

*Shingle Creek
Community Development District*

Agenda

February 1, 2021

AGENDA

Shingle Creek

Community Development District

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

January 25, 2021

Board of Supervisors
Shingle Creek Community
Development District

Dear Board Members:

The meeting of the Board of Supervisors of the Shingle Creek Community Development District will be held **Monday, February 1, 2021 at 12:00 p.m. at the Oasis Club at ChampionsGate, 1520 Oasis Club Blvd., ChampionsGate, FL 33896**. Following is the advance agenda for the regular meeting:

1. Roll Call
2. Public Comment Period
3. Organizational Matters
 - A. Appointment of Individuals to Fulfill Vacancies in Seats #4 & #5
 - B. Administration of Oaths of Office to Newly Appointed Board Members
 - C. Election of Officers
 - D. Consideration of Resolution 2021-04 Electing Officers
4. Approval of Minutes of the November 2, 2020 Board of Supervisors Meeting and Acceptance of Minutes of the November 2, 2020 Landowners' Meeting
5. Ratification of Data Sharing and Usage Agreement with Osceola County Property Appraiser
6. Consideration of Agreement with Aquatic Weed Control, Inc. to provide Aquatic Maintenance Services
7. Consideration of Resolution 2021-03 Ratifying Enrollment in E-Verify System and Execution of the Memorandum of Understanding
8. Review and Acceptance of Draft Fiscal Year 2020 Audit Report
9. Staff Reports
 - A. Attorney
 - B. Engineer
 - C. District Manager's Report
 - i. Approval of Check Register
 - ii. Balance Sheet and Income Statement
10. Other Business
11. Supervisor's Requests
12. Adjournment

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

The third order of business is the Organizational Matters. Section A is the appointment of individuals to fulfill the vacancies in Seats #4 & #5 and Section B is the administration of Oaths of Office to the newly appointed Board members. Section C is the election of officers and Section D is the consideration of Resolution 2021-04 electing officers. A copy of the Resolution is enclosed for your review.

The fourth order of business is the approval of minutes of the November 2, 2020 Board of Supervisors meeting and acceptance of minutes of the November 2, 2020 Landowners' meeting. Both minutes are enclosed for your review.

The fifth order of business is the ratification of the Data Sharing and Usage Agreement with the Osceola County Property Appraiser. A copy of the agreement is enclosed for your review.

The sixth order of business is the agreement with Aquatic Weed Control, Inc. to provide aquatic maintenance services. A copy of the agreement is enclosed for your review.

The seventh order of business is the consideration of Resolution 2021-03 ratifying enrollment in the E-Verify system and execution of the memorandum of Understanding. A copy of the Resolution and memo from District Counsel is enclosed for your review.

The eighth order of business is the review and acceptance of the draft Fiscal Year 2020 audit report. A copy of the draft report is enclosed for your review.

The ninth order of business is Staff Reports. Sub-Section 1 of the District Manager's Report includes the check register being submitted for approval and Sub-Section 2 includes the balance sheet and income statement for review.

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

Sincerely,



George S. Flint
District Manager

Cc: Jan Carpenter, District Counsel
David Reid, District Engineer
Darrin Mossing, GMS

Enclosures

SECTION III

SECTION D

RESOLUTION 2021-04

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
SHINGLE CREEK COMMUNITY DEVELOPMENT DISTRICT
ELECTING THE OFFICERS OF THE DISTRICT AND
PROVIDING FOR AN EFFECTIVE DATE**

WHEREAS, the Shingle Creek Community Development District (the “District”) is a local unit of special purpose government created and existing pursuant to Chapter 190, Florida Statutes; and

WHEREAS, the Board of Supervisors of the District (“Board”) desires to elect the Officers of the District.

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

Section 1. _____ is elected Chairperson.

Section 2. _____ is elected Vice Chairperson.

Section 3. _____ is elected Secretary.

Section 4. _____ is elected Assistant Secretary.
_____ is elected Assistant Secretary.
_____ is elected Assistant Secretary
_____ is elected Assistant Secretary.

Section 5. _____ is elected Treasurer.

Section 6. _____ is elected Assistant Treasurer.

Section 7. This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED this 1st day of February, 2021.

ATTEST:

**SHINGLE CREEK COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chairperson/Vice-Chairperson

MINUTES

MINUTES OF MEETING
SHINGLE CREEK
COMMUNITY DEVELOPMENT DISTRICT

The Regular meeting of the Board of Supervisors of the Shingle Creek Community Development District was held on Monday, November 2, 2020 at 11:30 p.m. at the Oasis Club at ChampionsGate 1520 Oasis Club Blvd. ChampionsGate, Florida.

Present and constituting a quorum were:

| | |
|---------------|---------------------|
| Rob Bonin | Chairman |
| Adam Morgan | Vice Chairman |
| Lane Register | Assistant Secretary |

Also present were:

| | |
|----------------|-------------------|
| George Flint | District Manager |
| Kristen Trucco | District Counsel |
| David Reid | District Engineer |
| Alan Scheerer | Field Manager |

FIRST ORDER OF BUSINESS

Roll Call

Mr. Flint called the meeting to order and called the roll at 12:00 p.m. Three out of the five Board members were present, constituting a quorum.

SECOND ORDER OF BUSINESS

Public Comment Period

Mr. Flint: There are no members of the public here to provide comment so we will move on.

THIRD ORDER OF BUSINESS

Organizational Matters

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

Mr. Flint: At this time I will administer the Oath of Office to Mr. Morgan. As a citizen of the State of Florida, and of the United States of America, and as an officer of the Shingle Creek Community Development District, and as a recipient and public funds of such officer, do you hereby solemnly swear or affirm you will support the Constitution of the United States and of the State of Florida?

Mr. Morgan: I do.

Mr. Flint: If you can sign the Oath, I'll notarize it for you.

B. Consideration of Resolution 2021-01 Canvassing and Certifying the Results of the Landowners' Election

Mr. Flint: We will insert Mr. Morgan's name with 150 votes serving a four year term. Did the Board have any questions or comments on the resolution? If not is there a motion to approve Resolution 2021-01?

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor, Resolution 2021-01 Canvassing and Certifying the Results of the Landowners' Election, was approved.

C. Election of Officers

Mr. Flint: After each election the Board is required to elect officers. We have included Resolution 2021-02. We can either take each office individually, or if a Board Member want to make a motion electing a slate of officers, we can handle it in one motion. Currently Mr. Bonin is Chairman, Mr. Morgan is Vice Chairman, and the other three Board members are Assistant Secretaries. I am Secretary, Ariel Lovera is Treasurer, and I would like to ask Teresa Viscarra to be Assistant Treasurer.

Mr. Morgan: Who are the other three Board Supervisors?

Mr. Flint: You've got Rob, you, Lane, Mark Revell, and Joe Catanzariti. Two of the seats, Rob's seat and Mark's seat, actually transition to general election but because no qualified electors qualified to run for those seats Rob and Mark can carryover in those seats until such time as you appoint a qualified elector to those seats. You had previously adopted a resolution declaring those seats vacant as of the second week after the election. However, the incumbents can carryover as Board members for a period of time. In 2022, two more seats will transition to qualified elector, at that point the developer loses control and Adam's seat would be the last seat that would transition in 2024.

D. Consideration of Resolution 2021-02

Mr. Flint: Is there a motion to approve Resolution 2021-02 keeping the existing officers?

On MOTION by Mr. Bonin seconded by Mr. Morgan, with all in favor, Resolution 2021-02 Electing Officers as existing, was approved.

FOURTH ORDER OF BUSINESS

Approval of Minutes of the September 14, 2020 Meeting

Mr. Flint: Did the Board have any comments or corrections to the September 14th minutes?

Mr. Morgan: No changes, they look good.

On MOTION by Mr. Morgan seconded by Mr. Register, with all in favor, the Minutes of the September 14, 2020 meeting, were approved.

FIFTH ORDER OF BUSINESS

Consideration of Agreements (2) with LLS Tax Solutions to Provide Arbitrage Rebate Calculation Services

Mr. Flint: These agreements are for two bond issues, the Series 2019 and Series 2015 bonds. The fees for each agreement are the same at \$550 a year. Is there a motion to approve both agreements?

On MOTION by Mr. Morgan seconded by Mr. Register, with all in favor, the Agreements (2) with LLS Tax Solutions to Provide Arbitrage Rebate Calculation Services, was approved.

SIXTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Trucco: I have nothing new to report to the Board today.

B. Engineer

Mr. Reid: I do not have anything further for the Board.

C. District Manager's Report

i. Approval of Check Register

Mr. Flint: You have the check register from September 8th through October 26th, totaling \$70,275.72. The detailed register can be found behind the summary. Were there any questions on the check register? If not is there a motion to approve it?

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

ii. Balance Sheet and Income Statement

Mr. Flint: The balance sheet and income statement are through September 30th. There is no action required. If you have comments or questions we can discuss those.

iii. Presentation of Arbitrage Rebate Calculation Reports

Mr. Flint: For the Series 2015 bonds and the 2019 bonds, both reports indicate a negative cumulative rebate requirement, which means there are no arbitrage issues. Is there a motion to accept the reports?

On MOTION by Mr. Register seconded by Mr. Morgan, with all in favor, the Arbitrage Rebate Calculation Reports, were approved.

SEVENTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

EIGHTH ORDER OF BUSINESS

Supervisor's Requests

There being none, the next item followed.

NINTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Register seconded by Mr. Morgan, with all in favor, the meeting was adjourned.

Secretary/Assistant Secretary

Chairman/Vice Chairman

MINUTES OF MEETING
SHINGLE CREEK
COMMUNITY DEVELOPMENT DISTRICT

The Landowners' Meeting of the Shingle Creek Community Development District was held Monday, November 2, 2020 at 12:00 p.m. at the Oasis Club at ChampionsGate 1520 Oasis Club Blvd. ChampionsGate, Florida.

Present were:

Rob Bonin
Adam Morgan
Lane Register
George Flint
Kristen Trucco

FIRST ORDER OF BUSINESS

**Determination of Number of Voting Units
Represented**

Mr. Flint: There are 194 voting units represented by the landowner, LEN OT Holdings, and Rob Bonin is the proxy holder.

SECOND ORDER OF BUSINESS

Call to Order

Mr. Flint called to order the Landowners' Meeting.

THIRD ORDER OF BUSINESS

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

Mr. Flint: For purposes of the Landowner meeting would you designate me as the Chairman to conduct it?

Mr. Bonin: Yes.

FOURTH ORDER OF BUSINESS

**Nominations for the Positions of
Supervisors (3)**

Mr. Flint: There is one seat up for election. Do you have nominations for that seat?

Mr. Bonin: I nominate Mr. Adam Morgan.

FIFTH ORDER OF BUSINESS

Casting of Ballots

Mr. Flint: On the ballot, 150 votes have been cast for Mr. Morgan.

SIXTH ORDER OF BUSINESS

**Tabulation of Ballots and Announcement
of Results**

Mr. Flint: Mr. Adam Morgan will serve a four-year term.

SEVENTH ORDER OF BUSINESS

Adjournment

The meeting was adjourned.

SECTION V



KATRINA S. SCARBOROUGH, CFA, CCF, MCF OSCEOLA COUNTY PROPERTY APPRAISER

Shingle Creek CDD

This Data Sharing And Usage Agreement, hereafter referred to as "Agreement," establishes the terms and conditions under which the **Shingle Creek CDD**, hereafter referred to as agency, can acquire and use Osceola County Property Appraiser (OCPA) data that is exempt from Public Records disclosure as defined in [FS 119.071](#).

The confidentiality of personal identifying and location information including: names, physical, mailing, and street addresses, parcel ID, legal property description, neighborhood name, lot number, GPS coordinates, or any other descriptive property information that may reveal identity or home address pertaining to parcels owned by individuals that have received exempt/confidential status, hereafter referred to as confidential personal identifying and location information, **will be protected as follows:**

1. The **agency** will not release confidential personal identifying and location information that may reveal identifying and location information of individuals exempted from Public Records disclosure.
2. The **agency** will not present the confidential personal identifying and location information in the results of data analysis (including maps) in any manner that would reveal personal identifying and location information of individuals exempted from Public Records disclosure.
3. The **agency** shall comply with all State laws and regulations governing the confidentiality of personal identifying and location information that is the subject of this Agreement.
4. The **agency** shall ensure any employee granted access to confidential personal identifying and location information is subject to the terms and conditions of this Agreement.
5. The **agency** shall ensure any third party granted access to confidential personal identifying and location information is subject to the terms and conditions of this Agreement. Acceptance of these terms must be provided in writing to the **agency** by the third party before personal identifying and location information is released.
6. The terms of this Agreement shall commence on **January 1, 2021** and shall run until **December 31, 2021**, the date of signature by the parties notwithstanding. **This Agreement shall not automatically renew.** A new agreement will be provided annually for the following year.

IN WITNESS THEREOF, both the Osceola County Property Appraiser, through its duly authorized representative, and the **agency**, through its duly authorized representative, have hereunto executed this Data Sharing and Usage Agreement as of the last below written date.

OSCEOLA COUNTY PROPERTY APPRAISER

Signature: _____

Print: Katrina S. Scarborough

Date: _____

Shingle Creek CDD

Signature: [Signature]

Print: George S. Flish

Title: District Manager

Date: 1/5/21

Please return signed original copy in the enclosed self-addressed envelope, no later than January 31, 2021

2505 E IRLO BRONSON MEMORIAL HWY
KISSIMMEE, FL 34744
(407) 742-5000

INFO@PROPERTY-APPRAISER.ORG • PROPERTY-APPRAISER.ORG

SECTION VI



Aquatic Weed Control, Inc.

Your **CLEAR** Choice in Waterway Management Since 1992

THIS AGREEMENT made the date set forth below, by and between **Aquatic Weed Control, Inc.** hereinafter called "**AWC**", and

Shingle Creek CDD
C/O Governmental Management Service
135 W. Central Blvd Suite 320
Orlando, FL 32801
Alan, Phone 407-841-5524

One Year: 12/1/20-11/30/21*

Hereinafter called "**CUSTOMER**". The parties hereto agree as follows:

AWC agrees to maintain the following waterway(s)/treatment area(s) in accordance with the terms and conditions of this agreement.

1 Pond add on (Prelude & Storeytelling) associated with Shingle Creek C.D.D

CUSTOMER agrees to pay **AWC** in the following amount and manner:

| | |
|---|--------------------|
| - Initial start up charge | \$ N/A |
| - Shoreline grass and brush control | \$ 35.00 (Monthly) |
| - Floating and Submersed vegetation control | \$ Included |
| - Additional treatments as required by AWC | \$ Included |
| - A monthly report of all waterways treated | \$ Included |

Total Monthly investment \$ **35.00**

Scheduled treatments will be provided on a monthly basis (approximately once every 30 days)

Payments for this service will be made in equal and consecutive monthly installments, each due within 30 days of the invoice date. Unpaid invoices will accrue interest at 1.5% per month.

AWC maintains 2 million dollars general liability, 1 million dollars commercial auto, pollution liability, herbicide/pesticide operations, workers compensation and 5 million dollars excess umbrella. Certificates will be provided upon request.

ACCEPTANCE OF AGREEMENT

Chaf Anselo 12/10/20
Aquatic Weed Control, Inc.

Customer's Signature Title

Print Signature Date

Print Company Name



Aquatic Weed Control, Inc.

