

*North Powerline Road
Community Development District*

Agenda

May 6, 2020

AGENDA

North Powerline Road

Community Development District

219 E. Livingston St., Orlando, Florida 32801

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

April 29, 2020

**Board of Supervisors
North Powerline Road
Community Development District**

Dear Board Members:

The regular meeting of the Board of Supervisors of **North Powerline Road Community Development District** will be held **Wednesday, May 6, 2020 at 10:00 AM via Zoom Teleconference.**

Zoom Video Link: <https://zoom.us/j/97935482651>

Zoom Call-In Information: 1-253-215-8782 or 1-301-715-8592 **Meeting ID:** 979 3548 2651

Following is the advance agenda for the meeting:

1. Roll Call
2. Public Comment Period (¹Speakers will fill out a card and submit it to the District Manager prior to the beginning of the meeting)
3. Approval of Minutes of the March 11, 2020 Board of Supervisors Meeting
4. Consideration of Resolution 2020-09 Setting the Public Hearing and Approving the Proposed Fiscal Year 2021 Budget (Suggested Date August 5, 2020)
5. Acceptance of Fiscal Year 2019 Audit
6. Consideration of Resolution 2020-10 Designating a Date, Time, and Location for a Landowners' Meeting and Election
7. Review and Ranking of Proposals Received for Phase 1 Construction RFP (*Bids to be distributed when received*)
8. Staff Reports
 - A. Attorney
 - B. Engineer

¹ Comments will be limited to three (3) minutes

- C. District Manager's Report
 - i. Approval of Check Registers
 - ii. Balance Sheet and Income Statement
- 9. Other Business
- 10. Supervisors Requests and Audience Comments
- 11. Continuation of Meeting

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

The third order of business is the approval of the minutes from the March 11, 2020 Board of Supervisors Meeting. A copy of the minutes are enclosed for your review.

The fourth order of business is the Consideration of Resolution 2020-09 Setting the Public Hearing and Approving the Proposed Fiscal Year 2021 Budget. A copy of the resolution is enclosed for your review.

The fifth order of business is the Acceptance of the Fiscal Year 2019 Audit. A copy of the report is included for your review.

The sixth order of business is the Consideration of Resolution 2020-10 Designating a Date, Time, and Location for a Landowners' Meeting and Election. A copy of the resolution is enclosed for your review.

The seventh order of business is the Review and Ranking of Proposals Received for Phase 1 Construction RFP. Bids will be distributed once they are received.

The eighth order of business is Staff Reports. Section C is the District Manager's report. Sub-Section 1 includes the check register for your approval and Sub-Section 2 includes the balance sheet and income statement. A copy of both are included for your review.

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

Sincerely,

Jill Burns
District Manager

CC: Roy Van Wyk, District Counsel

Enclosures

MINUTES

**MINUTES OF MEETING
NORTH POWERLINE ROAD
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the North Powerline Road Community Development District was held on Wednesday, **March 11, 2020** at 3:00 p.m. at the 346 E Central Ave., Winter Haven, Florida.

Present and constituting a quorum:

Rennie Heath
Lauren Schwenk
Phillip Allende
Andrew Rhinehart
Kevin Chinoy

Chairman
Vice Chairman
Assistant Secretary
Assistant Secretary
Assistant Secretary

Also present were:

Jill Burns
Michelle Rigoni *via phone*
Heather Wertz *via phone*
Roy Van Wyk

District Manager/GMS
HGS
Absolute Engineering
HGS

FIRST ORDER OF BUSINESS

Roll Call

Ms. Burns called the meeting to order and called the roll. All board members were present.

SECOND ORDER OF BUSINESS

Public Comment Period

No members of the public were present.

THIRD ORDER OF BUSINESS

**Approval of Minutes of the February 5,
2020 Board of Supervisors Meeting**

Ms. Burns asked for any questions, comments, or corrections on the minutes, hearing none.

On MOTION by Mr. Heath, seconded by Mr. Allende, with all in favor, the Minutes of the February 5, 2020 Board of Supervisors Meeting, were approved.

FOURTH ORDER OF BUSINESS

Public Hearing

A. Public Hearing on the Imposition of Special Assessments

Ms. Burns asked for a motion to open the hearing.

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

Ms. Burns confirmed the published and mailed notices of the public hearing were provided in accordance with Florida law.

i. Presentation of Engineer's Report

Ms. Wertz presented the Engineer's Report for capital improvements of the North Powerline Road CDD. The purpose of the report is to provide engineering support to fund improvements in the District including the proposed public infrastructure to be constructed, along with an opinion of probable cost. The District currently contains 190.56 gross acres and is expected to be constructed in three phases. It consists of 551 single family lots, recreation/amenity areas, parks, and associated infrastructure. It is anticipated at this time that the District will petition to amend its boundaries to include an additional 5.39 acres ("Expansion Parcel") to the lands within the District. The infrastructure improvements include stormwater management facilities, public roadways, water and wastewater facilities, off-site improvements, amenities and parks, electric and lighting, and entry features. The permits for Phases 1 and 2 have been obtained. The Phase 3 zoning has been approved and the construction permits are expected in January 2021. As shown by Exhibit 8, the District will construct and finance all of these improvements. They will own, operate, and maintain all of the improvements except for utilities. The street lighting and electric will be owned, operated, and maintained by Duke Energy. The cost of the total infrastructure for the 551 lots is shown in Exhibit 9 totaling \$13,931,019.

Ms. Wertz stated that it is their professional opinion that the public infrastructure costs for the Capital Improvement provided in the report are reasonable to complete the construction of the public infrastructure improvements. The public infrastructure improvements will benefit and add value to lands within the District at least equal to the costs of such improvements. In their professional opinion the proposed public infrastructure improvements when constructed and built with the approved plans and specifications, can be completed and used for their intended function and that the acquisition and costs of the proposed CIP can be completed at the cost as stated. Ms. Wertz asked for any questions or comments.

Ms. Schwenk asked if they had the supplemental at this time. Ms. Burns stated that they have seen it, but they are doing the master levy today for the full amount. The supplemental will be on a future agenda.

Mr. Heath asked Ms. Wertz about which permits would be received by January 2021. Ms. Wertz explained it was the Phase 3 permit.

ii. Presentation of Assessment Methodology

Ms. Burns gave an overview of the Assessment Methodology. The assessment report allocates the debt to properties based on the benefits that they receive from the CIP that was outlined by Ms. Wertz. This report will be supplemented with a supplemental methodology that will reflect the actual terms of the bonds at the time of issuance. Table 1 shows the Development Program. There are two unit types, a 40/45 with an ERU of 1 and a 55/65 with an ERU of 1.25. Table 2 is the Capital Improvement Plan that is outlined in Ms. Wertz's report. Table 3 shows the Bond Sizing with and without the Annexation. If they are including the annexed parcel it is \$18.5 million; without the annexation it is \$18 million. Table 4 shows the Allocation of the Improvement Costs per unit. Again, it is shown with and without the annexation. Table 5 shows the Par Debt per unit with annexation for the 40/45 for \$31,489, the single family 55/65 with annexation is \$39,362. Without the annexation the 40/45 is \$30,954 and the single family 50/65 lots are \$38,693. Table 6 outlines the Par Debt per unit as well as the net and gross annual assessments. These are broken down by with annexation and without annexation. Table 7 shows a Preliminary Assessment Roll both with and without annexation. The annexed parcel is listed there as well as the 5.39 acres. Ms. Burns asked for any questions.

Mr. Van Wyk asked if the lands subject to the special assessments receive special benefit from the CIP. Ms. Burns said they do. Mr. Van Wyk asked if the special benefits are at least equal to or exceed the special assessments levied. Ms. Burns replied that they do. Mr. Van Wyk asked if the special assessments are reasonably proportioned among the land in accordance with the methodology. Ms. Burns stated that they are. Mr. Van Wyk asked if it is reasonable, proper and just to assess the costs of the CIP against the lands in accordance with the methodology. Ms. Burns stated it is. Mr. Van Wyk asked if it is in the best interest of the District that the special assessments be collected in accordance with the methodology and the assessment resolution. Ms. Burns stated yes, it is. Ms. Burns asked if there were any other questions.

iii. Consideration of Resolution 2020-08 Levying Special Assessments

Ms. Burns again asked for any other questions and asked for motion.

On MOTION by Mr. Heath, seconded by Mr. Allende, with all in favor, the Resolution 2020-08 Levying Special Assessments, was approved.

iv. Consideration of Amended and Restated Notice of Special Assessments

Ms. Burns stated that this will update the previously filed notice and will be recorded.

