welfare, the contract may be executed.
- (3) Informal Proceeding. If the Board determines a protest does not involve a disputed issue of material fact, the Board may, but is not obligated to, schedule an informal proceeding to consider the protest. Such informal proceeding shall be at a time and place determined by the Board. Notice of such proceeding shall be sent via facsimile, United States Mail, or hand delivery to the protestor and any substantially affected persons or parties not less than three (3) calendar days prior to such informal proceeding. Within thirty (30) calendar days following the informal proceeding, the Board shall issue a written decision setting forth the factual, legal, and policy grounds for its decision.
- (4) Formal Proceeding. If the Board determines a protest involves disputed issues of material fact or if the Board elects not to use the informal proceeding process provided for in section (3) of this Rule, the District shall schedule a formal hearing to resolve the protest. The Chairperson shall designate any member of the Board (including the Chairperson), District Manager, District Counsel, or other person as a hearing officer to conduct the hearing. The hearing officer may:
 - (a) Administer oaths and affirmations;
 - (b) Rule upon offers of proof and receive relevant evidence;
 - (c) Regulate the course of the hearing, including any pre-hearing matters;

- (d) Enter orders; and
- (e) Make or receive offers of settlement, stipulation, and adjustment.

The hearing officer shall, within thirty (30) days after the hearing or receipt of the hearing transcript, whichever is later, file a recommended order which shall include a caption, time and place of hearing, appearances entered at the hearing, statement of the issues, findings of fact and conclusions of law, separately stated, and a recommendation for final District action. The District shall allow each party fifteen (15) days in which to submit written exceptions to the recommended order. The District shall issue a final order within sixty (60) days after the filing of the recommended order.

- (5) Intervenors. Other substantially affected persons may join the proceedings as intervenors on appropriate terms which shall not unduly delay the proceedings.
- (6) Rejection of all Qualifications, Bids, Proposals, Replies and Responses after Receipt of Notice of Protest. If the Board determines there was a violation of law, defect, or an irregularity in the competitive solicitation process, the Bids, Proposals, Replies, and Responses are too high, or if the Board determines it is otherwise in the District's best interest, the Board may reject all qualifications, bids, proposals, replies, and responses and start the competitive solicitation process anew. If the Board decides to reject all qualifications, bids, proposals, replies, and responses and start the competitive solicitation process anew, any pending protests shall automatically terminate.
- (7) Settlement. Nothing herein shall preclude the settlement of any protest under this Rule at any time.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.
Law Implemented: § 190.033, Fla. Stat.

Rule 4.0 Effective Date.

These Rules shall be effective July 28, 2020 except that no election of officers required by these Rules shall be required until after the next regular election for the Board.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: §§ 190.011(5), 190.011(15), Fla. Stat.

SECTION B

RESOLUTION 2020-06

THE ANNUAL APPROPRIATION RESOLUTION OF THE NARCOOSSEE COMMUNITY DEVELOPMENT DISTRICT (“DISTRICT”) RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020, AND ENDING SEPTEMBER 30, 2021; AUTHORIZING BUDGET AMENDMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District Manager has, prior to the fifteenth (15th) day in June 2020, submitted to the Board of Supervisors (“**Board**”) of the Narcoossee Community Development District (“**District**”) a proposed budget (“**Proposed Budget**”) for the fiscal year beginning October 1, 2020, and ending September 30, 2021 (“**Fiscal Year 2020/2021**”) along with an explanatory and complete financial plan for each fund of the District, pursuant to the provisions of Section 190.008(2)(a), *Florida Statutes*; and

WHEREAS, at least sixty (60) days prior to the adoption of the Proposed Budget, the District filed a copy of the Proposed Budget with the local governing authorities having jurisdiction over the area included in the District pursuant to the provisions of Section 190.008(2)(b), *Florida Statutes*; and

WHEREAS, the Board set a public hearing thereon and caused notice of such public hearing to be given by publication pursuant to Section 190.008(2)(a), *Florida Statutes*; and

WHEREAS, the District Manager posted the Proposed Budget on the District’s website at least two days before the public hearing; and

WHEREAS, Section 190.008(2)(a), *Florida Statutes*, requires that, prior to October 1st of each year, the Board, by passage of the Annual Appropriation Resolution, shall adopt a budget for the ensuing fiscal year and appropriate such sums of money as the Board deems necessary to defray all expenditures of the District during the ensuing fiscal year; and

WHEREAS, the District Manager has prepared a Proposed Budget, whereby the budget shall project the cash receipts and disbursements anticipated during a given time period, including reserves for contingencies for emergency or other unanticipated expenditures during the fiscal year.

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

SECTION 1. BUDGET

- a. The Board has reviewed the Proposed Budget, a copy of which is on file with the office of the District Manager and at the District’s Local Records Office, and hereby approves certain amendments thereto, as shown in Section 2 below.

- b. The Proposed Budget, attached hereto as **Exhibit "A,"** as amended by the Board, is hereby adopted in accordance with the provisions of Section 190.008(2)(a), *Florida Statutes* ("**Adopted Budget**"), and incorporated herein by reference; provided, however, that the comparative figures contained in the Adopted Budget may be subsequently revised as deemed necessary by the District Manager to reflect actual revenues and expenditures.
- c. The Adopted Budget, as amended, shall be maintained in the office of the District Manager and at the District's Local Records Office and identified as "The Budget for the Narcoossee Community Development District for the Fiscal Year Ending September 30, 2021."
- d. The Adopted Budget shall be posted by the District Manager on the District's official website within thirty (30) days after adoption, and shall remain on the website for at least 2 years.

SECTION 2. APPROPRIATIONS

There is hereby appropriated out of the revenues of the District, for Fiscal Year 2020/2021, the sum of \$ _____ to be raised by the levy of assessments and/or otherwise, which sum is deemed by the Board to be necessary to defray all expenditures of the District during said budget year, to be divided and appropriated in the following fashion:

GENERAL FUND	\$ _____
CAPITAL RESERVE FUND(S)	\$ _____
TOTAL ALL FUNDS	\$ _____

SECTION 3. BUDGET AMENDMENTS

Pursuant to Section 189.016, *Florida Statutes*, the District at any time within Fiscal Year 2020/2021 or within 60 days following the end of the Fiscal Year 2020/2021 may amend its Adopted Budget for that fiscal year as follows:

- a. The Board may authorize an increase or decrease in line item appropriations within a fund by motion recorded in the minutes if the total appropriations of the fund do not increase.
- b. The District Manager or Treasurer may authorize an increase or decrease in line item appropriations within a fund if the total appropriations of the fund do not increase and if the aggregate change in the original appropriation item does not exceed \$10,000 or 10% of the original appropriation.

- c. By resolution, the Board may increase any appropriation item and/or fund to reflect receipt of any additional unbudgeted monies and make the corresponding change to appropriations or the unappropriated balance.
- d. Any other budget amendments shall be adopted by resolution and consistent with Florida law.

The District Manager or Treasurer must establish administrative procedures to ensure that any budget amendments are in compliance with this Section 3 and Section 189.016, *Florida Statutes*, among other applicable laws. Among other procedures, the District Manager or Treasurer must ensure that any amendments to budget under subparagraphs c. and d. above are posted on the District's website within 5 days after adoption and remain on the website for at least 2 years.

SECTION 4. EFFECTIVE DATE. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED THIS 28th DAY OF JULY, 2020.

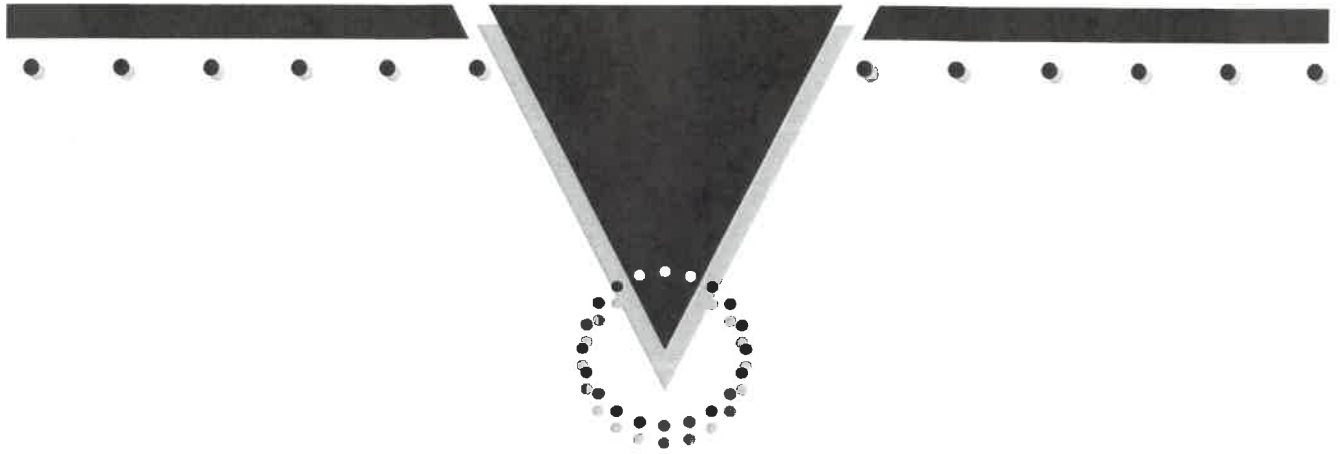
ATTEST:

**NARCOOSSEE COMMUNITY
DEVELOPMENT DISTRICT**

Secretary / Assistant Secretary

Chairperson, Board of Supervisors

Exhibit A: Adopted Budget FY 2020/2021



Narcoossee
Community Development District
Proposed Budget FY 2021



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Narcoossee
Community Development District
General Fund
Fiscal Year 2021

Description	Adopted Budget FY2020	Actual thru 6/30/20	Projected Next 3 Months	Total Projected 9/30/20	Proposed Budget FY2021
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Revenues

Maintenance Assessments	\$315,352	\$306,015	\$9,338	\$315,352	\$315,353
Interest	\$0	\$245	\$82	\$326	\$0
Beginning Fund Balance*	\$35,666	\$43,812	\$0	\$43,812	\$62,498
Total Revenues	\$351,019	\$350,072	\$9,419	\$359,491	\$377,851