Your **CLEAR** Choice in Waterway Management Since 1992

Addendum to Water Management Agreement

1. AWC's Water Management Agreement will be conducted in a manner consistent with good water management practice utilizing the following methods and techniques when applicable: Periodic treatments to maintain reasonable control of excessive growth of aquatic vegetation. CUSTOMER understands that some vegetation is required in any body of water to maintain a balanced aquatic ecological system.
2. It is CUSTOMER's responsibility to notify AWC of all work areas that are required mitigation areas in which desirable plants have been installed. AWC assumes no responsibility for damaged plants where CUSTOMER has failed to notify AWC.
3. Price quoted is null and void if not signed and returned within 30 days of proposal date.
4. Water use restrictions after treatment are not often required. When restrictions are required, AWC will notify CUSTOMER in writing of all restrictions that apply. AWC will not be held liable for damages resulting from CUSTOMER's failure to follow water use restrictions.
5. AWC will not be responsible for the manual removal of dead vegetation such as cattails and grass which may take several seasons to decompose.
6. Neither party shall be responsible for damages, penalties or otherwise for any failure or delay in the performance of any obligations hereunder caused by strikes, riots, war, acts of God, accidents, governmental order and regulations, curtailment or other cause beyond its reasonable control and which, by the exercise of due diligence, it is unable to overcome.
7. * Upon the anniversary date, this agreement will be automatically extended for additional twelve (12) month periods unless CUSTOMER provides written notice stating otherwise.
8. Either party may cancel this agreement with 30 days prior written notice. Upon cancellation, all outstanding balances will be due in full. CUSTOMER agrees to notify AWC in writing prior to any changes in ownership or property management. Changes in ownership or property management will not constitute termination of this agreement.
9. AWC agrees to hold CUSTOMER harmless from any loss, damage or claims arising out of the sole negligence of AWC; however, AWC shall in no event be liable to CUSTOMER, or others, for indirect, special or consequential damages resulting from any cause beyond our control.
10. CUSTOMER agrees to pay AWC in a timely manner, consistent with the terms and conditions of this agreement. Should CUSTOMER fail to make timely payments, AWC may, at its option, charge interest, impose a collection charge and/or file a mechanics lien for all monies past due plus interest, collection costs and reasonable attorney's fees.
11. CUSTOMER agrees to pay any government imposed tax including sales tax.

ACCEPTANCE OF ADDENDUM

Cheryl Smock 12/10/20
Aquatic Weed Control, Inc.

Customer's Signature Date



Pond Prelude/Storeytelling wy

SECTION VII

RESOLUTION 2021-03

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE SHINGLE CREEK COMMUNITY DEVELOPMENT DISTRICT RATIFYING THE DISTRICT'S ENROLLMENT IN THE E-VERIFY SYSTEM; APPROVING AND RATIFYING EXECUTION OF THE MEMORANDUM OF UNDERSTANDING; RATIFYING PRIOR ACTIONS OF THE CHAIRMAN, VICE CHAIRMAN AND DISTRICT STAFF RELATED TO ENROLLMENT AND COMPLIANCE WITH THE E-VERIFY SYSTEM; DELEGATING AUTHORITY TO THE CHAIRMAN, VICE CHAIRMAN AND DISTRICT MANAGER TO TAKE ALL ACTIONS NECESSARY OR PRUDENT TO MAINTAIN COMPLIANCE WITH THE E-VERIFY SYSTEM; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

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

WHEREAS, the District is located in, Osceola County, Florida); and

WHEREAS, Section 448.095, *Florida Statutes* became effective on January 1, 2021 by the passage of the Florida Senate Bill 664. Section 448.095, *Florida Statutes* requires that beginning as of January 1, 2021, the District, its contractors and subcontractors are required to enroll with and use the E-Verify system to verify the work authorization status of all newly hired employees. As part of the enrollment process in the E-Verify system, the District is required to execute the E-Verify system's Memorandum of Understanding; and

WHEREAS, the District's Board of Supervisors desires to adopt this Resolution in order to approve and ratify the District's enrollment in the E-Verify system; to approve and ratify the executed E-Verify Memorandum of Understanding; to ratify prior actions of the Chairman, Vice Chairman and/or District Staff related to enrollment and compliance with the E-Verify system; and to delegate authority to the Chairman, Vice Chairman and District Manager to take any and all necessary actions to maintain compliance with the E-Verify system.

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

1. Recitals. The recitals so stated are true and correct and by this reference are incorporated herein.

2. **Authority for this Resolution.** This Resolution is adopted pursuant to the provisions of Florida law, Chapter 190, *Florida Statutes*.

3. **Approval and Ratification of the District's Enrollment in the E-Verify System and Execution of the E-Verify System's Memorandum of Understanding.** The District finds it to be in its best interest to, and hereby does, approve and ratify the District's enrollment in the E-Verify system and the execution of the E-Verify system's Memorandum of Understanding.

4. **Ratification and Approval of Prior Actions.** All prior actions taken to date by the Chairman, Vice Chairman and/or District Staff in order to ensure the District's compliance with the E-Verify system are hereby approved, confirmed and ratified.

5. **Delegation of Authority to Chairman, Vice Chairman and District Manager to Take Actions Necessary to Maintain Compliance With the E-Verify System.** The Chairman, Vice Chairman and District Manager, are hereby delegated authority to execute any and all documents and take any and all actions necessary and/or prudent to ensure the District's continuing compliance with the E-Verify system.

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

7. **Conflicts.** All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, superseded and repealed.

8. **Effective Date.** This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this ____ day of February, 2021.

**SHINGLE CREEK COMMUNITY
DEVELOPMENT DISTRICT**

ATTEST:

By: _____

Name: _____
Secretary/Asst. Secretary

By: _____

Name: _____
Chairman/Vice-Chairman

LATHAM, LUNA, EDEN & BEAUDINE, LLP

MEMORANDUM

To: District Managers/Supervisors

From: Jan Albanese Carpenter, Esq. and Kristen E. Trucco, Esq.

Date: January 4, 2021

Subject: E-Verify Requirements Under Section 448.095, *Florida Statutes*

The Florida Legislature enacted Section 448.095, *Florida Statutes*, which went into effect as of January 1, 2021. This statute requires Community Development Districts to register with and use the U.S. Department of Homeland Security's "E-Verify system" in order to verify the work authorization status of all newly hired employees. The statute also requires that the District's contractors and subcontractors register with and use the "E-Verify system." The District, contractor and subcontractor are prohibited from entering into a contract unless each party to the contract registers with and uses the E-Verify system.

If a District's contractor enters into a contract with a subcontractor, the subcontractor must provide the contractor with an Affidavit stating that the subcontractor does not employ, contract with, or subcontract with an unauthorized alien. The contractor is required to keep a copy of the Affidavit for the duration of the agreement.

In addition, Section 448.095, *Florida Statutes* requires that the District, contractor or subcontractor must terminate a contract with a person or entity if the District, contractor or subcontractor has a good faith belief that such person or entity has violated Section 448.09(1), *Florida Statutes*:

"It shall be unlawful for any person knowingly to employ, hire, recruit, or refer, either for herself or himself or on behalf of another, for private or public employment within the state, an alien who is not duly authorized to work by the immigration laws or the Attorney General of the United States."

If the District has a good faith belief that a subcontractor knowingly violated Section 448.095(2)(c), *Florida Statutes*, but the contractor otherwise complied, the District shall promptly notify the contractor and order the contractor to immediately terminate the contract with the subcontractor.

If the District or any other public employer terminates an agreement with a contractor for knowingly violating Section 448.095(2)(c), *Florida Statutes*, the contractor may not be awarded a public contract for at least one (1) year after the date on which the Agreement was terminated. Moreover, a contractor is liable for any additional costs incurred by the District as a result of the termination of a contract due to the foregoing.

For each District, the District Manager shall immediately take the following steps:

1. Enroll your District in the "E-Verify system" at: <https://www.e-verify.gov/>. To enroll, the Chairperson or other authorized signer for the District must electronically sign the "E-Verify Memorandum of Understanding for Employers" ("MOU"). The District's Board of Supervisors shall ratify the execution of the MOU thereafter. The MOU details the responsibilities of the Social Security Administration, the U.S. Department of Homeland Security and the District.

As outlined in the attached “**E-Verify User Manual**,” under the E-Verify system, the District’s responsibilities include:

- Agreeing to follow the guidelines outlined in the MOU and the **E-Verify User Manual** (attached);
 - Notifying each job applicant of E-Verify participation by clearly displaying the “Notice of E-Verify Participation” and the “Right to Work” posters in English and Spanish (posters are available in the Employer Resources page at: <https://www.e-verify.gov/employers/employer-resources>);
 - Completing Form I-9 for each newly hired employee before creating a case in the E-Verify system;
 - Obtaining a Social Security number for each newly hired employee on Form I-9;
 - Ensuring that “Form I-9 List B” identity documents include a photograph;
 - **Creating a case for each newly hired employee no later than the third business day after he or she starts work for pay;**
 - Entering the employee’s email address in the E-Verify system if it was provided on Form I-9;
 - Providing each employee with notice of and opportunity to take action in the event of a “Tentative Nonconfirmation,” as described in the attached **E-Verify User Manual**; and
 - Ensuring that all personally identifiable information is safeguarded.
2. Of great importance, the District Manager must ensure that E-Verify system language requiring compliance is included in all contracts/agreements entered into by the District: We can assist you in drafting the appropriate language to alert contractors to these new requirements as contracts are bid or proposals requested, and then for the actual contracts when they are drafted..