On MOTION by Mr. Heath, seconded by Ms. Schwenk, with all in favor, the Amended and Restated Notice of Special Assessments, was approved.

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

FIFTH ORDER OF BUSINESS

Consideration of Phase 1 RFP for Construction Services

Ms. Burns noted that they will have the project manual available Monday, March 30. The questions are due April 22 and the bids are due Wednesday the 29th at 3:00 p.m., with the bid opening at the same date and time. Ms. Burns stated that if that worked for everyone they would go ahead and get the ad placed next week so that they would be ready for pick up on the 30th.

Mr. Van Wyk stated that they did go through an RFP process for Phase 1. The development plan has changed significantly, so they decided that it was in their best interest to bring it back to the Board for consideration of the previously approved RFP and rankings. The first thing asked of the Board is to reject all of the bids received for the previous RFP package and then authorize a new RFP with the criteria that was set forth in the previous RFP as well. Mr. Van Wyk asked for a motion to reject all bids previously received.

On MOTION by Mr. Heath, seconded by Ms. Schwenk, with all in favor, to Reject All Previous Bids Received, was approved.

Mr. Van Wyk asked the Board to authorize the new construction RFP with the times and dates that were set forth by Ms. Burns and with the criteria that is established and included in the agenda package.

On MOTION by Ms. Schwenk, seconded by Mr. Heath, with all in favor, Phase 1 RFP for Construction Services, was approved.

SIXTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Van Wyk had nothing further for the board.

B. Engineer

Ms. Wertz had nothing further for the board.

C. District Manager's Report

i. Approval of Check Registers

Ms. Burns presented the check register and asked for any questions. The total was \$63,612.12 from January 27 through March 3.

On MOTION by Mr. Heath, seconded by Ms. Schwenk, with all in favor, the Check Register totaling \$63,612.12, was approved.

ii. Balance Sheet and Income Statement

Ms. Burns presented the financials and stated there was no action and asked for any questions.

SEVENTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

EIGHTH ORDER OF BUSINESS

Supervisor's Requests and Audience Comments

There being none, the next item followed.

NINTH ORDER OF BUSINESS

Adjournment

The meeting was adjourned.

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

Secretary / Assistant Secretary

Chairman / Vice Chairman

SECTION IV

RESOLUTION 2020-09

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2020/2021 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW; ADDRESSING TRANSMITTAL, POSTING AND PUBLICATION REQUIREMENTS; ADDRESSING SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District Manager has heretofore prepared and submitted to the Board of Supervisors (**“Board”**) of the North Powerline Road Community Development District (**“District”**) prior to June 15, 2020, a proposed budget (**“Proposed Budget”**) for the fiscal year beginning October 1, 2020 and ending September 30, 2021 (**“Fiscal Year 2020/2021”**); and

WHEREAS, the Board has considered the Proposed Budget and desires to set the required public hearing thereon.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT:

1. **PROPOSED BUDGET APPROVED.** The Proposed Budget prepared by the District Manager for Fiscal Year 2020/2021 attached hereto as **Exhibit A** is hereby approved as the basis for conducting a public hearing to adopt said Proposed Budget.

2. **SETTING A PUBLIC HEARING.** A public hearing on said approved Proposed Budget is hereby declared and set for **August 5, 2020 at _____.m.** The hearing may be conducted remotely, pursuant to Zoom communications media technology and/or by telephone pursuant to Executive Orders 20-52 and 20-69 issued by Governor DeSantis on March 9, 2020, and March 20, 2020, as such orders may be extended or supplemented, respectively, and pursuant to Section 120.54(5)(b)2., *Florida Statutes*. In the event that conditions allow the meeting to be held in person, it will be held at the following location:

LOCATION: 346 E. Central Avenue
Winter Haven, Florida 33880

3. **TRANSMITTAL OF PROPOSED BUDGET TO LOCAL GENERAL PURPOSE GOVERNMENT(S).** The District Manager is hereby directed to submit a copy of the Proposed Budget to the City of Davenport, Florida and Polk County, Florida at least 60 days prior to the hearing set above.

4. **POSTING OF PROPOSED BUDGET.** In accordance with Section 189.016, *Florida Statutes*, the District’s Secretary is further directed to post the approved Proposed Budget on the District’s website at least two days before the budget hearing date as set forth in Section 2, and shall remain on the website for at least 45 days.

5. **PUBLICATION OF NOTICE.** Notice of this public hearing shall be published in the manner prescribed in Florida law.

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.

7. **EFFECTIVE DATE.** This Resolution shall take effect immediately upon adoption.

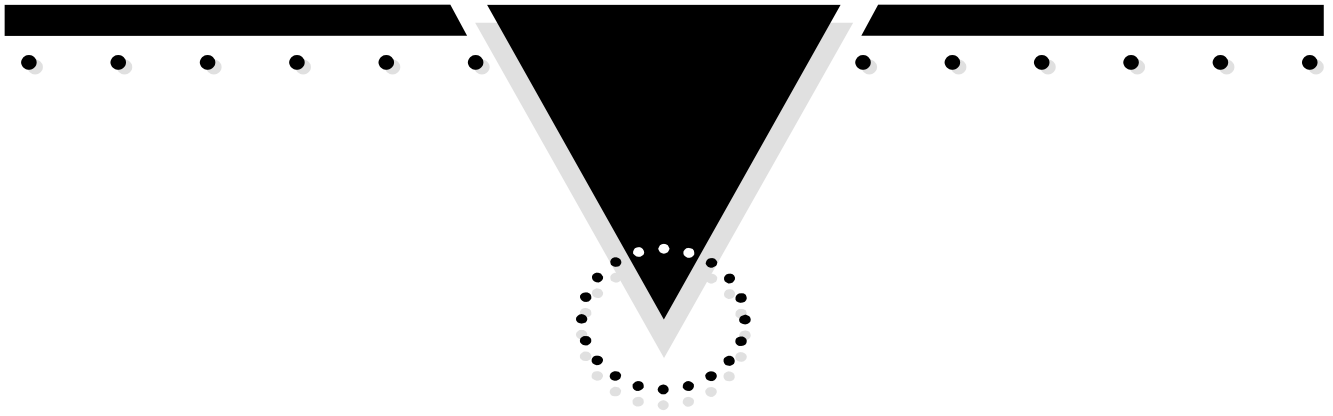
PASSED AND ADOPTED THIS 6TH DAY OF MAY, 2020.

ATTEST:

**NORTH POWERLINE ROAD
COMMUNITY DEVELOPMENT
DISTRICT**

Secretary

Vice/Chairperson, Board of Supervisors



North Powerline Road Community Development District

**Proposed Budget
FY 2021**



Table of Contents

1-2 General Fund

3-7 General Fund Narrative

North Powerline Road

Community Development District

Proposed Budget General Fund

Description	Adopted Budget FY2020	Actuals Thru 3/31/20	Projected Next 6 Months	Total Thru 9/30/20	Proposed Budget FY2021
-------------	-----------------------------	----------------------------	-------------------------------	--------------------------	------------------------------

Revenues

Developer Contributions	\$131,025	\$60,000	\$41,940	\$101,940	\$286,030
Interest	\$0	\$2	\$0	\$2	\$0

Total Revenues	\$131,025	\$60,002	\$41,940	\$101,942	\$286,030
-----------------------	------------------	-----------------	-----------------	------------------	------------------

Expenditures

Administrative

Supervisor Fees	\$12,000	\$4,400	\$6,000	\$10,400	\$12,000
Engineering	\$20,000	\$1,470	\$10,000	\$11,470	\$20,000
Attorney	\$25,000	\$6,000	\$12,500	\$18,500	\$25,000
Annual Audit	\$2,900	\$2,900	\$0	\$2,900	\$3,000
Assessment Administration	\$5,000	\$0	\$0	\$0	\$5,000
Arbitrage	\$650	\$0	\$0	\$0	\$650
Dissemination	\$5,000	\$0	\$0	\$0	\$5,000
Trustee Fees	\$3,550	\$0	\$0	\$0	\$3,550
Management Fees	\$35,000	\$17,500	\$17,500	\$35,000	\$35,000
Information Technology	\$2,100	\$450	\$1,650	\$2,100	\$2,100
Telephone	\$250	\$28	\$100	\$128	\$250
Postage & Delivery	\$850	\$56	\$415	\$471	\$850
Insurance	\$5,500	\$5,125	\$0	\$5,125	\$5,638
Printing & Binding	\$1,000	\$163	\$500	\$663	\$1,000
Legal Advertising	\$10,000	\$6,083	\$4,000	\$10,083	\$10,000
Other Current Charges	\$1,000	\$0	\$500	\$500	\$1,000
Office Supplies	\$500	\$14	\$250	\$264	\$500
Boundary Amendment Expenses	\$0	\$3,888	\$0	\$3,888	\$0
Travel Per Diem	\$550	\$0	\$275	\$275	\$550
Dues, Licenses & Subscriptions	\$175	\$175	\$0	\$175	\$175
<u>Subtotal Administrative</u>	<u>\$131,025</u>	<u>\$48,252</u>	<u>\$53,690</u>	<u>\$101,942</u>	<u>\$131,263</u>