Expenditures

Administrative

Supervisor Fees	\$6,000	\$1,600	\$1,000	\$2,600	\$6,000
FICA Expense	\$459	\$122	\$230	\$352	\$459
Engineering Fees	\$10,000	\$7,410	\$2,590	\$10,000	\$10,000
Assessment Roll	\$5,000	\$5,000	\$0	\$5,000	\$5,000
Attorney	\$17,000	\$5,392	\$5,127	\$10,519	\$12,000
Annual Audit	\$3,000	\$3,000	\$0	\$3,000	\$5,000
Dissemination Agent	\$1,250	\$938	\$312	\$1,250	\$1,250
Arbitrage	\$600	\$0	\$600	\$600	\$600
Trustee Fees	\$3,000	\$2,963	\$0	\$2,963	\$3,000
Management Fees	\$44,275	\$33,206	\$11,069	\$44,275	\$45,603
Information Technology	\$2,900	\$1,275	\$425	\$1,700	\$2,000
Telephone	\$100	\$7	\$14	\$21	\$50
Postage	\$450	\$234	\$48	\$282	\$450
Insurance	\$20,750	\$20,240	\$0	\$20,240	\$22,264
Printing & Binding	\$1,200	\$29	\$45	\$74	\$750
Legal Advertising	\$1,200	\$1,340	\$490	\$1,830	\$1,900
Other Current Charges	\$500	\$332	\$111	\$443	\$500
Property Appraiser	\$780	\$773	\$0	\$773	\$780
Office Supplies	\$150	\$21	\$7	\$27	\$100
Dues, Licenses & Subscriptions	\$175	\$175	\$0	\$175	\$175
Contingency	\$280	\$0	\$0	\$0	\$1,188
Administrative Expenses	\$119,069	\$84,057	\$22,068	\$106,125	\$119,069

Narcoossee
Community Development District
General Fund
Fiscal Year 2021

Description	Adopted Budget FY2020	Actual thru 6/30/20	Projected Next 3 Months	Total Projected 9/30/20	Proposed Budget FY2021
<u>Maintenance</u>					
<u>NonaCrest</u>					
Field Management	\$4,164	\$3,123	\$1,041	\$4,164	\$4,289
Landscape Maintenance	\$26,053	\$15,330	\$5,110	\$20,440	\$26,053
Irrigation Repairs	\$3,500	\$1,197	\$845	\$2,042	\$3,500
Lake Maintenance	\$4,350	\$3,132	\$1,044	\$4,176	\$4,350
Wall Repairs/Cleaning	\$2,500	\$0	\$1,250	\$1,250	\$2,500
Feature Lighting	\$1,000	\$749	\$0	\$749	\$1,000
Miscellaneous Common Area	\$1,349	\$1,360	\$140	\$1,500	\$1,224
Total NonaCrest	\$42,916	\$24,891	\$9,430	\$34,321	\$42,916
<u>La Vina</u>					
Field Management	\$10,350	\$7,763	\$2,588	\$10,350	\$10,661
Landscape Maintenance	\$38,762	\$26,883	\$8,961	\$35,844	\$38,762
Irrigation Repairs	\$4,000	\$3,769	\$231	\$4,000	\$4,000
Lake Maintenance	\$4,573	\$3,319	\$1,106	\$4,425	\$4,573
Utilities	\$8,340	\$4,363	\$1,454	\$5,818	\$8,340
Wall Repairs/Cleaning	\$5,500	\$85	\$2,525	\$2,610	\$5,500
Solvino Streetlighting	\$2,710	\$1,802	\$678	\$2,480	\$2,710
Capri Streetlighting	\$3,850	\$2,562	\$964	\$3,526	\$3,850
Miscellaneous Common Area	\$15,321	\$130	\$1,875	\$2,005	\$15,011
Total La Vina	\$93,406	\$50,676	\$20,382	\$71,058	\$93,406
<u>Nona Preserve</u>					
Field Management	\$4,463	\$3,347	\$1,116	\$4,463	\$4,597
Landscape Maintenance	\$30,282	\$22,050	\$7,350	\$29,400	\$30,282
Irrigation Repairs	\$2,900	\$2,263	\$754	\$3,018	\$2,780
Lake Maintenance	\$4,200	\$3,150	\$1,050	\$4,200	\$4,200
Miscellaneous Common Area	\$28	\$0	\$150	\$150	\$14
Total Nona Preserve	\$41,873	\$30,811	\$10,420	\$41,231	\$41,873
<u>Parcels G & H</u>					
Field Management	\$2,666	\$1,999	\$666	\$2,666	\$2,746
Landscape Maintenance	\$13,796	\$9,567	\$3,189	\$12,756	\$13,716
Lake Maintenance	\$1,628	\$1,181	\$394	\$1,575	\$1,628
Total Parcels G & H	\$18,090	\$12,748	\$4,249	\$16,997	\$18,090
Maintenance Expenses	\$196,284	\$119,125	\$44,481	\$163,606	\$196,283
Transfer Out to Capital Reserves	\$35,666	\$0	\$27,261	\$27,261	\$62,498
Total Expenses	\$351,019	\$203,183	\$93,810	\$296,993	\$377,851
Excess Revenues *	\$0	\$146,889	(\$84,391)	\$62,498	(\$0)

* - Reduced for First Quarter Operating

Net Assessments	\$315,353
Add: Discounts & Collections	\$20,129
Gross Assessments	\$335,481

Narcoossee
Community Development District
General Fund Budget
Fiscal Year 2021

REVENUES:

Maintenance Assessments

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

Beginning Fund Balance

Represents the total funds estimated to be available at the beginning of the fiscal year.

EXPENDITURES:

Administrative:

Supervisor Fees

The Florida Statutes allows each board member to receive \$200 per meeting not to exceed \$4,800 in one year. The amount is based upon 5 Supervisors attending 6 Board Meetings during the fiscal year.

FICA Expense

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

Engineering Fees

The District's engineer, Dewberry, will be providing general engineering services to the District, i.e., attendance and preparation for monthly Board meetings, review invoices, etc.

Assessment Roll

Expenses related to administering the annual assessments on the tax roll with the Orange County Tax Collector.

Attorney

The District's legal counsel, Hopping, Green & Sams, will be providing general legal services to the District, i.e., attendance and preparation for monthly meetings, review operating and maintenance contracts, agreements, resolutions, etc.

Narcoossee
Community Development District
General Fund Budget
Fiscal Year 2021

Annual Audit

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

Dissemination Agent

The District is required by the Security and Exchange Commission to comply with Rule 15(c) (2)-12(b) (5), which relates to additional reporting requirements for un-rated bond issues. The District has contracted with Governmental Management Services – Central Florida LLC, the District's bond underwriter, to provide this service.

Arbitrage

The District is required to annually have an arbitrage rebate calculation on the District's Series 2013A-1 & 2013 A-2 Special Assessment Revenue Bonds. The District hired Grau & Associates to calculate the rebate liability and submit a report to the District.

Trustee Fees

The District issued Series 2013A-1 & 2013A-2 Special Assessment Refunding Bonds, which are held with a Trustee at US Bank. The amount of the trustee fees is based on the agreement between US Bank and the District.

Management Fees

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Governmental Management Services – Central Florida, LLC. These services include, but are not limited to, advertising, recording and transcribing of Board Meetings, administrative services, budget preparation, financial reporting, and assisting with annual audits.

Information Technology

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

Telephone

Telephone and fax machine.

Narcoossee
Community Development District
General Fund Budget
Fiscal Year 2021

Postage

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

Insurance

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

Printing & Binding

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

Legal Advertising

The District is required to advertise various notices for monthly Board meetings, public hearings, and any services that are required to be advertised for public bidding, i.e. audit services, engineering service, maintenance contracts and any other advertising that may be required.

Other Current Charges

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

Property Appraiser

Represent the Fiscal Year 18 fees to be paid to the Orange County Property Appraiser for annual assessment roll administration.

Office Supplies

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

Dues, Licenses & Subscriptions

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

Contingency

Represents any other miscellaneous charges that the District may incur.

Narcoossee
Community Development District
General Fund Budget
Fiscal Year 2021

Maintenance:

NonaCrest

Field Management

The District currently has a contract with Governmental Management Services – Central Florida, LLC. to provide field management services.

Landscape Maintenance

The District currently has a contract with Down to Earth, Inc. to provide Landscape Maintenance. These services include mowing, edging, blowing, applying pest and disease control chemicals to sod, mulching once per year, applying fertilizer, and planting annuals.

Vendor: Down To Earth, Inc.

○ <i>Landscape Maintenance: Contract Cost of \$1,754 monthly</i>	<i>Annual Costs</i> <i>\$21,053</i>
○ <i>Replacement Plants</i>	<i>\$5,000</i>
○ <i>Total Costs</i>	<i>\$26,053</i>

Irrigation Repairs

Irrigation maintenance expenditures that may occur during the fiscal year.

Lake Maintenance

The District currently has a contract with Applied Aquatic Management, Inc., which provide Lake Maintenance to all the lakes inside Narcoossee CDD. These services include monthly inspections and treatment of aquatic weeds and algae, herbiciding, and algae control and removal.

Vendor: Applied Aquatic Management, Inc.

○ <i>Landscape Maintenance: Contract Cost of \$358 monthly</i>	<i>Annual Costs</i> <i>\$4,301</i>
○ <i>Contingency</i>	<i>\$49</i>
○ <i>Total Costs</i>	<i>\$4,350</i>

Feature Lighting

Replacement and repair of up light fixtures.

Miscellaneous Common Area

Miscellaneous common area maintenance expenditures that may occur during the fiscal year.

Narcoossee
Community Development District
General Fund Budget
Fiscal Year 2021

LaVina

Field Management

The District currently has a contract with Governmental Management Services – Central Florida, LLC. to provide field management services.

Landscape Maintenance

The District currently has a contract with Down to Earth, Inc. to provide Landscape Maintenance. These services include mowing, edging, blowing, applying pest and disease control chemicals to sod, mulching once per year, applying fertilizer, and planting annuals.

Vendor: Down To Earth, Inc.

○ <i>Landscape Maintenance: Contract Cost of \$3,076 monthly</i>	<i>Annual Costs</i> <i>\$36,918</i>
○ <i>Replacement Plants</i>	<i><u>\$1,844</u></i>
○ <i>Total Costs</i>	<i>\$38,762</i>

Irrigation Repairs

Irrigation maintenance expenditures that may occur during the fiscal year.

Lake Maintenance

The District currently has a contract with Applied Aquatic Management, Inc., which provide Lake Maintenance to all the lakes inside Narcoossee CDD. These services include monthly inspections and treatment of aquatic weeds and algae, herbiciding, and algae control and removal. The amount also includes unscheduled maintenance.

Vendor: Applied Aquatic Management, Inc.

○ <i>Lake Maintenance: Contract Cost of \$380 month</i>	<i>Annual Costs</i> <i>\$4,553</i>
○ <i>Contingency</i>	<i><u>\$20</u></i>
○ <i>Total Costs</i>	<i>\$4,573</i>

Utilities

The District has electrical and water accounts with Orlando Utilities Commission for the areas maintained by the District.