To confirm compliance, the District may ask contractors to provide a Certificate from the E-Verify system or other proof of registration with the E-Verify system.

Thank you for your attention to this matter and please contact us with any questions.

SECTION VIII

**SHINGLE CREEK
COMMUNITY DEVELOPMENT DISTRICT
OSCEOLA COUNTY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2020**

DRAFT

**SHINGLE CREEK COMMUNITY DEVELOPMENT DISTRICT
OSCEOLA COUNTY, FLORIDA**

TABLE OF CONTENTS

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

DRAFT

INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Shingle Creek Community Development District
Osceola County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Shingle Creek Community Development District, Osceola County, Florida ("District") as of and for the fiscal year ended September 30, 2020, 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, 2020, and the respective changes in financial position, thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

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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 XXXX, 202X, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

XXXX, 202X

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Shingle Creek Community Development District, Osceola County, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2020. 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 \$26,011,055.
- The change in the District's total net position in comparison with the prior fiscal year was (\$19,586,500), 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, 2020, the District's governmental funds reported combined ending fund balances of \$3,251,464, an increase of \$191,504 in comparison with the prior fiscal year. The total fund balance is restricted for debt service and capital projects, non-spendable for prepaid items, and the remainder is unassigned fund balance which is available for spending at the District's discretion.

OVERVIEW OF FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

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

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

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

The government-wide financial statements include all governmental activities that are principally supported by assessments. 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 balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains three 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 fund, debt service and capital projects funds which are major funds.

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

Notes to the Financial Statements

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

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 fiscal year.

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

| NET POSITION SEPTEMBER 30, | | |
|-------------------------------------|---------------|---------------|
| | 2020 | 2019 |
| Current and other assets | \$ 3,256,253 | \$ 3,064,488 |
| Capital assets, net of depreciation | 60,887,339 | 81,345,564 |
| Total assets | 64,143,592 | 84,410,052 |
| Current liabilities | 780,538 | 790,548 |
| Long-term liabilities | 37,351,999 | 38,021,949 |
| Total liabilities | 38,132,537 | 38,812,497 |
| Net position | | |
| Net investment in capital assets | 23,537,685 | 43,325,232 |
| Restricted | 1,993,180 | 1,917,234 |
| Unrestricted | 480,190 | 355,089 |
| Total net position | \$ 26,011,055 | \$ 45,597,555 |

The District's net position reflects its investment in capital assets (e.g. land, land improvements, and infrastructure) less any related debt used to acquire those assets that is still outstanding. These assets are used to provide services to residents; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

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GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The restricted portion of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the District's other obligations.

The District's net position decreased during the most recent fiscal year. The majority of the decrease is attributed to the conveyance of completed infrastructure to another entity for maintenance and ownership responsibilities.

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, | | |
|--|---------------|---------------|
| Revenues: | 2020 | 2019 |
| Program revenues | | |
| Charges for services | \$ 3,148,932 | \$ 2,257,479 |
| Operating grants and contributions | 24,036 | 43,401 |
| Capital grants and contributions | 8,398 | 108,201 |
| Total revenues | 3,181,366 | 2,409,081 |
| Expenses: | | |
| General government | 91,961 | 114,702 |
| Maintenance and operations | 1,243,551 | 1,159,373 |
| Interest | 1,879,248 | 1,556,568 |
| Bond issue costs | - | 547,900 |
| Conveyances of infrastructure | 19,553,106 | - |
| Total expenses | 22,767,866 | 3,378,543 |
| Change in net position | (19,586,500) | (969,462) |
| Net position - beginning | 45,597,555 | 46,567,017 |
| Net position - ending | \$ 26,011,055 | \$ 45,597,555 |

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2020 was \$22,767,866. The costs of the District's activities were partially funded by program revenues. Program revenue was comprised primarily of assessments. The increase in program revenues over the prior year is the result of an increase in special assessments associated with the Series 2019 Bond assessments levied in the current year. The large increase in expenses is due to the conveyance of completed infrastructure to another entity for maintenance and ownership responsibilities.

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, 2020, the current fiscal year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2020, the District had \$66,820,370 invested in capital assets for its governmental activities. In the government-wide financial statements depreciation of \$5,933,031 has been taken, which resulted in a net book value of \$60,887,339. More detailed information about the District's capital assets is presented in the notes of the financial statements.

Capital Debt

At September 30, 2020, the District had \$37,605,000 Bonds outstanding for its governmental activities. More detailed information about the District's capital debt is presented in the notes of the financial statements.

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ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND OTHER EVENTS

The District anticipates an increase in operating expenses as the District continues to be built out.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, land owners, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact the Shingle Creek Community Development District's Finance Department at 219 E. Livingston Street, Orlando, FL 32801.

**SHINGLE CREEK COMMUNITY DEVELOPMENT DISTRICT
OSCEOLA COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2020**

| | Governmental Activities |
|----------------------------------|----------------------------|
| ASSETS | |
| Cash | \$ 456,363 |
| Assessments receivable | 19,594 |
| Prepays and other assets | 25,220 |
| Restricted assets: | |
| Investments | 2,755,076 |
| Capital assets: | |
| Nondepreciable | 22,315,159 |
| Depreciable, net | 38,572,180 |
| Total assets | <u>64,143,592</u> |
| LIABILITIES | |
| Accounts payable | 4,789 |
| Accrued interest payable | 775,749 |
| Non-current liabilities: | |
| Due within one year | 705,000 |
| Due in more than one year | 36,646,999 |
| Total liabilities | <u>38,132,537</u> |
| NET POSITION | |
| Net investment in capital assets | 23,537,685 |
| Restricted for debt service | 1,993,180 |
| Unrestricted | 480,190 |
| Total net position | <u>\$ 26,011,055</u> |

See notes to the financial statements

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**SHINGLE CREEK COMMUNITY DEVELOPMENT DISTRICT
OSCEOLA COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020**

| | Major Funds | | | Total Governmental Funds |
|--|-------------------|---------------------|---------------------|--------------------------------|
| | General | Debt Service | Capital Projects | |
| ASSETS | | | | |
| Cash | \$ 456,363 | \$ - | \$ - | \$ 456,363 |
| Investments | - | 2,752,731 | 2,345 | 2,755,076 |
| Assessments receivable | 3,396 | 16,198 | - | 19,594 |
| Prepays and other assets | 25,220 | - | - | 25,220 |
| Total assets | \$ 484,979 | \$ 2,768,929 | \$ 2,345 | \$ 3,256,253 |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ 4,789 | \$ - | \$ - | \$ 4,789 |
| Total liabilities | 4,789 | - | - | 4,789 |
| Fund balances: | | | | |
| Nonspendable: | | | | |
| Prepaid items | 25,220 | - | - | 25,220 |
| Restricted for: | | | | |
| Debt service | - | 2,768,929 | - | 2,768,929 |
| Capital projects | - | - | 2,345 | 2,345 |
| Unassigned | 454,970 | - | - | 454,970 |
| Total fund balances | 480,190 | 2,768,929 | 2,345 | 3,251,464 |
| Total liabilities and fund balances | \$ 484,979 | \$ 2,768,929 | \$ 2,345 | \$ 3,256,253 |

See notes to the financial statements

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**SHINGLE CREEK COMMUNITY DEVELOPMENT DISTRICT
OSCEOLA COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2020**

| | | |
|-----------------------------------|----|-----------|
| Fund balance - governmental funds | \$ | 3,251,464 |
|-----------------------------------|----|-----------|

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 in the net position of the government as a whole.

| | | |
|--------------------------|-------------|------------|
| Cost of capital assets | 66,820,370 | |
| Accumulated depreciation | (5,933,031) | 60,887,339 |

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

| | | |
|---|----|-------------------|
| Accrued interest payable | | (775,749) |
| Bonds payable | | (37,351,999) |
| Net position of governmental activities | \$ | <u>26,011,055</u> |