Operations & Maintenance

Field Expenses

Property Insurance	\$0	\$0	\$0	\$0	\$5,000
Field Management	\$0	\$0	\$0	\$0	\$11,250
Landscape Maintenance	\$0	\$0	\$0	\$0	\$63,000
Landscape Replacement	\$0	\$0	\$0	\$0	\$5,625
Fertilization	\$0	\$0	\$0	\$0	\$13,755
Streetlights	\$0	\$0	\$0	\$0	\$13,860
Electric	\$0	\$0	\$0	\$0	\$1,980
Water & Sewer	\$0	\$0	\$0	\$0	\$792
Sidewalk & Asphalt Maintenance	\$0	\$0	\$0	\$0	\$375
Irrigation Repairs	\$0	\$0	\$0	\$0	\$3,750
General Repairs & Maintenance	\$0	\$0	\$0	\$0	\$11,250
Contingency	\$0	\$0	\$0	\$0	\$3,750
Subtotal Field Expenses	\$0	\$0	\$0	\$0	\$134,387

North Powerline Road

Community Development District

Proposed Budget
General Fund

Description	Adopted Budget FY2020	Actuals Thru 3/31/20	Projected Next 6 Months	Total Thru 9/30/20	Proposed Budget FY2021
Amenity Expenses					
Amenity - Electric	\$0	\$0	\$0	\$0	\$3,600
Amenity - Water	\$0	\$0	\$0	\$0	\$875
Playground Lease	\$0	\$0	\$0	\$0	\$3,500
Internet	\$0	\$0	\$0	\$0	\$225
Pest Control	\$0	\$0	\$0	\$0	\$180
Janitorial Services	\$0	\$0	\$0	\$0	\$2,500
Security Services	\$0	\$0	\$0	\$0	\$2,500
Pool Maintenance	\$0	\$0	\$0	\$0	\$4,875
Amenity Repairs & Maintenance	\$0	\$0	\$0	\$0	\$250
Contingency	\$0	\$0	\$0	\$0	\$1,875
Subtotal Amenity Expenses	\$0	\$0	\$0	\$0	\$20,380
<i>Total Operations & Maintenance</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$154,767</i>
Total Expenditures	\$131,025	\$48,252	\$53,690	\$101,942	\$286,030
Excess Revenues/(Expenditures)	\$0	\$11,750	(\$11,750)	\$0	\$0

North Powerline Road

Community Development District

GENERAL FUND BUDGET

REVENUES:

Developer Contributions/Assessments

The District will enter into a Funding Agreement with the Developer to fund the General Fund expenditures for the Fiscal Year. Additionally, the District can levy a non-ad valorem assessment on all the assessable property within the District in order to pay for the operating expenditures during the fiscal year.

EXPENDITURES:

Administrative:

Supervisor Fees

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

Engineering

The District's engineer will be providing general engineering services to the District, e.g. attendance and preparation for monthly board meetings, review invoices and various projects as directed by the Board of Supervisors and the District Manager.

Attorney

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

Annual Audit

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

Assessment Administration

The District will contract to levy and administer the collection of non-ad valorem assessment on all assessable property within the District.

Arbitrage

The District will contract with an independent certified public accountant to annually calculate the District's Arbitrage Rebate Liability on its Bonds.

Dissemination

The District is required by the Security and Exchange Commission to comply with Rule 15c2-12(b)(5) which relates to additional reporting requirements for unrated bond issues.

North Powerline Road

Community Development District

GENERAL FUND BUDGET

Trustee Fees

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

Management Fees

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

Information Technology

Represents costs related to the District's 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.

Postage & Delivery

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

Insurance

The District's general liability and public official's liability insurance coverages.

Printing & Binding

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

Legal Advertising

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

Other Current Charges

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

Office Supplies

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

Travel Per Diem

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

North Powerline Road

Community Development District

GENERAL FUND BUDGET

Dues, Licenses & Subscriptions

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

Operations & Maintenance:

Field Expenses

Property Insurance

The District's property insurance coverages.

Field Management

Represents the estimated costs of contracting services that provide onsite field management of contracts for the District such as landscape and lake maintenance. Services can include onsite inspections, meetings with contractors, monitoring of utility accounts, attend Board meetings and receive and respond to property owner phone calls and emails.

Landscape Maintenance

Represents the estimated maintenance of the landscaping within the common areas of the District after the installation of landscape material has been completed.

Landscape Replacement

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

Fertilization

Represents the estimated cost of fertilizing the common areas of the District. This is based on an estimated cost for annuals and mulching.

Streetlights

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

Electric

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

Water & Sewer

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

North Powerline Road

Community Development District

GENERAL FUND BUDGET

Sidewalk & Asphalt Maintenance

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

Irrigation Repairs

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

General Repairs & Maintenance

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

Contingency

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

Amenity Expenses

Amenity - Electric

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

Amenity – Water

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

Internet

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

Pest Control

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

Janitorial Services

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

Security Services

Represents the estimated cost of contracting a monthly security service for the District's amenity facilities.

Pool Maintenance

Represents estimated costs of regular cleaning and treatments of the District's pool.

North Powerline Road
Community Development District
GENERAL FUND BUDGET

Amenity Repairs & Maintenance

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

Contingency

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

Other Expenses:

Capital Reserves

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

SECTION V

**NORTH POWERLINE ROAD
COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2019**

**NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA**

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1-2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3-6
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Statement of Net Position	7
Statement of Activities	8
Fund Financial Statements:	
Balance Sheet – Governmental Funds	9
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	10
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	11
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	12
Notes to Financial Statements	13-18
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	19
Notes to Required Supplementary Information	20
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS	21-22
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA	23
MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550 OF THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA	24-25



Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road • Suite 280
Boca Raton, Florida 33431
(561) 994-9299 • (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
North Powerline Road Community Development District
Polk County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of North Powerline Road Community Development District, Polk County, Florida ("District") as of and for the fiscal year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2019, and the respective changes in financial position thereof for the fiscal year ended September 30, 2019 then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 26, 2020, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



February 26, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of North Powerline Road Community Development District, Polk County, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2019. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year resulting in a net position balance of \$10,237.
- The change in the District's total net position in comparison with the prior fiscal year was (\$8,344), a decrease. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2019, the District's governmental funds reported combined ending fund balance of \$10,237, a decrease of (\$8,344) in comparison with the prior fiscal year. The fund balance is non spendable for prepaids and the remainder is unassigned fund balance.

OVERVIEW OF FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

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

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

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

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

Fund Financial Statements

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

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

Governmental Funds

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

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

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

The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the District, assets exceeded liabilities at the close of the most recent fiscal year.

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

NET POSITION SEPTEMBER 30,			
	2019	2018	
Current and other assets	\$ 92,626	\$ 63,804	
Capital assets, net of depreciation	96,303	18,804	
Total assets	188,929	82,608	
Current liabilities	82,389	45,223	
Long-term liabilities	96,303	18,804	
Total liabilities	178,692	64,027	
Net position			
Unrestricted	10,237	18,581	
Total net position	\$ 10,237	\$ 18,581	

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

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

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

CHANGES IN NET POSITION		FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019	
		2019	2018
Revenues:			
Program revenues			
Operating grants and contributions	\$	60,000	\$ 45,000
General revenues			
Investment earnings		3	-
Total revenues		60,003	45,000
Expenses:			
General government		65,597	26,419
Maintenance and operations		2,750	-
Total expenses		68,347	26,419
Change in net position		(8,344)	18,581
Net position - beginning		18,581	-
Net position - ending	\$	10,237	\$ 18,581

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2019 was \$68,347. The costs of the District's activities were primarily funded by program revenues which were comprised of Developer contributions. The majority of the change in expenses results from an increase in general government expenses.

GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2019.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2019, the District had \$96,303 invested in capital assets. In the government-wide financial statements, no depreciation has been taken, which resulted in a net book value of \$96,303. More detailed information about the District's capital assets is presented in the notes of the financial statements.

Capital Debt

At September 30, 2019, the District has \$96,303 owed to the Developer for Developer advances. More detailed information about the District's capital debt is presented in the notes of the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND OTHER EVENTS

Subsequent to fiscal year end, the District plans on issuing Special Assessment Bonds, Series 2020. The Bonds will be issued to finance the acquisition and construction of certain improvements for the benefit of the District.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

If you have questions about this report or need additional financial information, contact the North Powerline Road Community Development District's Finance Department at 9145 Narcoossee Road, Suite A206, Orlando, Florida, 32827.

**NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2019**

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 11,003
Due from Developer	76,498
Prepaid items	5,125
Capital assets:	
Nondepreciable	96,303
Total assets	<u>188,929</u>
LIABILITIES	
Accounts payable	5,891
Contracts and retainage payable	76,498
Non-current liabilities:	
Due in more than one year	96,303
Total liabilities	<u>178,692</u>
NET POSITION	
Unrestricted	10,237
Total net position	<u>\$ 10,237</u>

See notes to the financial statements

**NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues Operating Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>
			<u>Governmental Activities</u>
Primary government:			
Governmental activities:			
General government	\$ 65,597	\$ 60,000	\$ (5,597)
Maintenance and operations	2,750	-	(2,750)
Total governmental activities	68,347	60,000	(8,347)
General revenues:			
Investment earnings			3
Total general revenues			3
Change in net position			(8,344)
Net position - beginning			18,581
Net position - ending			<u>\$ 10,237</u>

See notes to the financial statements

**NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019**

	Major Funds		Total
	General	Capital Projects	Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 11,003	\$ -	\$ 11,003
Due from Developer	-	76,498	76,498
Prepaid items	5,125	-	5,125
Total assets	<u>\$ 16,128</u>	<u>\$ 76,498</u>	<u>\$ 92,626</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 5,891	\$ 76,498	\$ 82,389
Total liabilities	<u>5,891</u>	<u>76,498</u>	<u>82,389</u>
Fund balances:			
Nonspendable:			
Prepaid items	5,125	-	5,125
Unassigned	5,112	-	5,112
Total fund balances	<u>10,237</u>	<u>-</u>	<u>10,237</u>
Total liabilities and fund balances	<u>\$ 16,128</u>	<u>\$ 76,498</u>	<u>\$ 92,626</u>

See notes to the financial statements

**NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2019**

Fund balance - governmental funds	\$	10,237
-----------------------------------	----	--------

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The statement of net position includes those capital assets, net of any accumulated depreciation, in the net position of the government as a whole.

Cost of capital assets	96,303	
Accumulated depreciation	-	96,303

Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide financial statements.

Developer advances	(96,303)	(96,303)
Net position of governmental activities	\$	10,237

See notes to the financial statements

**NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

	Major Funds		Total
	General	Capital Projects	Governmental Funds
REVENUES			
Developer contributions	\$ 60,000	\$ -	\$ 60,000
Interest earnings	3	-	3
Total revenues	60,003	-	60,003
EXPENDITURES			
Current:			
General government	65,597	-	65,597
Maintenance and operations	2,750	-	2,750
Capital outlay	-	77,499	77,499
Total expenditures	68,347	77,499	145,846
Excess (deficiency) of revenues over (under) expenditures	(8,344)	(77,499)	(85,843)
OTHER FINANCING SOURCES (USES)			
Developer advances	-	77,499	77,499
Total other financing sources (uses)	-	77,499	77,499
Net change in fund balances	(8,344)	-	(8,344)
Fund balances - beginning	18,581	-	18,581
Fund balances - ending	\$ 10,237	\$ -	\$ 10,237

See notes to the financial statements

**NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

Net change in fund balances - total governmental funds	\$ (8,344)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, the cost of those assets is eliminated in the statement of activities and capitalized in the statement of net position.	77,499
Governmental funds report Developer advances as financial resources, whereas these amounts are eliminated in the statement of activities and recognized as long-term liabilities in the statement of net position.	<u>(77,499)</u>
Change in net position of governmental activities	<u>\$ (8,344)</u>

See notes to the financial statements

**NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - NATURE OF ORGANIZATION AND REPORTING ENTITY

North Powerline Road Community Development District (the "District") was established by the Board of County Commissioners of Polk County's approval of Ordinance No. 18-036 effective on June 5, 2018 pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes. The Act provides among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District.

The District is governed by the Board of Supervisors ("Board"), which is composed of five members. The Supervisors are elected on an at large basis by the owners of the property within the District. The Board exercises all powers granted to the District pursuant to Chapter 190, Florida Statutes. As of September 30, 2019, all of the Board members are affiliated with JMBI Real Estate, LLC ("Developer").

The Board has the responsibility for:

1. Allocating and levying assessments.
2. Approving budgets.
3. Exercising control over facilities and properties.
4. Controlling the use of funds generated by the District.
5. Approving the hiring and firing of key personnel.
6. Financing improvements.

The financial statements were prepared in accordance with Governmental Accounting Standards Board ("GASB") Statements. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the District is considered to be financially accountable and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; operating-type special assessments for maintenance and debt service are treated as charges for services and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not included among program revenues are reported instead as *general revenues*.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement* focus and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Assessments are recognized as revenues in the year for which they are levied. Grants and similar items are to be recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement* focus and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Assessments

Assessments are non-ad valorem assessments on benefited property within the District. Operating and maintenance assessments are based upon the adopted budget and levied annually at a public hearing of the District. Debt service assessments are levied when Bonds are issued and assessed and collected on an annual basis. The District may collect assessments directly or utilize the uniform method of collection under Florida Statutes. Direct collected assessments are due as determined by annual assessment resolution adopted by the Board of Supervisors. Assessments collected under the uniform method are mailed by the County Tax Collector on November 1 and due on or before March 31 of each year. Property owners may prepay a portion or all of the debt service assessments on their property subject to various provisions in the Bond documents.

Assessments and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. The portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period.

The District reports the following major governmental funds:

General Fund

The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Capital Projects Fund

This fund accounts for the financial resources to be used for the acquisition or construction of major infrastructure and for the accumulation of reserves for future capital projects within the District.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first for qualifying expenditures, then unrestricted resources as they are needed.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity

Restricted Assets

These assets represent cash and investments set aside pursuant to Bond covenants or other contractual restrictions.

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and demand deposits (interest and non-interest bearing).

The District has elected to proceed under the Alternative Investment Guidelines as set forth in Section 218.415 (17) Florida Statutes. The District may invest any surplus public funds in the following:

- a) The Local Government Surplus Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act;
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
- c) Interest bearing time deposits or savings accounts in qualified public depositories;
- d) Direct obligations of the U.S. Treasury.

Securities listed in paragraph c and d shall be invested to provide sufficient liquidity to pay obligations as they come due.

The District records all interest revenue related to investment activities in the respective funds. Investments are measured at amortized cost or reported at fair value as required by generally accepted accounting principles.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets which include property, plant and equipment, and infrastructure assets (e.g., roads, sidewalks and similar items) are reported in the government activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

As of September 30, 2019, the District does not have any depreciating capital assets.

In the governmental fund financial statements, amounts incurred for the acquisition of capital assets are reported as fund expenditures. Depreciation expense is not reported in the governmental fund financial statements.

Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the Bonds. Bonds payable are reported net of applicable premiums or discounts. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Fund Equity/Net Position

In the fund financial statements, governmental funds report non spendable and restricted fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change.

The District can establish limitations on the use of fund balance as follows:

Committed fund balance – Amounts that can be used only for the specific purposes determined by a formal action (resolution) of the Board of Supervisors. Commitments may be changed or lifted only by the Board of Supervisors taking the same formal action (resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

Assigned fund balance – Includes spendable fund balance amounts established by the Board of Supervisors that are intended to be used for specific purposes that are neither considered restricted nor committed. The Board may also assign fund balance as it does when appropriating fund balance to cover differences in estimated revenue and appropriations in the subsequent year's appropriated budget. Assignments are generally temporary and normally the same formal action need not be taken to remove the assignment.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Fund Equity/Net Position (Continued)

The District first uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Net position is the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position in the government-wide financial statements are categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets represents net position related to infrastructure and property, plant and equipment. Restricted net position represents the assets restricted by the District's Bond covenants or other contractual restrictions. Unrestricted net position consists of the net position not meeting the definition of either of the other two components.