Vendor: Orlando Utilities Commission

○ <i>Reclaimed Water - \$680/month</i>	<i>Annual Costs</i> <i>\$8,160</i>
○ <i>Electric - \$15/month</i>	<i><u>\$180</u></i>
○ <i>Total Costs</i>	<i>\$8,340</i>

Narcoossee
Community Development District
General Fund Budget
Fiscal Year 2021

Wall Repairs/Cleaning

Funding for cleaning or needed repairs of La Vina District wall.

Solvino Streetlighting

The District funds the streetlights within the Solvino community.

Vendor: Orlando Utilities Commission

- o *Electric - \$225/month*

Annual Costs
\$2,710

Capri Streetlighting

The District funds the streetlights within the Capri community.

Vendor: Orlando Utilities Commission

- o *Electric - \$320/month*

Annual Costs
\$3,850

Miscellaneous Common Area Maintenance

Miscellaneous common area maintenance expenditures that may occur during the fiscal year.

Nona Preserve

Field Management

The District currently has a contract with Governmental Management Services – Central Florida, LLC. to provide field management services.

Landscape Maintenance

The District currently has a contract with Down to Earth, Inc. to provide Landscape Maintenance. These services include mowing, edging, blowing, applying pest and disease control chemicals to sod, mulching once per year, applying fertilizer, and planting annuals.

Vendor: Down To Earth, Inc.

- o *Landscape Maintenance: Contract Cost of \$2,450 monthly*

Annual Costs
\$30,282

Irrigation Repairs

Irrigation maintenance expenditures that may occur during the fiscal year.

Narcoossee
Community Development District
General Fund Budget
Fiscal Year 2021

Lake Maintenance

These services include monthly inspections and treatment of aquatic weeds and algae, herbiciding, and algae control and removal.

Vendor: Applied Aquatic Management, Inc.
Costs

Annual

- *Lake Maintenance: Contract Cost of \$350 monthly*

\$4,200

Miscellaneous Common Area Maintenance

Miscellaneous common area maintenance expenditures that may occur during the fiscal year.

Parcel G & H

Field Management

The District currently has a contract with Governmental Management Services – Central Florida, LLC. to provide field management services.

Landscape Maintenance

These services include mowing, edging, blowing, applying pest and disease control chemicals to sod, mulching once per year, applying fertilizer, and planting annuals.)

Vendor: Down To Earth, Inc.

Annual Costs

- *Landscape Maintenance: Contract Cost of \$1,143 monthly*

\$13,716

Lake Maintenance

These services include monthly inspections and treatment of aquatic weeds and algae, herbiciding, and algae control and removal.

Vendor: Applied Aquatic Management, Inc.
Costs

Annual

- *Landscape Maintenance: Contract Cost of \$136 monthly*

\$1,628

Transfer Out – Capital Reserve Fund

Represents projected excess funds above operating capital requirements in the General Fund.

Narcoossee
Community Development District
Maintenance Assessment Calculation
Fiscal Year 2021

Subdivision	Track	Units	Annual Gross		Proposed Gross		Street Lighting		Total Proposed	
			Maintenance	Per Unit FY20	Maintenance	Per Unit FY21	Supplement	Assessment	Maintenance	Increase
									Per Unit FY21	(Decrease)
NonaCrest	C	SF50	159	\$276.94	\$276.94	\$276.94	N/A		\$276.94	\$0.00
	D	SF70	110	\$276.94	\$276.94	\$276.94	N/A		\$276.94	\$0.00
			269							
LaVina	A	SF50	107	\$473.15	\$473.15	\$473.15	N/A		\$473.15	\$0.00
	B	SF75	66	\$473.15	\$473.15	\$473.15	N/A		\$473.15	\$0.00
	E	SF50	48	\$558.17	\$558.17	\$473.15	\$85.02		\$558.17	\$0.00
	F	SF50	50	\$530.60	\$530.60	\$473.15	\$57.45		\$530.60	\$0.00
			271							
Lake Nona Preserve	K	Multi	228	\$254.88	\$254.88	\$254.88	N/A		\$254.88	(\$0.00)
	G	Comm/Office	130704	\$0.16	\$0.16	\$0.16	N/A		\$0.16	\$0.00
	H	Multi Family	370	\$95.10	\$95.10	\$95.10	N/A		\$95.10	\$0.00
		Comm/Office	69000	\$0.17	\$0.17	\$0.17	N/A		\$0.17	(\$0.00)
Total Gross Assessments										\$335,481

Narcoossee
Community Development District
Capital Reserve Fund - Nona Crest
Fiscal Year 2021

Description	Adopted Budget FY2020	Actual thru 6/30/20	Projected Next 3 Months	Total Projected 9/30/20	Proposed Budget FY2021
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Revenues

Transfer In	\$7,518	\$0	\$7,518	\$7,518	\$14,034
Interest	\$0	\$7	\$7	\$14	\$0
Carry Forward Surplus	\$96,428	\$96,429	\$0	\$96,429	\$98,097
Total Revenues	\$103,946	\$96,436	\$7,525	\$103,961	\$112,131

Expenditures

Capital Projects	\$0	\$5,864	\$0	\$5,864	\$0
Total Expenditures	\$0	\$5,864	\$0	\$5,864	\$0

Excess Revenues	\$103,946	\$90,572	\$7,525	\$98,097	\$112,131
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Narcoossee
Community Development District
Capital Reserve Fund - La Vina
Fiscal Year 2021

Description	Adopted Budget FY2020	Actual thru 6/30/20	Projected Next 3 Months	Total Projected 9/30/20	Proposed Budget FY2021
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Revenues

Transfer In	\$13,973	\$0	\$13,973	\$13,973	\$29,264
Interest	\$0	\$7	\$2	\$9	\$0
Carry Forward Surplus	\$109,946	\$92,947	\$0	\$92,947	\$35,653

Total Revenues	\$123,919	\$92,954	\$13,975	\$106,929	\$64,918
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Expenditures

Dowden Median Improvements	\$50,000	\$21,305	\$43,971	\$65,276	\$0
Landscaping Projects	\$0	\$0	\$6,000	\$6,000	\$0

Total Expenditures	\$50,000	\$21,305	\$49,971	\$71,276	\$0
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Excess Revenues	\$73,919	\$71,649	(\$35,996)	\$35,653	\$64,918
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Narcoossee
Community Development District
Capital Reserve Fund - Nona Preserve
Fiscal Year 2021

Description	Adopted Budget FY2020	Actual thru 6/30/20	Projected Next 3 Months	Total Projected 9/30/20	Proposed Budget FY2021
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Revenues

Transfer In	\$323	\$0	\$323	\$323	\$9,514
Interest	\$0	\$3	\$1	\$4	\$0
Carry Forward Surplus	\$38,267	\$38,268	\$0	\$38,268	\$36,094

Total Revenues	\$38,590	\$38,270	\$324	\$38,594	\$45,609
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Expenditures

Capital Projects	\$2,500	\$0	\$2,500	\$2,500	\$2,500
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Total Expenditures	\$2,500	\$0	\$2,500	\$2,500	\$2,500
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Excess Revenues	\$36,090	\$38,270	(\$2,176)	\$36,094	\$43,109
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Narcoossee
Community Development District
Capital Reserve Fund - Parcels G&H
Fiscal Year 2021

Description	Adopted Budget FY2020	Actual thru 6/30/20	Projected Next 3 Months	Total Projected 9/30/20	Proposed Budget FY2021
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Revenues

Transfer In	\$5,447	\$0	\$5,447	\$5,447	\$9,685
Interest	\$0	\$5	\$2	\$7	\$0
Carry Forward Balance	\$60,761	\$71,073	\$0	\$71,073	\$53,293

Total Revenues	\$66,209	\$71,079	\$5,449	\$76,527	\$62,979
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Expenditures

Capital Outlay	\$0	\$5,775	\$17,459	\$23,234	\$0
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Total Expenditures	\$0	\$5,775	\$17,459	\$23,234	\$0
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Excess Revenues	\$66,209	\$65,304	(\$12,010)	\$53,293	\$62,979
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Narcoossee
Community Development District
Debt Service Fund
Fiscal Year 2021

Description	Adopted Budget FY2020	Actual thru 6/30/20	Projected Next 3 Months	Total Projected 9/30/20	Proposed Budget FY2021
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Revenues

Assessments - Tax Roll	\$317,131	\$308,204	\$8,927	\$317,131	\$317,131
Interest Income	\$1,000	\$2,587	\$862	\$3,449	\$1,000
Carry Forward Surplus	\$184,168	\$188,511	\$0	\$188,511	\$193,916

Total Revenues	\$502,299	\$499,301	\$9,789	\$509,090	\$512,047
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Expenditures

Series 2013A-1

Interest - 11/1	\$43,053	\$43,053	\$0	\$43,053	\$41,178
Principal - 5/1	\$125,000	\$125,000	\$0	\$125,000	\$125,000
Interest - 5/1	\$43,053	\$43,053	\$0	\$43,053	\$41,178

Series 2013A-2

Interest - 11/1	\$27,034	\$27,034	\$0	\$27,034	\$25,753
Principal - 5/1	\$50,000	\$50,000	\$0	\$50,000	\$50,000
Interest - 5/1	\$27,034	\$27,034	\$0	\$27,034	\$25,753

Total Expenditures	\$315,174	\$315,174	\$0	\$315,174	\$308,861
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(1) Excess Revenues	\$187,125	\$184,128	\$9,789	\$193,916	\$203,186
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Series 2013A-1	Nov 1, 2021	\$39,146
Series 2013A-2	Nov 1, 2021	\$24,472
		<u>\$63,618</u>

Net Assessments	\$317,131
Add: Discounts & Collections	<u>\$20,242</u>
Gross Assessments	\$337,373

(1) Excess Revenues will be utilized to pay November 1 semi-annual interest payment.