See notes to the financial statements

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**SHINGLE CREEK COMMUNITY DEVELOPMENT DISTRICT
OSCEOLA COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

| | Major Funds | | | Total Governmental Funds |
|--|-------------|--------------|---------------------|--------------------------------|
| | General | Debt Service | Capital Projects | |
| REVENUES | | | | |
| Assessments | \$ 547,839 | \$ 2,601,093 | \$ - | \$ 3,148,932 |
| Interest | - | 24,036 | 8,398 | 32,434 |
| Total revenues | 547,839 | 2,625,129 | 8,398 | 3,181,366 |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | 91,961 | - | - | 91,961 |
| Maintenance and operations | 330,777 | - | - | 330,777 |
| Debt service: | | | | |
| Principal | - | 680,000 | - | 680,000 |
| Interest | - | 1,879,469 | - | 1,879,469 |
| Capital outlay | - | - | 7,655 | 7,655 |
| Total expenditures | 422,738 | 2,559,469 | 7,655 | 2,989,862 |
| Excess (deficiency) of revenues over (under) expenditures | 125,101 | 65,660 | 743 | 191,504 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in (out) | - | 15 | (15) | - |
| Total other financing sources | - | 15 | (15) | - |
| Net change in fund balances | 125,101 | 65,675 | 728 | 191,504 |
| Fund balances - beginning | 355,089 | 2,703,254 | 1,617 | 3,059,960 |
| Fund balances - ending | \$ 480,190 | \$ 2,768,929 | \$ 2,345 | \$ 3,251,464 |

See notes to the financial statements

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**SHINGLE CREEK COMMUNITY DEVELOPMENT DISTRICT
OSCEOLA 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, 2020**

| | |
|---|------------------------|
| Net change in fund balances - total governmental funds | \$ 191,504 |
| Amounts reported for governmental activities in the statement of activities are different because: | |
| Governmental funds report capital outlays as expenditures, however, in the statement of activities the cost of those assets is eliminated and capitalized as capital assets in the statement of net position. | 7,655 |
| Depreciation on capital assets is not recognized in the governmental fund statement but is reported as an expense in the statement of activities. | (912,774) |
| Conveyances of infrastructure improvements to other governments of previously capitalized capital assets is recorded as an expense in the statement of activities. | (19,553,106) |
| The change in accrued interest on long-term liabilities between the current and prior fiscal year is recorded in the statement of activities but not in the fund financial statements. | 10,271 |
| Amortization of Bond discounts/premiums is not recognized in the governmental fund financial statements, but is reported as an expense in the statement of activities. | (10,050) |
| Repayment of long-term liabilities are reported as expenditures in the governmental fund statement but such repayments reduce liabilities in the statement of net position and are eliminated in the statement of activities. | 680,000 |
| Change in net position of governmental activities | <u>\$ (19,586,500)</u> |

See notes to the financial statements

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**SHINGLE CREEK COMMUNITY DEVELOPMENT DISTRICT
OSCEOLA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

Shingle Creek Community Development District ("District") was established on May 23, 2005 by the Board of County Commissioners of Osceola County, Osceola County Ordinance 2005-15, pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes and expanded by Osceola County Ordinance 2018-75 on November 5, 2018. The Act provides, among other things, the power to manage basic services for community development and to levy and assess non-ad valorem assessments for the financing and maintenance of improvements.

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 of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes. At September 30, 2020, all of the Board members are affiliated with LEN OT Holdings, 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 Board of Supervisors is considered to be financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

NOTE 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*.

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

Assessments

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

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

The District reports the following major governmental funds:

General Fund

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

Debt Service Fund

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

Capital Projects Fund

This fund accounts for the financial resources to be used for the acquisition or construction of major infrastructure within the District.

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

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

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.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

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. In addition, surplus funds may be deposited into certificates of deposit which are insured and any unspent Bond proceeds are required to be held in investments as specified in the Bond Indenture.

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 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

| <u>Asset</u> | <u>Life</u> |
|----------------|-------------|
| Infrastructure | 30 |

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.

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.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 all governmental funds. 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 hearing(s) 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, unless otherwise delegated by the District Board.
- e) The budgets are adopted on a basis consistent with generally accepted accounting principles.
- f) Unused appropriation for annually budgeted funds lapse at the end of the year.

NOTE 4 – DEPOSITS AND INVESTMENTS

Deposits

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

Investments

The District's investments were held as follows at September 30, 2020:

| | Amortized Cost | Credit Risk | Maturities |
|-------------------------------|---------------------|-------------|---|
| Fidelity Government Portfolio | \$ 2,755,076 | S&P AAAM | Weighted average of the fund portfolio: 45 days |
| Total Investments | <u>\$ 2,755,076</u> | | |

Credit risk – For investments, credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investment ratings by investment type are included in the preceding summary of investments.

Concentration risk – The District places no limit on the amount the District may invest in any one issuer.

Interest rate risk – The District does not have a formal policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

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NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

However, the Bond Indenture limits the type of investments held using unspent proceeds.

Fair Value Measurement – When applicable, the District measures and records its investments using fair value measurement guidelines established in accordance with GASB Statements. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques.

These guidelines recognize a three-tiered fair value hierarchy, in order of highest priority, as follows:

- *Level 1:* Investments whose values are based on unadjusted quoted prices for identical investments in active markets that the District has the ability to access;
- *Level 2:* Investments whose inputs - other than quoted market prices - are observable either directly or indirectly; and,
- *Level 3:* Investments whose inputs are unobservable.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the entire fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

Money market investments that have a maturity at the time of purchase of one year or less and are held by governments other than external investment pools should be measured at amortized cost. Accordingly, the District's investments have been reported at amortized cost above.

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2020 was as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance |
|--|----------------------|---------------|---------------|-------------------|
| <u>Governmental activities</u> | | | | |
| Capital assets, not being depreciated | | | | |
| Land and land improvements | \$ 22,315,159 | \$ - | \$ - | \$ 22,315,159 |
| Infrastructure under construction | 36,667,449 | 7,655 | 36,675,104 | - |
| Total capital assets, not being depreciated | 58,982,608 | 7,655 | 36,675,104 | 22,315,159 |
| Capital assets, being depreciated | | | | |
| Infrastructure | 27,383,213 | 17,121,998 | - | 44,505,211 |
| Total capital assets, being depreciated | 27,383,213 | 17,121,998 | - | 44,505,211 |
| Less accumulated depreciation for: | | | | |
| Infrastructure | 5,020,257 | 912,774 | - | 5,933,031 |
| Total accumulated depreciation | 5,020,257 | 912,774 | - | 5,933,031 |
| Total capital assets, being depreciated, net | 22,362,956 | 16,209,224 | - | 38,572,180 |
| Governmental activities capital assets | \$ 81,345,564 | \$ 16,216,879 | \$ 36,675,104 | \$ 60,887,339 |

The District has issued Series 2006, 2015, and 2019 Bonds in previous fiscal years to finance the construction project. The 2006 project has been declared complete by the District Engineer in a previous fiscal year and is comprised of land and land improvements and infrastructure. The Series 2015 and 2019 projects were declared complete during the current fiscal year and are comprised of infrastructure improvements. \$19,553,106 of capital assets were recognized as conveyed to other entities for ownership and maintenance in accordance with the completion of the Series 2015 and 2019 projects.

Depreciation expense was charged to the maintenance and operations function.

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NOTE 6 – LONG-TERM LIABILITIES

Series 2015

On May 13, 2015, the District issued \$21,465,000 of Special Assessment Bonds, Series 2015 consisting of multiple term bonds with maturity dates ranging from November 1, 2020 to November 1, 2045 and fixed interest rates ranging from 3.625% to 5.4%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. Interest is to be paid semiannually on each May 1 and November 1. Principal on the Bonds is to be paid serially commencing November 1, 2016 through November 1, 2045.

The Series 2015 Bonds are subject to redemption at the option of the District prior to their maturity. The Bonds are subject to extraordinary mandatory redemption prior to their selected maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture.

The Bond Indenture established a debt service reserve requirement as well as other restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District was in compliance with the requirements at September 30, 2020.

Series 2019

On February 1, 2019, the District issued \$17,895,000 of Special Assessment Bonds, Series 2019 consisting of multiple term bonds with maturity dates ranging from May 1, 2024 to May 1, 2049 and fixed interest rates ranging from 3.625% to 5%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. Interest is to be paid semiannually on each May 1 and November 1. Principal on the Bonds is to be paid serially commencing May 1, 2020 through May 1, 2049.

The Series 2019 Bonds are subject to redemption at the option of the District prior to their maturity. The Bonds are subject to extraordinary mandatory redemption prior to their selected maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture.