Other Disclosures

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 3 - BUDGETARY INFORMATION

The District is required to establish a budgetary system and an approved Annual Budget. Annual Budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. All annual appropriations lapse at fiscal year-end.

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

- a) Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- b) Public hearings are conducted to obtain comments.
- c) Prior to October 1, the budget is legally adopted by the District Board.
- d) All budget changes must be approved by the District Board.
- e) The budgets are adopted on a basis consistent with generally accepted accounting principles.
- f) Unused appropriations for annually budgeted funds lapse at the end of the year.

NOTE 4 – DEPOSITS

Deposits

The District's cash balances were entirely covered by federal depository insurance or by a collateral pool pledged to the State Treasurer. Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", requires all qualified depositories to deposit with the Treasurer or another banking institution eligible collateral equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. Governmental and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

NOTE 5 - CAPITAL ASSETS

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

	Beginning Balance	Additions	Reductions	Ending Balance
<u>Governmental activities</u>				
Capital assets, not being depreciated				
Infrastructure under construction	\$ 18,804	\$ 77,499	\$ -	\$ 96,303
Total capital assets, not being depreciated	18,804	77,499	-	96,303
Governmental activities capital assets, net	\$ 18,804	\$ 77,499	\$ -	\$ 96,303

Currently, all of the capital assets are legal and engineering fees for the anticipated issuance of Special Assessment Bonds for the upcoming construction project.

NOTE 6 - DEVELOPER TRANSACTIONS

The Developer has agreed to fund the general operations of the District. In connection with that agreement, Developer contributions to the general fund were \$60,000 as of September 30, 2019.

In addition, the Developer has agreed to fund certain Bond costs in accordance with a Bond team financing agreement. Such amounts are considered to be advances as the District is required to repay the Developer from Bond proceeds if they issue Bonds by June 20, 2023. The Developer will cover the \$77,499 in costs pertaining to the current fiscal year. This amount has also been reported as a liability owed to the Developer at the government wide level as of September 30, 2019. The Developer owes \$76,498 related to the advances as of September 30, 2019. The schedule below represents the amount due to the Developer as of September 30, 2019:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Developer advances	\$ 18,804	\$ 77,499	\$ -	\$ 96,303	\$ -
Total	\$ 18,804	\$ 77,499	\$ -	\$ 96,303	\$ -

NOTE 7 - CONCENTRATION

The District's activity is dependent upon the continued involvement of the Developer and major landowners, the loss of which could have a material adverse effect on the District's operations.

NOTE 8 - MANAGEMENT COMPANY

The District has contracted with a management company to perform services which include financial and accounting advisory services. Certain employees of the management company also serve as officers of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, computer and other administrative costs.

NOTE 9 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. There were no settled claims since inception of the District.

**NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance with</u>
	<u>Original & Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
			<u>Positive</u>
			<u>(Negative)</u>
REVENUES			
Developer Contributions	\$ 180,000	\$ 60,000	\$ (120,000)
Interest earnings	-	3	3
Total revenues	<u>180,000</u>	<u>60,003</u>	<u>(119,997)</u>
EXPENDITURES			
Current			
General government	180,000	65,597	114,403
Maintenance and operations	-	2,750	(2,750)
Total expenditures	<u>180,000</u>	<u>68,347</u>	<u>111,653</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>(8,344)</u>	<u>\$ (8,344)</u>
Fund balance - beginning		<u>18,581</u>	
Fund balance - ending		<u>\$ 10,237</u>	

See notes to required supplementary information

**NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

The District is required to establish a budgetary system and an approved Annual Budget for the general fund. The District's budgeting process is based on estimates of cash receipts and cash expenditures which are approved by the Board. The budget approximates a basis consistent with accounting principles generally accepted in the United States of America (generally accepted accounting principles).

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2019.



Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road • Suite 280
Boca Raton, Florida 33431
(561) 994-9299 • (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

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

To the Board of Supervisors
North Powerline Road Community Development District
Polk County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of North Powerline Road Community Development District, Polk County, Florida ("District") as of and for the fiscal year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated February 26, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink, appearing to read "B. J. & Associates".

February 26, 2020



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road • Suite 280
Boca Raton, Florida 33431
(561) 994-9299 • (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE
REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY
RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Board of Supervisors
North Powerline Road Community Development District
Polk County, Florida

We have examined North Powerline Road Community Development District, Polk County, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2019. Management is responsible for District's compliance with those requirements. Our responsibility is to express an opinion on District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

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

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, management, and the Board of Supervisors of North Powerline Road Community Development District, Polk County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

Grau & Associates

February 26, 2020



Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road • Suite 280
Boca Raton, Florida 33431
(561) 994-9299 • (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

MANAGEMENT LETTER PURSUANT TO THE RULES OF THE AUDITOR GENERAL FOR THE STATE OF FLORIDA

To the Board of Supervisors
North Powerline Road Community Development District
Polk County, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of North Powerline Road Community Development District, Polk County, Florida ("District") as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated February 26, 2020.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated February 26, 2020, should be considered in conjunction with this management letter.

Purpose of this Letter

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General for the State of Florida. Accordingly, in connection with our audit of the financial statements of the District, as described in the first paragraph, we report the following:

- I. **Current year findings and recommendations.**
- II. **Status of prior year findings and recommendations.**
- III. **Compliance with the Provisions of the Auditor General of the State of Florida.**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, as applicable, management, and the Board of Supervisors of North Powerline Road Community Development District, Polk County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank North Powerline Road Community Development District, Polk County, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements, and the courtesies extended to us.

Grau & Associates

February 26, 2020

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

None

III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2018.

2. Any recommendations to improve the local governmental entity's financial management.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2019.

3. Noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2019.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.

5. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.

6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2019. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

SECTION VI

RESOLUTION 2020-10

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT DESIGNATING A DATE, TIME AND LOCATION FOR A LANDOWNERS' MEETING AND ELECTION; PROVIDING FOR PUBLICATION; ESTABLISHING FORMS FOR THE LANDOWNERS' ELECTION; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, North Powerline Road Community Development District ("**District**") is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, being situated within City of Davenport and Polk County, Florida; and

WHEREAS, pursuant to Section 190.006(1), *Florida Statutes*, the District's Board of Supervisors ("**Board**") "shall exercise the powers granted to the district pursuant to Chapter 190, *Florida Statutes*," and the Board shall consist of five members; and

WHEREAS, the District is statutorily required to hold a meeting of the landowners of the District for the purpose of electing Board Supervisors for the District on the first Tuesday in November, which shall be noticed pursuant to Section 190.006(2), *Florida Statutes*.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT:

1. EXISTING BOARD SUPERVISORS; SEATS SUBJECT TO ELECTIONS. The Board is currently made up of the following individuals:

<u>Seat Number</u>	<u>Supervisor</u>	<u>Term Expiration Date</u>
1	Rennie Heath	August 2022
2	Kevin Chinoy	August 2022
3	Lauren Schwenk	August 2020
4	Andrew Rhinehart	August 2020
5	Phillip Allende	August 2020

This year, Seat 3, currently held by Lauren Schwenk, Seat 4, currently held by Andrew Rhinehart, and Seat 5, currently held by Phillip Allende, are subject to election by landowners in November 2020. The two candidates receiving the highest number of votes shall be elected for a term of four (4) years. The candidate receiving the next highest number of votes shall be elected for a term of two (2) years. The term of office for each successful candidate shall commence upon election.

2. LANDOWNERS' ELECTION. In accordance with Section 190.006(2), *Florida Statutes*, the meeting of the landowners to elect Board Supervisor(s) of the District shall be held on the 3rd day of November, 2020, at __: __.m., and located at 346 E. Central Avenue, Winter Haven, Florida 33880.

3. PUBLICATION. The District's Secretary is hereby directed to publish notice of the landowners' meeting and election in accordance with the requirements of Section 190.006(2), *Florida Statutes*.

4. FORMS. Pursuant to Section 190.006(2)(b), *Florida Statutes*, the landowners' meeting

and election have been announced by the Board at its May 6, 2020 meeting. A sample notice of landowners' meeting and election, proxy, ballot form and instructions were presented at such meeting and are attached hereto as **Exhibit A**. Such documents are available for review and copying during normal business hours at the District's Local Records Office, located at 346 E. Central Avenue, Winter Haven, Florida 33880, or at the office of the District Manager, Governmental Management Services – Central Florida, LLC, located at 219 E. Livingston Street, Orlando, Florida 32801.

5. 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.

6. EFFECTIVE DATE. This Resolution shall become effective upon its passage.

PASSED AND ADOPTED this 6th day of May, 2020.