Narcoossee
Community Development District
Debt Assessment Calculation
Fiscal Year 2021

Subdivision	Track	Units	Proposed FY2021 Annual Gross Debt Per Unit	Total Debt
NonaCrest	C SF50	158	\$301.13	\$47,579
	D SF70	110	\$481.81	\$52,999
LaVina	A SF50	107	\$301.13	\$32,221
	B SF75	65	\$566.13	\$36,798
	E SF50	48	\$301.13	\$14,454
	F SF50	50	\$301.13	\$15,057
Lake Nona Preserve	K Multi	228	\$240.91	\$54,927
	G Comm/Office	130704	\$0.20	\$26,141
	G Multi Family	370	\$117.29	\$43,397
	H Comm/Office	69000	\$0.20	\$13,800
Total Gross Assessment				\$337,373

Narcoossee

Community Development District

Debt Service Fund - Series 2013A-1

Amortization Schedule

Date	Series 2013A-1		Fiscal Total
	Principal	Interest	
11/1/20		\$41,177.50	\$209,230.00
5/1/21	\$125,000.00	\$41,177.50	
11/1/21		\$39,146.25	\$205,323.75
5/1/22	\$130,000.00	\$39,146.25	
11/1/22		\$36,871.25	\$206,017.50
5/1/23	\$135,000.00	\$36,871.25	
11/1/23		\$34,373.75	\$206,245.00
5/1/24	\$140,000.00	\$34,373.75	
11/1/24		\$31,748.75	\$206,122.50
5/1/25	\$145,000.00	\$31,748.75	
11/1/25		\$28,921.25	\$205,670.00
5/1/26	\$150,000.00	\$28,921.25	
11/1/26		\$25,921.25	\$204,842.50
5/1/27	\$160,000.00	\$25,921.25	
11/1/27		\$22,721.25	\$208,642.50
5/1/28	\$165,000.00	\$22,721.25	
11/1/28		\$19,297.50	\$207,018.75
5/1/29	\$170,000.00	\$19,297.50	
11/1/29		\$15,770.00	\$205,067.50
5/1/30	\$180,000.00	\$15,770.00	
11/1/30		\$12,035.00	\$207,805.00
5/1/31	\$185,000.00	\$12,035.00	
11/1/31		\$8,196.25	\$205,231.25
5/1/32	\$195,000.00	\$8,196.25	
11/1/32		\$4,150.00	\$207,346.25
5/1/33	\$200,000.00	\$4,150.00	\$204,150.00
	\$2,205,000.00	\$726,765.00	\$2,931,765.00

Narcoossee

Community Development District

Debt Service Fund - Series 2013A-2

Amortization Schedule

Date	Series 2013A-2		Fiscal Total
	Principal	Interest	
11/1/20		\$25,753.13	\$102,787.51
5/1/21	\$50,000.00	\$25,753.13	
11/1/21		\$24,471.88	\$100,225.01
5/1/22	\$55,000.00	\$24,471.88	
11/1/22		\$23,062.50	\$102,534.38
5/1/23	\$55,000.00	\$23,062.50	
11/1/23		\$21,515.63	\$99,578.13
5/1/24	\$60,000.00	\$21,515.63	
11/1/24		\$19,828.13	\$101,343.76
5/1/25	\$60,000.00	\$19,828.13	
11/1/25		\$18,140.63	\$97,968.76
5/1/26	\$65,000.00	\$18,140.63	
11/1/26		\$16,312.50	\$99,453.13
5/1/27	\$70,000.00	\$16,312.50	
11/1/27		\$14,343.75	\$100,656.25
5/1/28	\$75,000.00	\$14,343.75	
11/1/28		\$12,234.38	\$101,578.13
5/1/29	\$80,000.00	\$12,234.38	
11/1/29		\$9,984.38	\$102,218.76
5/1/30	\$85,000.00	\$9,984.38	
11/1/30		\$7,593.75	\$102,578.13
5/1/31	\$85,000.00	\$7,593.75	
11/1/31		\$5,203.13	\$97,796.88
5/1/32	\$90,000.00	\$5,203.13	
11/1/32		\$2,671.88	\$97,875.01
5/1/33	\$95,000.00	\$2,671.88	\$97,671.88
	\$975,000.00	\$456,300.10	\$1,431,300.10

SECTION C

RESOLUTION 2020-07

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE NARCOOSSEE COMMUNITY DEVELOPMENT DISTRICT MAKING A DETERMINATION OF BENEFIT AND IMPOSING SPECIAL ASSESSMENTS FOR FISCAL YEAR 2020/2021; PROVIDING FOR THE COLLECTION AND ENFORCEMENT OF SPECIAL ASSESSMENTS; CERTIFYING AN ASSESSMENT ROLL; PROVIDING FOR AMENDMENTS TO THE ASSESSMENT ROLL; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Narcoossee Community Development District (“**District**”) is a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, for the purpose of providing, operating and maintaining infrastructure improvements, facilities and services to the lands within the District; and

WHEREAS, the District is located in Orange County, Florida (“**County**”); and

WHEREAS, the District has constructed or acquired various infrastructure improvements and provides certain services in accordance with the District’s adopted capital improvement plan and Chapter 190, *Florida Statutes*; and

WHEREAS, the Board of Supervisors (“**Board**”) of the District hereby determines to undertake various operations and maintenance and other activities described in the District’s budget (“**Adopted Budget**”) for the fiscal year beginning October 1, 2020 and ending September 30, 2021 (“**Fiscal Year 2020/2021**”), attached hereto as **Exhibit A** and incorporated by reference herein; and

WHEREAS, the District must obtain sufficient funds to provide for the operation and maintenance of the services and facilities provided by the District as described in the Adopted Budget; and

WHEREAS, the provision of such services, facilities, and operations is a benefit to lands within the District; and

WHEREAS, Chapter 190, *Florida Statutes*, provides that the District may impose special assessments on benefitted lands within the District; and

WHEREAS, it is in the best interests of the District to proceed with the imposition of the special assessments for operations and maintenance in the amount set forth in the Adopted Budget; and

WHEREAS, the District has previously levied an assessment for debt service, which the District desires to collect for Fiscal Year 2020/2021; and

WHEREAS, Chapter 197, *Florida Statutes*, provides a mechanism pursuant to which such

special assessments may be placed on the tax roll and collected by the local tax collector (“**Uniform Method**”), and the District has previously authorized the use of the Uniform Method by, among other things, entering into agreements with the Property Appraiser and Tax Collector of the County for that purpose; and

WHEREAS, it is in the best interests of the District to adopt the Assessment Roll of the Narcoossee Community Development District (“**Assessment Roll**”) attached to this Resolution as **Exhibit B** and incorporated as a material part of this Resolution by this reference, and to certify the Assessment Roll to the County Tax Collector pursuant to the Uniform Method; and

WHEREAS, it is in the best interests of the District to permit the District Manager to amend the Assessment Roll, certified to the County Tax Collector by this Resolution, as the Property Appraiser updates the property roll for the County, for such time as authorized by Florida law.

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

SECTION 1. BENEFIT & ALLOCATION FINDINGS. The Board hereby finds and determines that the provision of the services, facilities, and operations as described in **Exhibit A** confers a special and peculiar benefit to the lands within the District, which benefit exceeds or equals the cost of the assessments. The allocation of the assessments to the specially benefitted lands, as shown in **Exhibits A and B**, is hereby found to be fair and reasonable.

SECTION 2. ASSESSMENT IMPOSITION. Pursuant to Chapters 190 and 197, *Florida Statutes*, and using the procedures authorized by Florida law for the levy and collection of special assessments, a special assessment for operation and maintenance is hereby imposed and levied on benefitted lands within the District, and in accordance with **Exhibits A and B**. The lien of the special assessments for operations and maintenance imposed and levied by this Resolution shall be effective upon passage of this Resolution.

SECTION 3. COLLECTION. The collection of the operation and maintenance special assessments and previously levied debt service assessments shall be at the same time and in the same manner as County taxes in accordance with the Uniform Method, as indicated on **Exhibits A and B**. The decision to collect special assessments by any particular method – e.g., on the tax roll or by direct bill – does not mean that such method will be used to collect special assessments in future years, and the District reserves the right in its sole discretion to select collection methods in any given year, regardless of past practices.

SECTION 4. ASSESSMENT ROLL. The Assessment Roll, attached to this Resolution as **Exhibit B**, is hereby certified to the County Tax Collector and shall be collected by the County Tax Collector in the same manner and time as County taxes. The proceeds therefrom shall be paid to the District.

SECTION 5. ASSESSMENT ROLL AMENDMENT. The District Manager shall keep

apprised of all updates made to the County property roll by the Property Appraiser after the date of this Resolution, and shall amend the Assessment Roll in accordance with any such updates, for such time as authorized by Florida law, to the County property roll. After any amendment of the Assessment Roll, the District Manager shall file the updates in the District records.

SECTION 6. SEVERABILITY. The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

SECTION 7. EFFECTIVE DATE. This Resolution shall take effect upon the passage and adoption of this Resolution by the Board.

PASSED AND ADOPTED THIS 28th DAY OF JULY, 2020.

ATTEST:

**NARCOOSSEE COMMUNITY
DEVELOPMENT DISTRICT**

Secretary / Assistant Secretary

Chairperson, Board of Supervisors

Exhibit A: Budget FY 2020/2021

Exhibit B: Assessment Roll

SECTION V

**FIRST AMENDMENT TO THE AGREEMENT FOR LANDSCAPE MAINTENANCE
SERVICES BETWEEN NARCOOSSEE COMMUNITY DEVELOPMENT DISTRICT
AND SSS DOWN TO EARTH OPCO, LLC**

THIS FIRST AMENDMENT is made and entered into this _____, 2020 by and between:

NARCOOSSEE COMMUNITY DEVELOPMENT DISTRICT, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, and located in Orange County, Florida, and whose mailing address is 219 East Livingston Street, Orlando, Florida 32801 (the “**District**”); and

SSS DOWN TO EARTH OPCO LLC, an Ohio limited liability company, whose mailing address is P.O. Box 738, Tangerine, Florida 32256 (the “**Contractor**”).

RECITALS

WHEREAS, the District is a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, for the purpose of planning, financing, constructing, operating and/or maintaining certain infrastructure; and

WHEREAS, the parties previously entered into that certain *Agreement between the Narcoossee Community Development District and SSS Down to Earth Opco, LLC for Landscape Maintenance Services* dated August 27, 2019, (the “**Agreement**”); and

WHEREAS, pursuant to Section 3 of the Agreement, the Agreement may be amended by an instrument in writing which is executed by both parties; and

WHEREAS, the District and Contractor now desire to extend the term of the Agreement for an additional one (1) year period; and

WHEREAS, the District and Contractor each represent that it has the requisite authority to execute this First Amendment and to perform its obligations and duties hereunder, and each has satisfied all conditions precedent to the execution of this First Amendment so that this First Amendment constitutes a legal and binding obligation of each party hereto.

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

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

2. AFFIRMATION OF THE AGREEMENT. The Agreement is hereby affirmed and continues to constitute a valid and binding agreement between the parties. Except as described in this First Amendment, nothing herein shall modify the rights and obligations of the parties under the Agreement. All of the remaining provisions including, but not limited to, the engagement of

services, compensation, indemnification and sovereign immunity provisions, remain in full force and effect.