The Bond Indenture established a debt service reserve requirement as well as other restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District was in compliance with the requirements at September 30, 2020.

Long-term Debt Activity

Changes in long-term liability activity for the fiscal year ended September 30, 2020 were as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|------------------------------|----------------------|-----------|------------|----------------|------------------------|
| Bonds payable: | | | | | |
| Series 2015 | \$ 20,390,000 | \$ - | \$ 385,000 | \$ 20,005,000 | \$ 400,000 |
| Less original issue discount | 249,850 | - | 9,610 | 240,240 | - |
| Series 2019 | 17,895,000 | - | 295,000 | 17,600,000 | 305,000 |
| Less original issue discount | 13,201 | - | 440 | 12,761 | - |
| Total | \$ 38,021,949 | \$ - | \$ 669,950 | \$ 37,351,999 | \$ 705,000 |

NOTE 6 – LONG-TERM LIABILITIES (Continued)

At September 30, 2020, the scheduled debt service requirements on the long-term debt were as follows:

| Year ending September 30: | Principal | Interest | Total |
|------------------------------|----------------------|----------------------|----------------------|
| 2021 | \$ 705,000 | \$ 1,854,548 | \$ 2,559,548 |
| 2022 | 735,000 | 1,826,904 | 2,561,904 |
| 2023 | 760,000 | 1,796,291 | 2,556,291 |
| 2024 | 795,000 | 1,764,529 | 2,559,529 |
| 2025 | 825,000 | 1,731,323 | 2,556,323 |
| 2026-2030 | 4,725,000 | 8,058,555 | 12,783,555 |
| 2031-2035 | 6,010,000 | 6,776,623 | 12,786,623 |
| 2036-2040 | 7,680,000 | 5,090,503 | 12,770,503 |
| 2041-2045 | 9,910,000 | 2,845,065 | 12,755,065 |
| 2046-2049 | 5,460,000 | 562,585 | 6,022,585 |
| Total | <u>\$ 37,605,000</u> | <u>\$ 32,306,926</u> | <u>\$ 69,911,926</u> |

NOTE 7 – DEVELOPER TRANSACTIONS

The Developer owns a portion of land within the District; therefore, assessment revenues in the general and debt service funds include the assessments levied on those lots owned by the Developer.

NOTE 8 – CONCENTRATION

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

NOTE 9 – MANAGEMENT COMPANY

The District has contracted with a management company to perform management advisory services, which include financial and accounting 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 10 – 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 over the past three years.

**SHINGLE CREEK COMMUNITY DEVELOPMENT DISTRICT
OSCEOLA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

| | Budgeted Amounts Original & Final | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|--|--|-------------------|---|
| REVENUES | | | |
| Assessments | \$ 540,824 | \$ 547,839 | \$ 7,015 |
| Developer contributions | 59,133 | - | (59,133) |
| Total revenues | <u>599,957</u> | <u>547,839</u> | <u>(52,118)</u> |
| EXPENDITURES | | | |
| Current: | | | |
| General government | 143,100 | 91,961 | 51,139 |
| Maintenance and operations | 456,857 | 330,777 | 126,080 |
| Total expenditures | <u>599,957</u> | <u>422,738</u> | <u>177,219</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>\$ -</u> | 125,101 | <u>\$ 125,101</u> |
| Fund balance - beginning | | <u>355,089</u> | |
| Fund balance - ending | | <u>\$ 480,190</u> | |

See notes to required supplementary information

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**SHINGLE CREEK COMMUNITY DEVELOPMENT DISTRICT
OSCEOLA 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, 2020, the current fiscal year.

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

To the Board of Supervisors
Shingle Creek Community Development District
Osceola 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 Shingle Creek Community Development District, Osceola County, Florida ("District") as of and for the fiscal year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated XXXX, 202X.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

XXXX, 202X

**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
Shingle Creek Community Development District
Osceola County, Florida

We have examined Shingle Creek Community Development District, Osceola 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, 2020. 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, 2020.

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 Shingle Creek Community Development District, Osceola County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

XXXX, 202X

DRAFT

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

To the Board of Supervisors
Shingle Creek Community Development District
Osceola County, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of Shingle Creek Community Development District, Osceola County, Florida ("District") as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated XXXX, 202X.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated XXXX, 202X, 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 Shingle Creek Community Development District, Osceola County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

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

XXXX, 202X

DRAFT

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

None

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

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

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

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2019.

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, 2020.

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, 2020.

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, 2020. 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 IX

SECTION C

SECTION 1

Shingle Creek

Community Development District

Summary of Checks

November 30, 2020 to January 25, 2021

| Bank | Date | Check # | Amount |
|--------------|----------|---------|------------------------|
| General Fund | 12/3/20 | 484-485 | \$ 830.02 |
| | 12/7/20 | 486 | \$ 4,863.17 |
| | 12/8/20 | 487-488 | \$ 3,290.00 |
| | 12/10/20 | 489-490 | \$ 1,578,306.14 |
| | 12/17/20 | 491-494 | \$ 19,742.65 |
| | 12/22/20 | 495-498 | \$ 99,557.37 |
| | 1/7/21 | 499-500 | \$ 6,289.50 |
| | 1/14/21 | 501 | \$ 491.36 |
| | 1/21/21 | 502-504 | \$ 18,993.85 |
| | | | <hr/> |
| | | | \$ 1,732,364.06 |
| | | | <hr/> |
| | | | \$ 1,732,364.06 |

GENERAL FUND
 BANK A GENERAL FUND

| CHECK DATE | VEND# | INVOICE DATE | INVOICE | EXPENSED TO | YRMO | DPT | ACT# | SUB | SUBCLASS | VENDOR NAME | STATUS | AMOUNT |CHECK.... AMOUNT # |
|------------|-------|--------------|--------------------------|------------------------|------|-----|------|-----|----------|------------------------------------|--------|------------|---------------------------|
| 12/03/20 | 00016 | 11/20/20 | 95164 | 202010 310-51300-31500 | | | | | | LATHAM, LUNA, EDEN & BEAUDINE, LLP | * | 30.00 | 30.00 000484 |
| | | | REV AGDA & PROVIDE NOTES | | | | | | | | | | |
| 12/03/20 | 00013 | 10/19/20 | 27107417 | 202010 310-51300-48000 | | | | | | NOT.LND OWNER/BD MTG 11/2 | * | 800.02 | 800.02 000485 |
| | | | | | | | | | | ORLANDO SENTINEL | | | |
| 12/07/20 | 00011 | 12/01/20 | 126 | 202012 310-51300-34000 | | | | | | MANAGEMENT FEES DEC20 | * | 2,916.67 | 2,916.67 |
| | | 12/01/20 | 126 | 202012 310-51300-35200 | | | | | | INFORMATION TECH DEC20 | * | 100.00 | 100.00 |
| | | 12/01/20 | 126 | 202012 310-51300-31300 | | | | | | DISSEMINATION FEE DEC20 | * | 583.33 | 583.33 |
| | | 12/01/20 | 126 | 202012 310-51300-51000 | | | | | | OFFICE SUPPLIES | * | .12 | .12 |
| | | 12/01/20 | 126 | 202012 310-51300-42000 | | | | | | POSTAGE | * | 13.05 | 13.05 |
| | | 12/01/20 | 127 | 202012 320-53800-12000 | | | | | | FIELD MANAGEMENT DEC20 | * | 1,250.00 | 1,250.00 |
| | | | | | | | | | | GOVERNMENTAL MANAGEMENT SERVICES | | | 4,863.17 000486 |
| 12/08/20 | 00007 | 12/01/20 | 53851 | 202012 320-53800-47000 | | | | | | WATERWAY MAINT - 3 PONDS | * | 840.00 | 840.00 |
| | | 12/01/20 | 53851 | 202012 320-53800-47000 | | | | | | ADDITIONAL SRVS - 4 PONDS | * | 210.00 | 210.00 |
| | | 12/01/20 | 53851 | 202012 320-53800-47000 | | | | | | ADDITIONAL SRVS - 3 PONDS | * | 240.00 | 240.00 |
| | | | | | | | | | | AQUATIC WEED CONTROL, INC. | | | 1,290.00 000487 |
| 12/08/20 | 00030 | 12/03/20 | 20299 | 202011 310-51300-32200 | | | | | | FY20 AUDIT SERVICES NOV20 | * | 2,000.00 | 2,000.00 |
| | | | | | | | | | | GRAU & ASSOCIATES | | | 2,000.00 000488 |
| 12/10/20 | 00012 | 12/10/20 | 12102020 | 202012 300-20700-10000 | | | | | | FY21 DEBT SERV SER 2015 | * | 943,122.08 | 943,122.08 |
| | | | | | | | | | | SHINGLE CREEK CDD C/O REGIONS BANK | | | 943,122.08 000489 |
| 12/10/20 | 00012 | 12/10/20 | 12102020 | 202012 300-20700-10100 | | | | | | FY21 DEBT SERV SER 2019 | * | 635,184.06 | 635,184.06 |
| | | | | | | | | | | SHINGLE CREEK CDD C/O REGIONS BANK | | | 635,184.06 000490 |
| 12/17/20 | 99999 | 12/17/20 | VOID | 202012 000-00000-00000 | | | | | | VOID CHECK | C | .00 | .00 |
| | | | | | | | | | | *****INVALID VENDOR NUMBER***** | | | .00 000491 |