ATTEST:

**NORTH POWERLINE ROAD
COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chairperson, Board of Supervisors

Exhibit A: Sample Election Documents

EXHIBIT A

NOTICE OF LANDOWNERS' MEETING AND ELECTION AND MEETING OF THE BOARD OF SUPERVISORS OF THE NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT

Notice is hereby given to the public and all landowners within North Powerline Road Community Development District ("**District**") the location of which is generally described as comprising a parcel or parcels of land containing 190.56 acres, more or less, located north of North Boulevard East and east of Hwy 17-92 N with portions in unincorporated Polk County, Florida and the City of Davenport, Florida advising that a meeting of landowners will be held for the purpose of electing three (3) people to the District's Board of Supervisors ("**Board**", and individually, "**Supervisor**"). Immediately following the landowners' meeting there will be convened a meeting of the Board for the purpose of considering certain matters of the Board to include election of certain District officers, and other such business which may properly come before the Board.

DATE: November 3, 2020
TIME: ____:____.m.
PLACE: 346 E. Central Avenue
Winter Haven, Florida 33880

Each landowner may vote in person or by written proxy. Proxy forms may be obtained upon request at the office of the District Manager, Governmental Management Services – Central Florida, LLC, located at 219 East Livingston Street, Orlando, Florida 32801, Ph: (407) 841-5524 ("**District Manager's Office**"). At said meeting each landowner or his or her proxy shall be entitled to nominate persons for the position of Supervisor and cast one vote per acre of land, or fractional portion thereof, owned by him or her and located within the District for each person to be elected to the position of Supervisor. A fraction of an acre shall be treated as one acre, entitling the landowner to one vote with respect thereto. Platted lots shall be counted individually and rounded up to the nearest whole acre. The acreage of platted lots shall not be aggregated for determining the number of voting units held by a landowner or a landowner's proxy. At the landowners' meeting the landowners shall select a person to serve as the meeting chair and who shall conduct the meeting.

The landowners' meeting and the Board meeting are open to the public and will be conducted in accordance with the provisions of Florida law. One or both of the meetings may be continued to a date, time, and place to be specified on the record at such meeting. A copy of the agenda for these meetings may be obtained from the District Manager's Office. There may be an occasion where one or more supervisors or staff will participate by telephone.

Any person requiring special accommodations to participate in these meetings is asked to contact the District Manager's Office, at least 48 hours before the hearing. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) / 1-800-955-8770 (Voice), for aid in contacting the District Manager's Office.

A person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that such 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.

Jill Burns
District Manager
Run Date(s): _____ & _____

PUBLISH: ONCE A WEEK FOR 2 CONSECUTIVE WEEKS, THE LAST DAY OF PUBLICATION TO BE NOT FEWER THAN 14 DAYS OR MORE THAN 28 DAYS BEFORE THE DATE OF ELECTION, IN A NEWSPAPER WHICH IS IN GENERAL CIRCULATION IN THE AREA OF THE DISTRICT

**INSTRUCTIONS RELATING TO LANDOWNERS' MEETING OF
NORTH POWERLINE ROAD
COMMUNITY DEVELOPMENT DISTRICT
FOR THE ELECTION OF SUPERVISORS**

DATE OF LANDOWNERS' MEETING: **Tuesday, November 3, 2020**

TIME: __: __ __.M.

LOCATION: 346 E. Central Avenue, Winter Haven, Florida 33880

Pursuant to Chapter 190, *Florida Statutes*, and after a Community Development District ("**District**") has been established and the landowners have held their initial election, there shall be a subsequent landowners' meeting for the purpose of electing members of the Board of Supervisors ("**Board**") every two years until the District qualifies to have its board members elected by the qualified electors of the District. The following instructions on how all landowners may participate in the election are intended to comply with Section 190.006(2)(b), *Florida Statutes*.

A landowner may vote in person at the landowners' meeting, or the landowner may nominate a proxy holder to vote at the meeting in place of the landowner. Whether in person or by proxy, each landowner shall be entitled to cast one vote per acre of land owned by him or her and located within the District, for each position on the Board that is open for election for the upcoming term. A fraction of an acre shall be treated as one (1) acre, entitling the landowner to one vote with respect thereto. For purposes of determining voting interests, platted lots shall be counted individually and rounded up to the nearest whole acre. Moreover, please note that a particular parcel of real property is entitled to only one vote for each eligible acre of land or fraction thereof; therefore, two or more people who own real property in common, that is one acre or less, are together entitled to only one vote for that real property.

At the landowners' meeting, the first step is to elect a chair for the meeting, who may be any person present at the meeting. The landowners shall also elect a secretary for the meeting who may be any person present at the meeting. The secretary shall be responsible for the minutes of the meeting. The chair shall conduct the nominations and the voting. If the chair is a landowner or proxy holder of a landowner, he or she may nominate candidates and make and second motions. Candidates must be nominated and then shall be elected by a vote of the landowners. Nominees may be elected only to a position on the Board that is open for election for the upcoming term.

This year, three (3) seats on the Board will be up for election by landowners. The two candidates receiving the highest number of votes shall be elected for a term of four (4) years. The candidate receiving the next highest number of votes shall be elected for a term of two (2) years. The term of office for each successful candidate shall commence upon election.

A proxy is available upon request. To be valid, each proxy must be signed by one of the legal owners of the property for which the vote is cast and must contain the typed or printed name of the individual who signed the proxy; the street address, legal description of the property or tax parcel identification number; and the number of authorized votes. If the proxy authorizes more than one vote, each property must be listed and the number of acres of each property must be included. The signature on a proxy does not need to be notarized.

LANDOWNER PROXY

**NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA
LANDOWNERS' MEETING – NOVEMBER 3, 2020**

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, the fee simple owner of the lands described herein, hereby constitutes and appoints _____ (**"Proxy Holder"**) for and on behalf of the undersigned, to vote as proxy at the meeting of the landowners of the North Powerline Road Community Development District to be held at 346 E. Central Avenue, Winter Haven, Florida 33880, on Tuesday, November 3, 2020, at ____:____.m., and at any adjournments thereof, according to the number of acres of unplatted land and/or platted lots owned by the undersigned landowner that the undersigned would be entitled to vote if then personally present, upon any question, proposition, or resolution or any other matter or thing that may be considered at said meeting including, but not limited to, the election of members of the Board of Supervisors. Said Proxy Holder may vote in accordance with his or her discretion on all matters not known or determined at the time of solicitation of this proxy, which may legally be considered at said meeting.

Any proxy heretofore given by the undersigned for said meeting is hereby revoked. This proxy is to continue in full force and effect from the date hereof until the conclusion of the landowners' meeting and any adjournment or adjournments thereof, but may be revoked at any time by written notice of such revocation presented at the landowners' meeting prior to the Proxy Holder's exercising the voting rights conferred herein.

Printed Name of Legal Owner

Signature of Legal Owner

Date

Parcel Description

Acreage

Authorized Votes

[Insert above the street address of each parcel, the legal description of each parcel, or the tax identification number of each parcel. If more space is needed, identification of parcels owned may be incorporated by reference to an attachment hereto.]

Total Number of Authorized Votes:

NOTES: Pursuant to Section 190.006(2)(b), *Florida Statutes* (2019), a fraction of an acre is treated as one (1) acre entitling the landowner to one vote with respect thereto. For purposes of determining voting interests, platted lots shall be counted individually and rounded up to the nearest whole acre. Moreover, two (2) or more persons who own real property in common that is one acre or less are together entitled to only one vote for that real property.

If the fee simple landowner is not an individual, and is instead a corporation, limited liability company, limited partnership or other entity, evidence that the individual signing on behalf of the entity has the authority to do so should be attached hereto (e.g., bylaws, corporate resolution, etc.).

OFFICIAL BALLOT

**NORTH POWERLINE ROAD
COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA
LANDOWNERS' MEETING - NOVEMBER 3, 2020**

For Election (3 Supervisors): The two (2) candidates receiving the highest number of votes will each receive a four (4) year term, and the one (1) candidate receiving the next highest number of votes will receive a two (2) year term, with the term of office for the successful candidates commencing upon election.

The undersigned certifies that he/she/it is the fee simple owner of land, or the proxy holder for the fee simple owner of land, located within the North Powerline Road Community Development District and described as follows:

Description

Acreage

_____	_____
_____	_____
_____	_____

[Insert above the street address of each parcel, the legal description of each parcel, or the tax identification number of each parcel.] [If more space is needed, identification of parcels owned may be incorporated by reference to an attachment hereto.]

or

Attach Proxy.