3. TERM. Pursuant to Section 3 of the Agreement, the term of the Agreement is hereby renewed for an additional one (1) year, beginning October 1, 2020 and ending September 30, 2021, unless terminated earlier in accordance with the terms therein.

4. COUNTERPARTS. This First Amendment may be executed in any number of counterparts, each of which when executed and delivered shall be an original; however, all such counterparts together shall constitute but one and the same instrument.

5. EFFECTIVE DATE. This First Amendment shall be effective on the date and year first written above.

IN WITNESS WHEREOF, the parties execute this First Amendment to be effective the day and year first written above.

ATTEST:

**NARCOOSSEE
COMMUNITY DEVELOPMENT
DISTRICT**

Secretary/Assistant Secretary

Vice/Chairperson, Board of Supervisors

WITNESS:

SSS DOWN TO EARTH OPCO, LLC

By: _____
Its: _____

By: _____
Its: _____

SECTION VII

SECTION C

SECTION 1

Narcoossee

Community Development District

Summary of Check Register

April 01, 2020 to June 30, 2020

Fund	Date	Check No.'s	Amount
General Fund	4/2/20	1892	\$ 5,500.67
	4/3/20	1893	\$ 773.00
	4/13/20	1894-1895	\$ 9,401.33
	4/15/20	1896	\$ 15,586.21
	4/24/20	1897	\$ 16.51
	4/27/20	1898-1902	\$ 3,162.33
	5/8/20	1903	\$ 5,505.16
	5/12/20	1904	\$ 1,906.64
	5/26/20	1905-1907	\$ 13,048.77
	6/2/20	1908	\$ 3,000.00
	6/5/20	1909	\$ 5,745.44
	6/11/20	1910-1913	\$ 4,045.57
	6/18/20	1914-1917	\$ 9,665.45
	6/26/20	1918-1919	\$ 3,353.50
			<hr/>
			\$ 80,710.58
Capital Reserve - G&H Parcels	6/19/20	3	\$ 5,775.13
			<hr/>
			\$ 5,775.13
Capital Reserve - Nona Crest	4/24/20	5	\$ 5,864.00
			<hr/>
			\$ 5,864.00
Capital Reserve - LaVina	4/27/20	5	\$ 5,080.00
	6/19/20	7	\$ 16,224.87
			<hr/>
			\$ 21,304.87
			<hr/>
			\$ 113,654.58

*Capital Reserve-G&H Parcels CK #2-Void
Capital Reserve-La Vina CK #6-Void

CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	....EXPENSED TO.... YRMO DPT ACCT# SUB	SUBCLASS	VENDOR NAME	STATUS	AMOUNT	....CHECK.... AMOUNT #
4/02/20	00043	4/01/20	358	202004 310-51300-34000	MANAGEMENT FEES-APR20	*	3,689.58	
		4/01/20	358	202004 310-51300-35100	INFORMATION TECH-APR20	*	141.67	
		4/01/20	358	202004 310-51300-31300	DISSEMINATION-APR20	*	104.17	
		4/01/20	359	202004 320-53800-12000	FIELD MANAGEMENT-APR20	*	1,565.25	
					GOVERNMENTAL MANAGEMENT SERVICES			5,500.67 001892
4/03/20	00021	10/24/19	1411	201910 310-51300-49100	NON AD VALOREM ADMIN FEE	*	773.00	
					ORANGE COUNTY PROPERTY APPRAISER			773.00 001893
4/13/20	00022	3/20/20	184460	202003 330-53800-46300	MAR 20 LAKE MNGT MIRABELL	*	500.00	
		3/31/20	184461	202003 320-53800-46300	MAR 20 LAKE MNGT	*	348.00	
		3/31/20	184463	202003 340-53800-46300	MAR 20 LAKE MNGT NONA PRE	*	350.00	
					APPLIED AQUATIC MANAGEMENT, INC.			1,198.00 001894
4/13/20	00069	4/10/20	62738	202004 330-53800-46200	APRIL 20 LAWN MNTC LA VIN	*	4,050.00	
		4/20/20	62690	202004 340-53800-46200	APRIL 20 LAWN MTNC NONA P	*	2,450.00	
		4/20/20	62707	202004 320-53800-46200	APRIL 20 LAWN MNTC NONA C	*	1,703.33	
					DOWN TO EARTH LAWNCARE II, INC			8,203.33 001895
4/15/20	00034	4/09/20	04092020	202004 300-20700-10500	TRANSFER OF TAX RCPTS	*	15,586.21	
					NARCOSSEE CDD C/O US BANK			15,586.21 001896
4/24/20	00043	4/20/20	360	202004 310-51300-51000	APR 20 - OFFICE SUPPLIES	*	.15	
		4/20/20	360	202004 310-51300-42000	APR 20 - POSTAGE	*	16.36	
					GOVERNMENTAL MANAGEMENT SERVICES			16.51 001897
4/27/20	00069	4/17/20	63426	202004 330-53800-46400	IRRIGATION REPAIR LA VINA	*	481.01	
					DOWN TO EARTH LAWNCARE II, INC			481.01 001898
4/27/20	00005	3/31/20	114149	202003 310-51300-31500	ATTORNEYS FEES 03/2020	*	986.00	
					HOPPING GREEN & SAMS			986.00 001899
					NARC -NARCOSSEE - IAGUILAR			

CHECK DATE	VEND#	INVOICE DATE	EXPENSED TO...	YRMO	DFT	ACCT#	SUB	SUBCLASS	VENDOR NAME	STATUS	AMOUNT	....CHECK.... AMOUNT #
4/27/20	00085	3/13/20	1985	202003	320	53800	46500			*	354.00	
		3/16/20	2028	202003	330	53800	46000			*	130.00	
									HERITAGE SERVICE SOLUTIONS LLC			484.00 001900
4/27/20	00003	3/30/20	01697656	202002	310	51300	48000			*	260.00	
			NOT OF RULE DVEMT 02/20									
3/30/20		01697656	202002	310	51300	48000				*	425.01	
			NOT OF RULE REGAR 02/20									
									ORLANDO SENTINEL COMMUNICATIONS			685.01 001901
4/27/20	00069	3/26/20	61303	202003	320	53800	46400			*	132.20	
			IRRIGATION REPAIR NONA CR									
3/26/20		61304	202003	340	53800	46400				*	394.11	
			IRRIGATION REPAIR NONA PS									
									DOWN TO EARTH LAWCARE II, INC			526.31 001902
5/08/20	00043	5/01/20	361	202005	310	51300	34000			*	3,689.58	
			MNGT FEES 05/2020									
5/01/20		361	202005	310	51300	35100				*	141.67	
			INFORMATION TECH 05/2020									
5/01/20		361	202005	310	51300	31300				*	104.17	
			DISSEMINATION AGENT 05/20									
5/01/20		361	202005	310	51300	51000				*	.03	
			OFFICE SUPPLIES									
5/01/20		361	202005	310	51300	42000				*	4.46	
			POSTAGES									
5/01/20		362	202005	320	53800	12000				*	1,565.25	
			FACILITY MNGT 05/2020									
									GOVERNMENTAL MANAGEMENT SERVICES			5,505.16 001903
5/12/20	00043	5/11/20	363	202005	300	20700	10100			*	1,906.64	
			FACILITY MNGT/OCT19-MAY20									
									GOVERNMENTAL MANAGEMENT SERVICES			1,906.64 001904
5/26/20	00022	4/30/20	185158	202004	330	53800	46300			*	500.00	
			APRIL 20 MNGT MIRABELLA									
4/30/20		185159	202004	320	53800	46300				*	348.00	
			APRIL 20 MNGT NONA CREST									
4/30/20		185161	202004	340	53800	46300				*	350.00	
			APRIL 20 MNGT NANO PRESER									
									APPLIED AQUATIC MANAGEMENT, INC.			1,198.00 001905
5/26/20	00069	5/01/20	65935	202005	330	53800	46400			*	196.20	
			IRRIGATION REPAIR LA VINA									

NARC -NARCOOSSEE - IAGUILAR

CHECK DATE	VEND#	INVOICE DATE	INVOICE	YRMO	DPT	ACCT#	SUB	SUBCLASS	VENDOR NAME	STATUS	AMOUNT	...CHECK... AMOUNT #
5/01/20	65937	202005	340-53800-46400							*	370.86	
5/10/20	65070	202005	320-53800-46200							*	1,703.33	
5/10/20	65071	202005	330-53800-46200							*	4,050.00	
5/19/20	65934	202005	330-53800-46400							*	117.25	
5/20/20	65065	202005	340-53800-46200							*	2,450.00	
5/26/20	00053	3/25/20	5687129	202003	310-51300-32300				DOWN TO EARTH LAWCARE II, INC	*	2,963.13	8,887.64 001906
6/02/20	00076	4/05/20	349109	202004	310-51300-32200				US BANK	*	3,000.00	2,963.13 001907
6/05/20	00043	6/01/20	364	202006	310-51300-34000				BERGER TOOMBS ELAM GAINES & FRANK	*	3,689.58	3,000.00 001908
6/01/20	364	JUN 20	- MGMT FEES							*	141.67	
6/01/20	364	JUN 20	- INFO TECH							*	104.17	
6/01/20	364	JUN 20	- DISSEMINATION							*	.24	
6/01/20	364	JUN 20	- OFFICE SUPPLIES							*	6.20	
6/01/20	365	JUN 20	- POSTAGE							*	1,803.58	
6/11/20	00022	5/31/20	185839	202005	330-53800-46300				GOVERNMENTAL MANAGEMENT SERVICES	*	500.00	5,745.44 001909
5/31/20	185840	LA VINA	AQUA MAINT MAY20							*	348.00	
5/31/20	185842	NONA CREST	AQUA - MAY20							*	350.00	
6/11/20	00072	3/13/20	1804154	202002	310-51300-31100				APPLIED AQUATIC MANAGEMENT, INC.	*	2,740.00	1,198.00 001910
			GEN ENG/STAKING FENCE							*		
									DEWBERRY ENGINEERS INC.			2,740.00 001911
									NARC -NARCOSSEE - IAGUILAR			