SHIN SHINGLE CREEK TVISCARRA

AP300R

*** CHECK DATES 11/30/2020 - 01/25/2021 *** YEAR-TO-DATE ACCOUNTS PAYABLE PREPAID/COMPUTER CHECK REGISTER RUN 1/25/21 PAGE 2

GENERAL FUND
BANK A GENERAL FUND

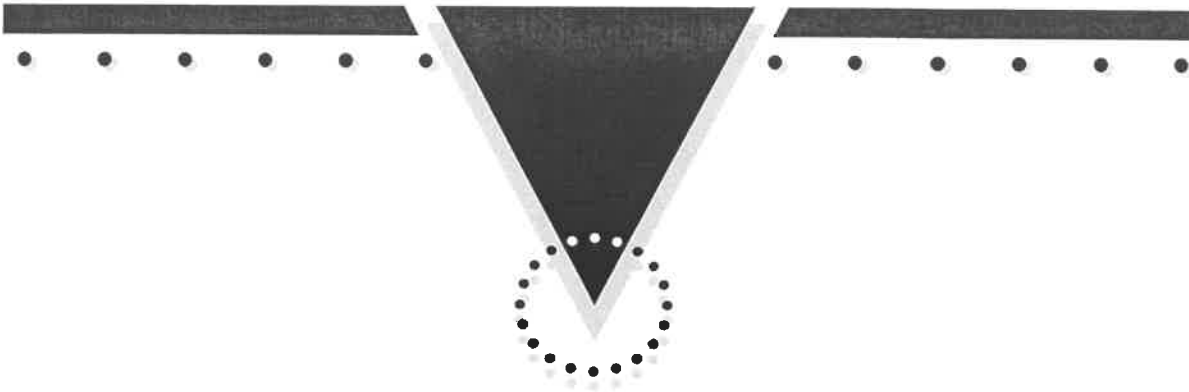
| CHECK DATE | CHECK VENDOR# | INVOICE DATE | INVOICE | EXPENSED TO | YRMO | DPT | ACCT# | SUB | SUBCLASS | VENDOR NAME | STATUS | AMOUNT |CHECK.... AMOUNT # |
|------------|---------------|--------------|-----------------|------------------------------------|--------|-----|-------|-------|----------|-------------|--------|-----------|---------------------------|
| 12/17/20 | 00023 | 12/10/20 | 81466 | LANDSCAPE-PHASE I-DEC20 | 202012 | 320 | 53800 | 46200 | | | * | 6,116.00 | |
| 12/10/20 | 81466 | 202012 | 320-53800-46200 | | | | | | | | * | 1,423.00 | |
| 12/10/20 | 81466 | 202012 | 320-53800-46200 | | | | | | | | * | 350.00 | |
| 12/10/20 | 81466 | 202012 | 320-53800-46200 | | | | | | | | * | 1,150.00 | |
| 12/10/20 | 81466 | 202012 | 320-53800-46200 | | | | | | | | * | 2,792.35 | |
| 12/10/20 | 81466 | 202012 | 320-53800-46200 | | | | | | | | * | 390.81 | |
| 12/10/20 | 81466 | 202012 | 320-53800-46200 | | | | | | | | * | 201.36 | |
| 12/10/20 | 81466 | 202012 | 320-53800-46200 | | | | | | | | * | 175.14 | |
| 12/10/20 | 81466 | 202012 | 320-53800-46200 | | | | | | | | * | 293.33 | |
| 12/10/20 | 81466 | 202012 | 320-53800-46200 | | | | | | | | * | 496.19 | |
| 12/10/20 | 81466 | 202012 | 320-53800-46200 | | | | | | | | * | 202.58 | |
| 12/10/20 | 81466 | 202012 | 320-53800-46200 | | | | | | | | * | 2,075.90 | |
| 12/10/20 | 81466 | 202012 | 320-53800-46200 | | | | | | | | * | 2,055.36 | |
| 12/10/20 | 81466 | 202012 | 320-53800-46200 | | | | | | | | * | 232.22 | |
| 12/10/20 | 81466 | 202012 | 320-53800-46200 | | | | | | | | * | 271.50 | |
| 12/10/20 | 81466 | 202012 | 320-53800-46200 | | | | | | | | * | 570.91 | |
| 12/17/20 | 00028 | 12/04/20 | 62733 | DOWN TO EARTH LAWN CARE II, INC | 202011 | 310 | 51300 | 31100 | | | * | 18,796.65 | 000492 |
| 12/17/20 | 00016 | 12/14/20 | 95487 | HAMILTON ENGINEERING & SURVEYING | 202011 | 310 | 51300 | 31500 | | | * | 190.00 | 000493 |
| 12/22/20 | 00023 | 12/11/20 | 83078 | LATHAM, LUNA, EDEN & BEAUDINE, LLP | 202012 | 320 | 53800 | 46400 | | | * | 756.00 | 000494 |
| 12/22/20 | 00023 | 12/11/20 | 83078 | DOWN TO EARTH LAWN CARE II, INC | 202012 | 320 | 53800 | 46400 | | | * | 741.06 | 000495 |
| 12/22/20 | 00023 | 12/11/20 | 83078 | SHIN SHINGLE CREEK TVISCARRA | 202012 | 320 | 53800 | 46400 | | | * | 741.06 | 000495 |

GENERAL FUND
 BANK A GENERAL FUND

| CHECK DATE | VEND# |INVOICE DATE |EXPENSED TO INVOICE YRMO | DPT ACT# | SUB | SUBCLASS | VENDOR NAME | STATUS | AMOUNT |CHECK.... AMOUNT # |
|---------------|-------|----------------------|----------------------------------|------------------|-----------------|----------|------------------------------------|--------|-----------|---------------------------|
| 12/22/20 | 00012 | 12/22/20 | 12222020 | 202012 | 300-20700-10000 | | SHINGLE CREEK CDD C/O REGIONS BANK | * | 58,719.36 | 58,719.36 000496 |
| | | | FY21 | DEBT | SERV | SER 2015 | | | | |
| 12/22/20 | 00012 | 12/22/20 | 12222020 | 202012 | 300-20700-10100 | | SHINGLE CREEK CDD C/O REGIONS BANK | * | 39,546.95 | 39,546.95 |
| | | | FY21 | DEBT | SERV | SER 2019 | | | | |
| 12/22/20 | 00005 | 10/01/20 | 2080 | 202010 | 310-51300-31200 | | SHINGLE CREEK CDD C/O REGIONS BANK | * | 550.00 | 39,546.95 000497 |
| | | | SERIES | 2015 | ARBITRAGE | | | | | |
| 1/07/21 | 00011 | 1/01/21 | 128 | 202101 | 310-51300-34000 | | LLS TAX SOLUTIONS INC. | * | 2,916.67 | 550.00 000498 |
| | | | MANAGEMENT | FEES | JAN21 | | | | | |
| 1/01/21 | 128 | 202101 | 310-51300-35200 | | | | | * | 100.00 | |
| | | | INFORMATION | TECH | JAN21 | | | | | |
| 1/01/21 | 128 | 202101 | 310-51300-31300 | | | | | * | 583.33 | |
| | | | DISSEMINATION | FEES | JAN21 | | | | | |
| 1/01/21 | 128 | 202101 | 310-51300-51000 | | | | | * | .27 | |
| | | | OFFICE | SUPPLIES | | | | | | |
| 1/01/21 | 128 | 202101 | 310-51300-42000 | | | | | * | 149.23 | |
| | | | POSTAGE | | | | | | | |
| 1/01/21 | 129 | 202101 | 320-53800-12000 | | | | | * | 1,250.00 | |
| | | | FIELD | MANAGEMENT | JAN21 | | | | | |
| 1/07/21 | 00007 | 1/01/21 | 5485 | 202101 | 320-53800-47000 | | GOVERNMENTAL MANAGEMENT SERVICES | * | 840.00 | 4,999.50 000499 |
| | | | WATERWAY | MAINT | - 3 PONDS | | | | | |
| 1/01/21 | 5485 | 202101 | 320-53800-47000 | | | | | * | 210.00 | |
| | | | ADDITIONAL | SRVS | - 4 PONDS | | | | | |
| 1/01/21 | 5485 | 202101 | 320-53800-47000 | | | | | * | 240.00 | |
| | | | ADDITIONAL | SRVS | - 3 PONDS | | | | | |
| 1/14/21 | 00023 | 12/31/20 | 83706 | 202012 | 320-53800-46400 | | AQUATIC WEED CONTROL, INC. | * | 491.36 | 1,290.00 000500 |
| | | | RPR | MAINLN,CLK2,ZN33 | N.R. | | | | | |
| 1/21/21 | 99999 | 1/21/21 | VOID | 202101 | 000-00000-00000 | | DOWN TO EARTH LANWCARE II, INC | C | .00 | 491.36 000501 |
| | | | VOID | CHECK | | | | | | |
| 1/21/21 | 00023 | 1/10/21 | 83619 | 202101 | 320-53800-46200 | | *****INVALID VENDOR NUMBER***** | | .00 | 000502 |
| | | | LANDSCAPE-PHASE | I-JAN21 | | | | * | 6,116.00 | |
| 1/10/21 | 83619 | 202101 | 320-53800-46200 | | | | | * | 1,423.00 | |
| | | | LNDSKP-PHII-STOREY | LAKE | | | | | | |