I, _____, as Landowner, or as the proxy holder of _____ (Landowner) pursuant to the Landowner's Proxy attached hereto, do cast my votes as follows:

SEAT #	NAME OF CANDIDATE	NUMBER OF VOTES

Date: _____

Signed: _____

Printed Name: _____

SECTION VII

SECTION C

SECTION 1

North Powerline Road

Community Development District

Summary of Checks

March 4, 2020 to April 28, 2020

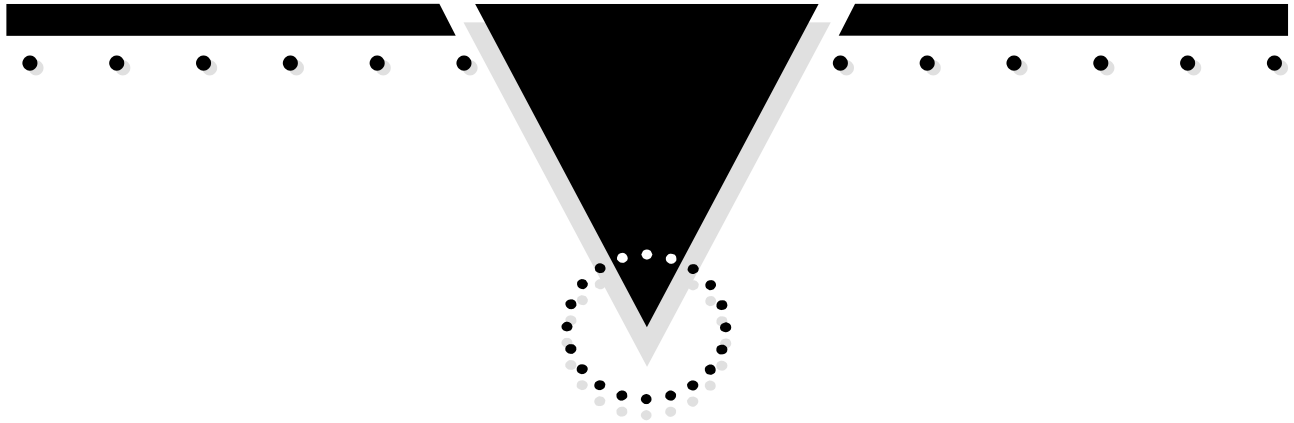
Bank	Date	Check No.'s	Amount	
General Fund	3/10/20	78-79	\$	3,000.00
	3/24/20	80-89	\$	22,705.75
			\$	25,705.75
			\$	25,705.75

CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	.....CHECK..... AMOUNT #
3/10/20	00016	3/09/20 03092020	202003 310-51300-49100	BOUNDARY AMEND FILING FEE	*	1,500.00	
				CITY OF DAVENPORT			1,500.00 000078
3/10/20	00017	3/09/20 03092020	202003 310-51300-49100	BOUNDARY AMEND FILING FEE	*	1,500.00	
				POLK COUNTY BOARD OF COUNTY			1,500.00 000079
3/24/20	00001	3/11/20 AR031120	202003 310-51300-11000	SUPV FEE 3/11/20	*	200.00	
				ANDREW RHINEHART			200.00 000080
3/24/20	00014	1/31/20 20192	202001 310-51300-31100	GEN ENG SERV THRU 1/31/20	*	1,000.00	
				ABSOLUTE ENIGNEERING INC			1,000.00 000081
3/24/20	99999	3/24/20 VOID	202003 000-00000-00000	VOID CHECK	C	.00	
				*****INVALID VENDOR NUMBER*****			.00 000082
3/24/20	00006	1/01/20 17	202001 310-51300-34000	MANAGEMENT FEES - JAN20	*	2,916.67	
		1/01/20 17	202001 310-51300-35200	INFO TECH - JAN20	*	75.00	
		1/01/20 17	202001 310-51300-51000	OFFICE SUPPLIES	*	2.77	
		1/01/20 17	202001 310-51300-42000	POSTAGE	*	4.50	
		1/01/20 17	202001 310-51300-42500	COPIES	*	9.45	
		2/01/20 18	202002 310-51300-34000	MANAGEMENT FEES-FEB20	*	2,916.67	
		2/01/20 18	202002 310-51300-35200	INFO TECH-FEB20	*	75.00	
		2/01/20 18	202002 310-51300-51000	OFFICE SUPPLIES	*	.21	
		2/01/20 18	202002 310-51300-42000	POSTAGE	*	3.50	
		2/01/20 18	202002 310-51300-42500	COPIES	*	7.35	
		3/01/20 19	202003 310-51300-34000	MANAGEMENT FEE-MAR20	*	2,916.67	
		3/01/20 19	202003 310-51300-35200	INFO TECH-MAR20	*	75.00	
		3/01/20 19	202003 310-51300-51000	OFFICE SUPPLIES	*	2.80	

CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	....CHECK.... AMOUNT #
		3/01/20 19	202003 310-51300-42000		*	18.00	
		POSTAGE					
		3/01/20 19	202003 310-51300-42500		*	33.90	
		COPIES					
				GOVERNMENTAL MANAGEMENT SERVICES			9,057.49 000083
3/24/20 00007		11/27/19 111378	202003 300-20700-10000		*	1,915.21	
		PROJECT CONSTRUCT-NOV19					
		12/16/19 111625	202003 300-20700-10000		*	2,015.79	
		PROJECT CONSTRUC-DEC19					
		12/16/19 111626	201911 310-51300-49100		*	757.50	
		BOUNDARY AMEND SVCS-NOV19					
		1/22/20 112370	201912 310-51300-31500		*	896.50	
		AMEND 12/NPR FUNDING					
		1/22/20 112397	201912 310-51300-49100		*	130.50	
		BOUND AMEND SVCS-DEC19					
		2/21/20 112968	202001 310-51300-31500		*	1,657.41	
		AGREE/AMEND 170.03/170.07					
				HOPPING GREEN & SAMS			7,372.91 000084
3/24/20 00008		3/11/20 KC031120	202003 310-51300-11000		*	200.00	
		SUPV FEE 3/11/20					
				KEVIN CHINOY			200.00 000085
3/24/20 00009		3/11/20 LS031120	202003 310-51300-11000		*	200.00	
		SUPV FEE 3/11/20					
				LAUREN SCHWENK			200.00 000086
3/24/20 00010		3/11/20 PA031120	202003 310-51300-11000		*	200.00	
		SUPV FEE 3/11/20					
				PHILLIP ALLENDE			200.00 000087
3/24/20 00011		3/11/20 RH031120	202003 310-51300-11000		*	200.00	
		SUPV FEE 3/11/20					
				RENNIE HEATH			200.00 000088
3/24/20 00012		2/26/20 LH346933	202003 310-51300-48000		*	4,275.35	
		NOT OF PUB HEAR-3/11/20					
				THE LEDGER/ NEWS CHIEF			4,275.35 000089
				TOTAL FOR BANK A		25,705.75	
				TOTAL FOR REGISTER		25,705.75	

NPRC NORTH POWER LI KCOSTAC

SECTION 2



NORTH POWERLINE ROAD

Community Development District

Unaudited Financial Reporting

March 31, 2020



Table of Contents

1	<u>Balance Sheet</u>
2	<u>General Fund Income Statement</u>
3	<u>Capital Projects Fund Income Statement</u>
4	<u>Month to Month</u>
5	<u>Developer Contribution Schedule</u>

NORTH POWERLINE ROAD

COMMUNITY DEVELOPMENT DISTRICT

BALANCE SHEET

March 31, 2020

	General Fund	Capital Projects Fund	Totals FY20
<u>ASSETS:</u>			
<u>CASH</u>			
OPERATING ACCOUNT	\$4,582	---	\$4,582
DUE FROM DEVELOPER	\$20,000	---	\$20,000
TOTAL ASSETS	<u>\$24,582</u>	<u>\$0</u>	<u>\$24,582</u>
<u>LIABILITIES:</u>			
ACCOUNTS PAYABLE	\$2,400	\$0	\$2,400
DUE TO DEVELOPER	---	\$100,235	\$100,235
<u>FUND EQUITY:</u>			
FUND BALANCES:			
UNASSIGNED	\$22,182	---	\$22,182
RESERVED FOR CAPITAL PROJECTS	---	(\$100,235)	(\$100,235)
TOTAL LIABILITIES & FUND EQUITY	<u>\$24,582</u>	<u>\$0</u>	<u>\$24,582</u>