NARCOOSSEE-GENERAL FUND
 BANK A NARCOOSSEE-GENERAL

CHECK DATE	VEND#	INVOICE DATE	INVOICE YRMO	DPT ACCT#	SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	....CHECK.... AMOUNT #
6/11/20	00008	5/26/20	7-020-67	202005	310-51300-42000	DELIVERY 05/19/20	*	22.57	
6/11/20	00085	5/29/20	2179	202004	330-53800-46600	MISSING LETTER SIGN	*	85.00	22.57 001912
6/18/20	00069	2/29/20	60131	202002	340-53800-46400	LANDS ENHANCEMENT NONA P	*	312.00	85.00 001913
		4/30/20	64388	202004	320-53800-46400	IRRIGATION REPAIR 04/27	*	234.76	
		6/10/20	68074	202006	340-53800-46200	NONA PRESERVE MAINT JUN20	*	2,450.00	
		6/10/20	68081	202006	320-53800-46200	NONA CREST MAINT - JUN20	*	1,703.33	
		6/10/20	68098	202006	330-53800-46200	LA VINA MAINT - JUN20	*	2,987.00	
		6/10/20	68098	202006	350-53800-46200	G&H PARCELS MAINT - JUN20	*	1,063.00	
6/18/20	00072	5/18/20	1828741	202004	310-51300-31100	GENERAL ENG SRVC - APR20	*	240.00	8,750.09 001914
6/18/20	00008	6/02/20	7-026-81	202005	310-51300-42000	DELIVERY 05/21/20	*	20.35	240.00 001915
6/18/20	00003	5/31/20	02080196	202005	310-51300-48000	BOS MTG NOTICE - 05/19/20	*	470.01	20.35 001916
		5/31/20	02080196	202005	310-51300-48000	BOS CANDIDATES - 05/28/20	*	185.00	
6/26/20	00072	6/17/20	1840811	202005	310-51300-31100	GENERAL ENG SRVC MAY20	*	905.00	655.01 001917
6/26/20	00005	5/22/20	114873	202004	310-51300-31500	RESEARCH/REVIEW/PHASE 1	*	296.50	905.00 001918
		6/19/20	115376	202005	310-51300-31500	PREPARE/REVIEW/CONFER	*	652.00	
		6/19/20	115377	202005	310-51300-31500	BOARD MTG PREP/CONFER	*	1,500.00	
						HOPPING GREEN & SAMS			2,448.50 001919

TOTAL FOR BANK A 80,710.58
 NARC -NARCOOSSEE - IAGUILAR

CHECK DATE	VEND#INVOICE DATE	INVOICE	YRMO	DPT	ACCT#	SUB	SUBCLASS	VENDOR NAME	STATUS	AMOUNTCHECK..... AMOUNT #
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TOTAL FOR REGISTER 80,710.58

NARC -NARCOOSSEE - IAGUILAR

AP300R
 *** CHECK DATES 04/01/2020 - 06/30/2020 ***
 YEAR-TO-DATE ACCOUNTS PAYABLE PREPAID/COMPUTER CHECK REGISTER RUN 7/20/20
 CAPITAL RESERVES-G&H PARCELS
 BANK C G&H PARCELS
 PAGE 1

CHECK DATE	VEND#	.....INVOICE.....	...EXPENSED TO...	VENDOR NAME	STATUS	AMOUNT	....CHECK.... AMOUNT
		DATE	INVOICE	YRMO DPT ACCT# SUB			
6/05/20	00001	6/04/20	KAP90	202006 600-53800-60000	*	5,775.13	
			FENCE PROJECT				
6/04/20	KAP90	202006	600-53800-60000	V		5,775.13-	
			FENCE PROJECT				
				SUPERIOR FENCE & RAIL, INC			.00 000002
6/19/20	00001	6/04/20	KAP90	202006 600-53800-60000	*	5,775.13	
			FENCE PROJECT-DOWDEN RD				
				SUPERIOR FENCE & RAIL, INC			5,775.13 000003
				TOTAL FOR BANK C		5,775.13	
				TOTAL FOR REGISTER		5,775.13	

NARC -NARCOOSSEE - IAGUILLAR

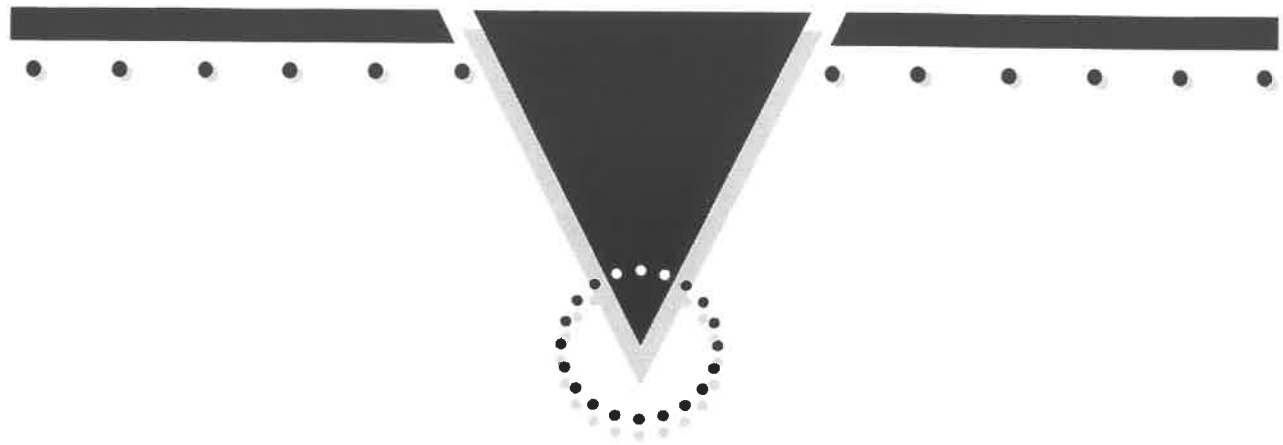
CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	....EXPENSED TO.... YRMO DPT ACCT# SUB	SUBCLASS	VENDOR NAME	STATUS	AMOUNT	....CHECK..... AMOUNT #
4/27/20	00004	3/05/20 1929	202003 600-53800-53000		REPAIR BRICKS NONA CREST	*	5,864.00	
HERITAGE SERVICE SOLUTIONS LLC								5,864.00 000005
TOTAL FOR BANK D							5,864.00	
TOTAL FOR REGISTER							5,864.00	

NARC -NARCOSSEE - IAGUIAR

CHECK DATE	VEND#	INVOICE DATE	INVOICE YRMO	EXPENSED TO DPT ACCT#	SUB	SUBCLASS	VENDOR NAME	STATUS	AMOUNT	....CHECK.... AMOUNT #
4/27/20	00004	3/05/20	1931	202003	600-53800-53000		PAINT MAIN ENTRANCE/FENCE	*	5,080.00	
							HERITAGE SERVICE SOLUTIONS LLC			5,080.00 000005
6/05/20	00003	6/04/20	KAP90	202006	600-53800-60000		FENCE PROJECT	*	16,224.87	
		6/04/20	KAP90	202006	600-53800-60000		FENCE PROJECT	V	16,224.87	
							SUPERIOR FENCE & RAIL, INC			.00 000006
6/19/20	00003	6/04/20	KAP90	202006	600-53800-60000		FENCE PROJECT-DOWDEN RD	*	16,224.87	
							SUPERIOR FENCE & RAIL, INC			16,224.87 000007
							TOTAL FOR BANK E		21,304.87	
							TOTAL FOR REGISTER		21,304.87	

NARC -NARCOOSSEE - IAGUILAR

SECTION 2



Narcoossee

Community Development District

Unaudited Financial Reporting
June 30, 2020



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1	Balance Sheet
2-3	General Fund
4	Debt Service Fund
5	Capital Reserves Fund - Nona Preserve
6	Capital Reserve Fund - Parcels G&H
7	Capital Reserves Fund - Nona Crest
8	Capital Reserve Fund - La Vina
9-10	Month to Month
11	Long-Term Debt
12	Assessment Receipt Schedule

Narcoossee
Community Development District
Combined Balance Sheet
For the Period Ended June 30, 2020

	<u>Governmental Fund Types</u>			
	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Totals</u>
<u>Assets:</u>				
Cash	\$231,532	---	---	\$231,532
Cash-Nona Preserve	---	---	\$38,270	\$38,270
Cash-Parcels G & H	---	---	\$65,304	\$65,304
Cash-Nona Crest	---	---	\$90,572	\$90,572
Cash-La Vina	---	---	\$71,649	\$71,649
Custody-Excess Funds	\$27,196	---	---	\$27,196
<u>Series 2013A-1/A-2</u>				
Reserve A-1	---	\$104,615	---	\$104,615
Prepayment A-1	---	\$293	---	\$293
Revenue	---	\$157,842	---	\$157,842
Reserve A-2	---	\$51,394	---	\$51,394
Due from General Fund	---	\$25,992	---	\$25,992
Total Assets	\$258,728	\$340,136	\$265,795	\$864,659
<u>Liabilities:</u>				
Accounts Payable	\$3,483	---	---	\$3,483
Due to Debt Service	\$25,992	---	---	\$25,992
<u>Fund Balances:</u>				
Restricted for Debt Service	---	\$340,136	---	\$340,136
Assigned for Capital Projects - Nona Preserve	---	---	\$38,270	\$38,270
Assigned for Capital Projects - GH	---	---	\$65,304	\$65,304
Assigned for Capital Projects - Nona Crest	---	---	\$90,572	\$90,572
Assigned for Capital Projects - La Vina	---	---	\$71,649	\$71,649
Assigned	\$35,666	---	---	\$35,666
Unassigned	\$193,587	---	---	\$193,587
Total Liabilities and Fund Equity & Other Credits	\$258,728	\$340,136	\$265,795	\$864,659

Narcoossee
Community Development District
General Fund
Statement of Revenues & Expenditures
For the Period Ended June 30, 2020