NORTH POWERLINE ROAD

COMMUNITY DEVELOPMENT DISTRICT

GENERAL FUND

Statement of Revenues & Expenditures

For The Period Ending March 31, 2020

	ADOPTED BUDGET	PRORATED BUDGET THRU 03/31/20	ACTUAL THRU 03/31/20	VARIANCE
<u>REVENUES:</u>				
DEVELOPER CONTRIBUTIONS	\$131,025	\$60,000	\$60,000	\$0
BOUNDARY AMENDMENT CONTRIBUTIONS	\$0	\$0	\$888	\$888
INTEREST	\$0	\$0	\$2	\$2
TOTAL REVENUES	\$131,025	\$60,000	\$60,890	\$890
<u>EXPENDITURES:</u>				
<u>ADMINISTRATIVE:</u>				
SUPERVISORS FEES	\$12,000	\$6,000	\$4,400	\$1,600
ENGINEERING	\$20,000	\$10,000	\$1,470	\$8,530
ATTORNEY	\$25,000	\$12,500	\$6,000	\$6,500
ANNUAL AUDIT	\$2,900	\$2,900	\$2,900	\$0
ASSESSMENT ADMINISTRATION	\$5,000	\$0	\$0	\$0
ARBITRAGE	\$650	\$0	\$0	\$0
DISSEMINATION	\$5,000	\$0	\$0	\$0
TRUSTEE FEES	\$3,550	\$0	\$0	\$0
MANAGEMENT FEES	\$35,000	\$17,500	\$17,500	(\$0)
INFORMATION TECHNOLOGY	\$2,100	\$1,050	\$450	\$600
TELEPHONE	\$250	\$125	\$28	\$97
POSTAGE & DELIVERY	\$850	\$425	\$56	\$369
INSURANCE	\$5,500	\$5,500	\$5,125	\$375
PRINTING & BINDING	\$1,000	\$500	\$163	\$337
LEGAL ADVERTISING	\$10,000	\$5,000	\$6,083	(\$1,083)
OTHER CURRENT CHARGES	\$1,000	\$500	\$0	\$500
BOUNDARY AMENDMENT EXPENSES	\$0	\$0	\$3,888	(\$3,888)
OFFICE SUPPLIES	\$500	\$250	\$14	\$236
TRAVEL & PER DIEM	\$550	\$275	\$0	\$275
DUES, LICENSES, & FEES	\$175	\$175	\$175	\$0
TOTAL ADMINISTRATIVE:	\$131,025	\$62,700	\$48,252	\$14,448
TOTAL EXPENDITURES	\$131,025	\$62,700	\$48,252	\$14,448
EXCESS REVENUES (EXPENDITURES)	\$0		\$12,638	
FUND BALANCE - BEGINNING	\$0		\$9,544	
FUND BALANCE - ENDING	\$0		\$22,182	

NORTH POWERLINE ROAD

COMMUNITY DEVELOPMENT DISTRICT

CAPITAL PROJECTS FUND

Statement of Revenues & Expenditures

For The Period Ending March 31, 2020

	ADOPTED BUDGET	PRORATED BUDGET THRU 03/31/20	ACTUAL THRU 03/31/20	VARIANCE
<u>REVENUES:</u>				
DEVELOPER CONTRIBUTIONS	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$0	\$0	\$0	\$0
<u>EXPENDITURES:</u>				
CAPITAL OUTLAY	\$0	\$0	\$3,931	(\$3,931)
CAPITAL OUTLAY - COSTS OF ISSUANCE	\$0	\$0	\$0	\$0
TRANSFER OUT	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$0	\$0	\$3,931	(\$3,931)
EXCESS REVENUES (EXPENDITURES)	\$0		(\$3,931)	
FUND BALANCE - BEGINNING	\$0		(\$96,304)	
FUND BALANCE - ENDING	\$0		(\$100,235)	

NORTH POWERLINE ROAD

Community Development District

	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sept	Total
REVENUES:													
DEVELOPER CONTRIBUTIONS	\$0	\$20,000	\$0	\$0	\$20,000	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$60,000
BOUNDARY AMENDMENT CONTRIBUTIONS	\$0	\$0	\$0	\$0	\$888	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$888
INTEREST	\$0	\$0	\$0	\$0	\$1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2
TOTAL REVENUES	\$0	\$20,000	\$0	\$0	\$20,889	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$60,890
EXPENDITURES:													
ADMINISTRATIVE:													
SUPERVISORS FEES	\$1,000	\$800	\$800	\$0	\$800	\$1,000	\$0	\$0	\$0	\$0	\$0	\$0	\$4,400
ENGINEERING	\$118	\$353	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,470
ATTORNEY	\$2,549	\$897	\$897	\$1,657	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,000
ANNUAL AUDIT	\$500	\$0	\$0	\$2,400	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,900
ASSESSMENT ADMINISTRATION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ARBITRAGE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DISSEMINATION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TRUSTEE FEES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MANAGEMENT FEES	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$0	\$0	\$0	\$0	\$0	\$0	\$17,500
INFORMATION TECHNOLOGY	\$75	\$75	\$75	\$75	\$75	\$75	\$0	\$0	\$0	\$0	\$0	\$0	\$450
TELEPHONE	\$5	\$23	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$28
POSTAGE & DELIVERY	\$4	\$23	\$4	\$5	\$4	\$18	\$0	\$0	\$0	\$0	\$0	\$0	\$56
INSURANCE	\$5,125	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,125
PRINTING & BINDING	\$54	\$41	\$16	\$9	\$7	\$34	\$0	\$0	\$0	\$0	\$0	\$0	\$163
LEGAL ADVERTISING	\$1,540	\$0	\$0	\$267	\$0	\$4,275	\$0	\$0	\$0	\$0	\$0	\$0	\$6,083
OTHER CURRENT CHARGES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BOUNDARY AMENDMENT EXPENSES	\$0	\$758	\$131	\$0	\$0	\$3,000	\$0	\$0	\$0	\$0	\$0	\$0	\$3,888
OFFICE SUPPLIES	\$3	\$3	\$3	\$3	\$0	\$3	\$0	\$0	\$0	\$0	\$0	\$0	\$14
TRAVEL & PER DIEM	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DUES, LICENSES, & FEES	\$175	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$175
TOTAL ADMINISTRATIVE	\$14,064	\$5,889	\$4,841	\$8,333	\$3,803	\$11,322	\$0	\$0	\$0	\$0	\$0	\$0	\$48,252
TOTAL EXPENDITURES	\$14,064	\$5,889	\$4,841	\$8,333	\$3,803	\$11,322	\$0	\$0	\$0	\$0	\$0	\$0	\$48,252
EXCESS REVENUES/(EXPENDITURES)	(\$14,064)	\$14,111	(\$4,841)	(\$8,333)	\$17,086	\$8,678	\$0	\$0	\$0	\$0	\$0	\$0	\$12,638

**North Powerline Road Community Development District
Developer Contributions/Due from Developer**

Funding Request #	Prepared Date	Payment Received Date	Check/Wire Amount	Total Funding Request	General Fund Portion (FY18)	General Fund Portion (FY19)	General Fund Portion (FY20)	Over and (short) Balance Due
FY18-1	6/5/18	10/11/18	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ -	\$ -	\$ -
2	9/21/18	10/11/18	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ -	\$ -	\$ -
FY19-01	12/12/18	4/16/19	\$ 20,000.00	\$ 20,000.00	\$ -	\$ 20,000.00	\$ -	\$ -
2	5/15/19	8/12/19	\$ 20,000.00	\$ 20,000.00	\$ -	\$ 20,000.00	\$ -	\$ -
3	7/26/19	9/13/19	\$ 20,000.00	\$ 20,000.00	\$ -	\$ 20,000.00	\$ -	\$ -
FY20								
1	11/5/19	12/16/19	\$ 20,000.00	\$ 20,000.00	\$ -	\$ -	\$ 20,000.00	\$ -
2	2/24/20	3/20/20	\$ 20,000.00	\$ 20,000.00	\$ -	\$ -	\$ 20,000.00	\$ -
BA1-1	2/24/20	3/20/20	\$ 888.00	\$ 888.00	\$ -	\$ -	\$ 888.00	\$ -
3	3/26/20			\$ 20,000.00			\$ 20,000.00	\$ 20,000.00
Due from Developer			\$ 145,888.00	\$ 165,888.00	\$ 45,000.00	\$ 60,000.00	\$ 60,888.00	\$ 20,000.00

Total Developer Contributions FY20

\$ 60,888.00