	Adopted Budget	Prorated Budget Thru 06/30/20	Actual Thru 06/30/20	Variance
<u>Revenues:</u>				
Maintenance Assessments	\$315,352	\$306,015	\$306,015	\$0
Interest	\$0	\$0	\$245	\$245
Miscellaneous Income	\$0	\$0	\$3,364	\$3,364
Total Revenues	\$315,352	\$306,015	\$309,624	\$3,609
<u>Expenditures</u>				
<u>Administrative</u>				
Supervisor Fees	\$6,000	\$4,500	\$1,600	\$2,900
FICA	\$459	\$344	\$122	\$222
Engineering	\$10,000	\$7,500	\$7,410	\$90
Assessment Roll	\$5,000	\$5,000	\$5,000	\$0
Attorney Fees	\$17,000	\$12,750	\$5,392	\$7,358
Annual Audit	\$3,000	\$3,000	\$3,000	\$0
Dissemination	\$1,250	\$938	\$938	(\$0)
Arbitrage	\$600	\$0	\$0	\$0
Trustee Fees	\$3,000	\$3,000	\$2,963	\$37
Management Fees	\$44,275	\$33,206	\$33,206	(\$0)
Information Technology	\$2,900	\$2,175	\$1,275	\$900
Telephone	\$100	\$75	\$7	\$68
Postage	\$450	\$338	\$234	\$104
Insurance	\$20,750	\$20,750	\$20,240	\$510
Printing & Binding	\$1,200	\$900	\$29	\$871
Legal Advertising	\$1,200	\$1,200	\$1,340	(\$140)
Other Current Charges	\$500	\$375	\$332	\$43
Property Appraiser	\$780	\$780	\$773	\$7
Office Supplies	\$150	\$113	\$21	\$92
Dues, Licenses & Subscriptions	\$175	\$175	\$175	\$0
Contingency	\$280	\$210	\$0	\$210
Total Administrative	\$119,069	\$97,328	\$84,057	\$13,271
<u>Nona Crest</u>				
Field Management	\$4,164	\$3,123	\$3,123	\$0
Landscape Maintenance	\$26,053	\$19,540	\$15,330	\$4,210
Irrigation Repairs	\$3,500	\$2,625	\$1,197	\$1,428
Lake Maintenance	\$4,350	\$3,263	\$3,132	\$131
Wall Repairs/Cleaning	\$2,500	\$1,875	\$0	\$1,875
Feature Lighting	\$1,000	\$750	\$749	\$1
Miscellaneous Common Area	\$1,349	\$1,349	\$1,360	(\$12)
Total Nona Crest	\$42,916	\$32,524	\$24,891	\$7,633

Narcoossee
Community Development District
General Fund
Statement of Revenues & Expenditures
For the Period Ended June 30, 2020

	Adopted Budget	Prorated Budget Thru 06/30/20	Actual Thru 06/30/20	Variance
<u>La Vina</u>				
Field Management	\$10,350	\$7,763	\$7,763	\$0
Landscape Maintenance	\$38,762	\$29,072	\$26,883	\$2,189
Irrigation Repairs	\$4,000	\$3,000	\$3,769	(\$769)
Lake Maintenance	\$4,573	\$3,429	\$3,319	\$111
Utilities	\$8,340	\$6,255	\$4,363	\$1,892
Wall Repairs/Cleaning	\$5,500	\$4,125	\$85	\$4,040
Solvino Streetlighting	\$2,710	\$2,033	\$1,802	\$230
Capri Streetlighting	\$3,850	\$2,888	\$2,562	\$325
Miscellaneous Common Area	\$15,321	\$11,490	\$130	\$11,360
Total La Vina	\$93,405	\$70,054	\$50,676	\$19,378
<u>Nona Preserve</u>				
Field Management	\$4,463	\$3,347	\$3,347	(\$0)
Landscape Maintenance	\$29,400	\$22,050	\$22,050	\$0
Irrigation Repairs	\$2,200	\$2,200	\$2,263	(\$63)
Lake Maintenance	\$4,300	\$3,225	\$3,150	\$75
Miscellaneous Common Area	\$1,510	\$1,133	\$0	\$1,133
Total Nona Preserve	\$41,873	\$31,955	\$30,811	\$1,144
<u>Parcels G & H</u>				
Field Management	\$2,666	\$2,000	\$1,999	\$0
Landscape Maintenance	\$13,796	\$10,347	\$9,567	\$780
Lake Maintenance	\$1,628	\$1,221	\$1,181	\$40
Total Parcels G & H	\$18,090	\$13,567	\$12,748	\$819
Total Maintenance Expenses	\$196,283	\$148,099	\$119,125	\$28,974
Total Expenditures	\$315,352	\$245,427	\$203,183	\$42,245
<u>Other Sources (Uses)</u>				
Transfer Out	(\$35,666)	(\$26,750)	\$0	\$26,750
Total Other Sources (Uses)	(\$35,666)	(\$26,750)	\$0	\$26,750
Excess Revenues (Expenditures)	(\$35,666)		\$106,441	
Fund Balance - Beginning	\$35,666		\$122,812	
Fund Balance - Ending	\$0		\$229,253	

Narcoossee
Community Development District
Debt Service Fund
Statement of Revenues & Expenditures
For the Period Ended June 30, 2020

Adopted Budget	Prorated Budget Thru 06/30/20	Actual Thru 06/30/20	Variance
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Revenues:

Assessments - Tax Roll	\$317,131	\$308,204	\$308,204	\$0
Interest	\$1,000	\$1,000	\$2,587	\$1,587

Total Revenues	\$318,131	\$309,204	\$310,791	\$1,587
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Expenditures:

Series 2013A-1

Interest Expense 11/01	\$43,053	\$43,053	\$43,053	\$0
Principal 5/01	\$125,000	\$125,000	\$125,000	\$0
Interest Expense 5/01	\$43,053	\$43,053	\$43,053	\$0

Series 2013A-2

Interest Expense 11/01	\$27,034	\$27,034	\$27,034	\$0
Principal 5/01	\$50,000	\$50,000	\$50,000	\$0
Interest Expense 5/01	\$27,034	\$27,034	\$27,034	\$0

Total Expenditures	\$315,174	\$315,174	\$315,174	\$0
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Excess Revenues (Expenditures)	\$2,957	(\$4,383)		
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Fund Balance - Beginning	\$184,168	\$344,519		
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Fund Balance - Ending	\$187,125	\$340,136		
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Narcoossee
Community Development District
Capital Reserve Fund - Nona Preserve
Statement of Revenues & Expenditures
For the Period Ended June 30, 2020

	Adopted Budget	Prorated Budget Thru 06/30/20	Actual Thru 06/30/20	Variance
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Revenues:

Transfer In	\$323	\$0	\$0	\$0
Interest	\$0	\$0	\$3	\$3
Total Revenues	\$323	\$0	\$3	\$3

Expenditures:

Capital Projects	\$2,500	\$0	\$0	\$0
Total Expenditures	\$2,500	\$0	\$0	\$0
Excess Revenues (Expenditures)	(\$2,177)		\$3	
Fund Balance - Beginning	\$38,267		\$38,268	
Fund Balance - Ending	\$36,090		\$38,270	

Narcoossee
Community Development District
Capital Reserve Fund - Parcels G & H
Statement of Revenues & Expenditures
For the Period Ended June 30, 2020

	Adopted Budget	Prorated Budget Thru 06/30/20	Actual Thru 06/30/20	Variance
--	-------------------	----------------------------------	-------------------------	----------

Revenues:

Transfer In	\$5,447	\$0	\$0	\$0
Interest	\$0	\$0	\$5	\$5
Total Revenues	\$5,447	\$0	\$5	\$5

Expenditures:

Capital Projects	\$0	\$0	\$5,775	(\$5,775)
Total Expenditures	\$0	\$0	\$5,775	(\$5,775)

Excess Revenues (Expenditures)	\$5,447		(\$5,770)	
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Fund Balance - Beginning	\$60,761		\$71,073	
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Fund Balance - Ending	\$66,209		\$65,304	
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Narcoossee
Community Development District
Capital Reserve Fund - Nona Crest
Statement of Revenues & Expenditures
For the Period Ended June 30, 2020

	Adopted Budget	Prorated Budget Thru 06/30/20	Actual Thru 06/30/20	Variance
<u>Revenues:</u>				
Transfer In	\$7,518	\$0	\$0	\$0
Interest	\$0	\$0	\$7	\$7
Total Revenues	\$7,518	\$0	\$7	\$7
<u>Expenditures:</u>				
Capital Projects	\$0	\$0	\$5,864	(\$5,864)
Total Expenditures	\$0	\$0	\$5,864	(\$5,864)
Excess Revenues (Expenditures)	\$7,518		(\$5,857)	
Fund Balance - Beginning	\$96,428		\$96,429	
Fund Balance - Ending	\$103,947		\$90,572	

Narcoossee
Community Development District
Capital Reserve Fund - LaVina
Statement of Revenues & Expenditures
For the Period Ended June 30, 2020

	Adopted Budget	Prorated Budget Thru 06/30/20	Actual Thru 06/30/20	Variance
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Revenues:

Transfer In	\$13,973	\$0	\$0	\$0
Interest	\$0	\$0	\$7	\$7
Total Revenues	\$13,973	\$0	\$7	\$7

Expenditures:

Dowden Median Improvements	\$50,000	\$5,080	\$5,080	\$0
Capital Outlay	\$0	\$0	\$16,225	(\$16,225)
Total Expenditures	\$50,000	\$5,080	\$21,305	(\$16,225)
Excess Revenues (Expenditures)	(\$36,027)		(\$21,298)	
Fund Balance - Beginning	\$109,946		\$92,947	
Fund Balance - Ending	\$73,919		\$71,649	

Narcoossee Community Development District

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
Revenue:													
Maintenance Assessments	\$0	\$17,735	\$111,779	\$109,442	\$16,871	\$22,004	\$2,377	\$2,569	\$23,239	\$0	\$0	\$0	\$306,015
Interest	\$44	\$40	\$34	\$34	\$34	\$31	\$20	\$5	\$2	\$0	\$0	\$0	\$245
Miscellaneous Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,364	\$0	\$0	\$0	\$0	\$3,364
Total Revenues	\$44	\$17,775	\$111,813	\$109,476	\$16,905	\$22,035	\$2,396	\$5,938	\$23,241	\$0	\$0	\$0	\$309,621
Expenditures													
Administrative													
Supervisor Fees	\$0	\$0	\$0	\$0	\$800	\$0	\$0	\$800	\$0	\$0	\$0	\$0	\$1,600
FICA	\$0	\$0	\$0	\$0	\$61	\$0	\$0	\$61	\$0	\$0	\$0	\$0	\$122
Engineering	\$375	\$1,195	\$110	\$0	\$4,125	\$0	\$240	\$905	\$460	\$0	\$0	\$0	\$7,410
Assessment Roll	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000
Attorney	\$93	\$130	\$115	\$1,620	\$0	\$986	\$297	\$2,152	\$0	\$0	\$0	\$0	\$5,392
Annual Audit	\$0	\$0	\$0	\$0	\$0	\$0	\$3,000	\$0	\$0	\$0	\$0	\$0	\$3,000
Dissemination	\$104	\$104	\$104	\$104	\$104	\$104	\$104	\$104	\$104	\$0	\$0	\$0	\$938
Arbitrage	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Trustee Fees	\$0	\$0	\$0	\$0	\$0	\$2,963	\$0	\$0	\$0	\$0	\$0	\$0	\$2,963
Management Fees	\$3,690	\$3,690	\$3,690	\$3,690	\$3,690	\$3,690	\$3,690	\$3,690	\$3,690	\$0	\$0	\$0	\$33,206
Information Technology	\$142	\$142	\$142	\$142	\$142	\$142	\$142	\$142	\$142	\$0	\$0	\$0	\$1,275
Telephone	\$7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7
Postage	\$76	\$44	\$3	\$6	\$20	\$14	\$16	\$47	\$6	\$0	\$0	\$0	\$234
Insurance	\$20,240	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,240
Printing & Binding	\$0	\$0	\$0	\$0	\$0	\$29	\$0	\$0	\$0	\$0	\$0	\$0	\$29
Legal Advertising	\$0	\$0	\$0	\$0	\$685	\$0	\$0	\$655	\$0	\$0	\$0	\$0	\$1,340
Other Current Charges	\$51	\$52	\$54	\$36	\$16	\$31	\$30	\$31	\$32	\$0	\$0	\$0	\$332
Property Appraiser	\$773	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$773
Office Supplies	\$1	\$0	\$0	\$0	\$18	\$1	\$0	\$0	\$0	\$0	\$0	\$0	\$21
Dues, Licenses & Subscriptions	\$175	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$175
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Administrative	\$30,726	\$5,356	\$4,217	\$5,598	\$9,661	\$7,960	\$7,518	\$8,587	\$4,434	\$0	\$0	\$0	\$84,057

Narcoossee Community Development District

Field:	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
<i>Nona Crest</i>													
Field Management	\$347	\$347	\$347	\$347	\$347	\$347	\$347	\$347	\$347	\$0	\$0	\$0	\$3,123
Landscape Maintenance	\$1,703	\$1,703	\$1,703	\$1,703	\$1,703	\$1,703	\$1,703	\$1,703	\$1,703	\$0	\$0	\$0	\$15,330
Irrigation Repairs	\$88	\$373	\$0	\$369	\$0	\$132	\$235	\$0	\$0	\$0	\$0	\$0	\$1,197
Lake Maintenance	\$348	\$348	\$348	\$348	\$348	\$348	\$348	\$348	\$348	\$0	\$0	\$0	\$3,132
Wall Repairs/Cleaning	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Feature Lighting	\$0	\$0	\$0	\$395	\$0	\$354	\$0	\$0	\$0	\$0	\$0	\$0	\$749
Miscellaneous Common Area	\$0	\$0	\$0	\$495	\$0	\$0	\$0	\$865	\$0	\$0	\$0	\$0	\$1,360
Total Nona Crest	\$ 2487	\$ 2771	\$ 2398	\$ 3657	\$ 2398	\$ 2885	\$ 2633	\$ 3263	\$ 2398	\$ 0	\$ 0	\$ 0	\$ 24891
<i>La Vina</i>													
Field Management	\$863	\$863	\$863	\$863	\$863	\$862	\$863	\$863	\$863	\$0	\$0	\$0	\$7,763
Landscape Maintenance	\$2,987	\$2,987	\$2,987	\$2,987	\$2,987	\$2,987	\$2,987	\$2,987	\$2,987	\$0	\$0	\$0	\$26,883
Irrigation Repairs	\$0	\$1,028	\$0	\$1,511	\$100	\$0	\$481	\$313	\$336	\$0	\$0	\$0	\$3,769
Lake Maintenance	\$369	\$369	\$369	\$369	\$369	\$369	\$369	\$369	\$369	\$0	\$0	\$0	\$3,319
Utilities	\$295	\$539	\$540	\$535	\$538	\$443	\$445	\$443	\$586	\$0	\$0	\$0	\$4,363
Wall Cleaning	\$0	\$0	\$0	\$0	\$0	\$0	\$85	\$0	\$0	\$0	\$0	\$0	\$85
Solvino Streetlighting	\$224	\$224	\$224	\$226	\$226	\$226	\$226	\$226	\$0	\$0	\$0	\$0	\$1,802
Capri Streetlighting	\$319	\$319	\$319	\$321	\$321	\$321	\$321	\$321	\$0	\$0	\$0	\$0	\$2,562
Miscellaneous Common Area	\$0	\$0	\$0	\$0	\$0	\$130	\$0	\$0	\$0	\$0	\$0	\$0	\$130
Total La Vina	\$ 5056	\$ 6328	\$ 5301	\$ 6812	\$ 5403	\$ 5339	\$ 5777	\$ 5522	\$ 5140	\$ 0	\$ 0	\$ 0	\$ 50576
<i>Nona Preserve</i>													
Field Management	\$372	\$372	\$372	\$372	\$372	\$372	\$372	\$372	\$372	\$0	\$0	\$0	\$3,347
Landscape Maintenance	\$2,450	\$2,450	\$2,450	\$2,450	\$2,450	\$2,450	\$2,450	\$2,450	\$2,450	\$0	\$0	\$0	\$22,050
Irrigation Repairs	\$0	\$495	\$0	\$190	\$312	\$394	\$0	\$371	\$502	\$0	\$0	\$0	\$2,263
Lake Maintenance	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$0	\$0	\$0	\$3,150
Miscellaneous Common Area	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Nona Preserve	\$ 3172	\$ 3666	\$ 3172	\$ 3362	\$ 3484	\$ 3566	\$ 3172	\$ 3543	\$ 3674	\$ 0	\$ 0	\$ 0	\$ 30811
<i>Parcels G & H</i>													
Field Management	\$222	\$222	\$222	\$222	\$222	\$222	\$222	\$222	\$222	\$0	\$0	\$0	\$1,999
Landscape Maintenance	\$1,063	\$1,063	\$1,063	\$1,063	\$1,063	\$1,063	\$1,063	\$1,063	\$1,063	\$0	\$0	\$0	\$9,567
Lake Maintenance	\$131	\$131	\$131	\$131	\$131	\$131	\$131	\$131	\$131	\$0	\$0	\$0	\$1,181
Total Parcels G & H	\$ 1416	\$ 1416	\$ 1416	\$ 1416	\$ 1416	\$ 1416	\$ 1416	\$ 1416	\$ 1416	\$ 0	\$ 0	\$ 0	\$ 12748
Total Expenditures	\$ 42857	\$ 19537	\$ 16505	\$ 20845	\$ 22363	\$ 21166	\$ 20517	\$ 22331	\$ 17062	\$ 0	\$ 0	\$ 0	\$ 203183
Other Financing Sources (Uses)													
Transfer Out	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Excess Revenues (Expenditures)	(\$42,813)	(\$1,763)	\$95,309	\$88,631	(\$5,459)	\$870	(\$18,120)	(\$16,393)	\$6,179	\$0	\$0	\$0	\$106,441

Narcoossee
Community Development District
LONG TERM DEBT REPORT

SERIES 2013A-1, SPECIAL ASSESSMENT REFUNDING BONDS		
MATURITY DATE:	5/1/2033	
RESERVE FUND DEFINITION	50% OF MAXIMUM ANNUAL DEBT SERVICE	
RESERVE FUND REQUIREMENT	\$104,615	
RESERVE FUND BALANCE	\$104,615	
BONDS OUTSTANDING - 9/30/13		\$2,885,000
LESS: PRINCIPAL PAYMENT 5/1/14		(\$110,000)
LESS: PRINCIPAL PAYMENT 5/1/15		(\$110,000)
LESS: PRINCIPAL PAYMENT 5/1/16		(\$110,000)
LESS: PRINCIPAL PAYMENT 5/1/17		(\$115,000)
LESS: PRINCIPAL PAYMENT 5/1/18		(\$115,000)
LESS: PRINCIPAL PAYMENT 5/1/19		(\$120,000)
LESS: PRINCIPAL PAYMENT 5/1/20		(\$125,000)
CURRENT BONDS OUTSTANDING		\$2,080,000

SERIES 2013A-2, SPECIAL ASSESSMENT REFUNDING BONDS		
MATURITY DATE:	5/1/2033	
RESERVE FUND DEFINITION	50% OF MAXIMUM ANNUAL DEBT SERVICE	
RESERVE FUND REQUIREMENT	\$51,394	
RESERVE FUND BALANCE	\$51,394	
BONDS OUTSTANDING - 9/30/13		\$1,295,000
LESS: PRINCIPAL PAYMENT 11/1/13		(\$70,000)
LESS: PRINCIPAL PAYMENT 5/1/14		(\$35,000)
LESS: PRINCIPAL PAYMENT 5/1/15		(\$35,000)
LESS: PRINCIPAL PAYMENT 5/1/15		(\$10,000)
LESS: PRINCIPAL PAYMENT 5/1/16		(\$40,000)
LESS: PRINCIPAL PAYMENT 5/1/17		(\$40,000)
LESS: PRINCIPAL PAYMENT 5/1/18		(\$45,000)
LESS: PRINCIPAL PAYMENT 5/1/19		(\$45,000)
LESS: PRINCIPAL PAYMENT 5/1/20		(\$50,000)
CURRENT BONDS OUTSTANDING		\$925,000

NARCOOSSEE

Gross Percent Collected	95%
Balance Remaining to Collect	\$36,573.48

SECTION 3

**NOTICE OF MEETING DATES
NARCOOSSEE
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the **Narcoossee Community Development District** will hold their regularly scheduled public meetings for **Fiscal Year 2021** at **3:00 p.m. at the Offices of GMS-CF, LLC, 9145 Narcoossee Road, Suite A206, Orlando, Florida 32827**, on the fourth Tuesday of the month as follows:

November 24, 2020
January 26, 2021
March 23, 2021
May 25, 2021
July 27, 2021
September 28, 2021

The meetings are open to the public and will be conducted in accordance with the provision of Florida Law for Community Development Districts. Due to the current COVID-19 public health emergency, there may be occasions where the public meetings will need to be conducted by telephonic or videoconferencing technology, including Zoom, pursuant to Executive Orders 20-52 and 20-69, issued by Governor DeSantis, as extended and supplemented, and pursuant to Section 120.54(5)(b)2., *Florida Statutes*. Meetings held via communications media technology will be separately noticed. A copy of the agenda for a particular meeting may be obtained from the District Manager at 219 East Livingston Street, Orlando, FL 32801.

The meetings may be continued to a date, time, and place as evidenced by motion of the majority of Board Members participating at that meeting. There may be occasions when one or more Supervisors will participate by telephone.

Any person requiring special accommodations at the meetings because of a disability or physical impairment should contact the District Office at (407) 841-5524 at least forty-eight (48) hours prior to the meeting. If you are hearing or speech impaired, please contact the Florida Relay Service 1-800-955-8770, for aid in contacting the District Office.

Each person who decides to appeal any action taken at these meetings is advised that person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

Jason Showe
District Manager
Governmental Management Services – Central Florida