SHIN SHINGLE CREEK TVISCARRA

SECTION 2



Shingle Creek
Community Development District

Unaudited Financial Reporting

December 31, 2020



Table of Contents

| | |
|---|--|
| 1 | <u>Balance Sheet</u> |
| 2 | <u>General Fund Income Statement</u> |
| 3 | <u>Debt Service Fund Series 2015</u> |
| 4 | <u>Debt Service Fund Series 2019</u> |
| 5 | <u>Capital Projects Fund Series 2015</u> |
| 6 | <u>Capital Projects Fund Series 2019</u> |
| 7 | <u>Month to Month</u> |
| 8 | <u>Long Term Debt Summary</u> |
| 9 | <u>FY21 Assessment Receipt Schedule</u> |

Shingle Creek
COMMUNITY DEVELOPMENT DISTRICT
BALANCE SHEET
December 31, 2020

| | General Fund | Debt Service Fund | Capital Projects Fund | Totals 2021 |
|--|------------------|----------------------|--------------------------|--------------------|
| <u>ASSETS:</u> | | | | |
| <u>CASH</u> | | | | |
| OPERATING ACCOUNT - SUNTRUST | \$891,572 | --- | --- | \$891,572 |
| <u>INVESTMENTS</u> | | | | |
| SERIES 2015 | | | | |
| RESERVE | --- | \$716,707 | --- | \$716,707 |
| REVENUE | --- | \$1,264,385 | --- | \$1,264,385 |
| INTEREST | --- | \$3 | --- | \$3 |
| SINKING FUND | --- | \$416 | --- | \$416 |
| CONSTRUCTION | --- | --- | \$1,617 | \$1,617 |
| SERIES 2019 | | | | |
| RESERVE | --- | \$572,029 | --- | \$572,029 |
| REVENUE | --- | \$880,993 | --- | \$880,993 |
| INTEREST | --- | \$2 | --- | \$2 |
| SINKING FUND | --- | \$10 | --- | \$10 |
| CONSTRUCTION | --- | --- | \$728 | \$728 |
| TOTAL ASSETS | \$891,572 | \$3,434,545 | \$2,345 | \$4,328,462 |
| <u>LIABILITIES:</u> | | | | |
| ACCOUNTS PAYABLE | \$719 | --- | --- | \$719 |
| <u>FUND EQUITY:</u> | | | | |
| FUND BALANCES: | | | | |
| RESTRICTED FOR DEBT SERVICE 2015 | --- | \$1,981,510 | --- | \$1,981,510 |
| RESTRICTED FOR DEBT SERVICE 2019 | --- | \$1,453,035 | --- | \$1,453,035 |
| RESTRICTED FOR CAPITAL PROJECTS 2015 | --- | --- | \$1,617 | \$1,617 |
| RESTRICTED FOR CAPITAL PROJECTS 2019 | --- | --- | \$728 | \$728 |
| UNASSIGNED | \$890,853 | --- | --- | \$890,853 |
| TOTAL LIABILITIES & FUND EQUITY | \$891,572 | \$3,434,545 | \$2,345 | \$4,328,462 |

Shingle Creek

COMMUNITY DEVELOPMENT DISTRICT

GENERAL FUND

Statement of Revenues & Expenditures

For The Period Ending December 31, 2020

REVENUES:

| | ADOPTED BUDGET | PRORATED BUDGET THRU 12/31/20 | ACTUAL THRU 12/31/20 | VARIANCE |
|-----------------------------|-------------------|----------------------------------|-------------------------|------------|
| ASSESSMENTS - TAX ROLL | \$647,434 | \$515,973 | \$515,973 | \$0 |
| ASSESSMENTS - DIRECT BILLED | \$47,641 | \$23,820 | \$23,820 | \$0 |
| TOTAL REVENUES | \$695,075 | \$539,794 | \$539,794 | \$0 |

EXPENDITURES:

ADMINISTRATIVE:

| | | | | |
|--------------------------------|----------|----------|---------|---------|
| SUPERVISOR FEES | \$12,000 | \$3,000 | \$200 | \$2,800 |
| FICA EXPENSE | \$918 | \$230 | \$15 | \$214 |
| ENGINEERING | \$15,000 | \$3,750 | \$285 | \$3,465 |
| ATTORNEY | \$25,000 | \$6,250 | \$786 | \$5,464 |
| ARBITRAGE | \$1,100 | \$550 | \$550 | \$0 |
| DISSEMINATION | \$7,000 | \$1,750 | \$1,750 | \$0 |
| ANNUAL AUDIT | \$4,600 | \$2,000 | \$2,000 | \$0 |
| TRUSTEE FEES | \$7,000 | \$0 | \$0 | \$0 |
| ASSESSMENT ADMINISTRATION | \$5,000 | \$5,000 | \$5,000 | \$0 |
| MANAGEMENT FEES | \$35,000 | \$8,750 | \$8,623 | \$127 |
| INFORMATION TECHNOLOGY | \$1,200 | \$300 | \$300 | \$0 |
| TELEPHONE | \$200 | \$50 | \$0 | \$50 |
| POSTAGE | \$500 | \$125 | \$30 | \$95 |
| PRINTING & BINDING | \$500 | \$125 | \$18 | \$107 |
| INSURANCE | \$10,100 | \$10,100 | \$9,611 | \$489 |
| LEGAL ADVERTISING | \$2,500 | \$625 | \$800 | (\$175) |
| OTHER CURRENT CHARGES | \$300 | \$75 | \$0 | \$75 |
| OFFICE SUPPLIES | \$200 | \$50 | \$1 | \$49 |
| PROPERTY APPRAISER | \$550 | \$0 | \$0 | \$0 |
| PROPERTY TAXES | \$700 | \$662 | \$662 | \$0 |
| DUES, LICENSES & SUBSCRIPTIONS | \$175 | \$175 | \$175 | \$0 |

FIELD:

| | | | | |
|--------------------------------|-----------|----------|----------|-----------|
| FIELD SERVICES | \$15,000 | \$3,750 | \$3,125 | \$625 |
| ELECTRIC | \$10,000 | \$2,500 | \$1,781 | \$719 |
| STREETLIGHTS | \$92,500 | \$23,125 | \$15,791 | \$7,334 |
| WATER & SEWER | \$34,500 | \$8,625 | \$3,094 | \$5,531 |
| LANDSCAPE MAINTENANCE | \$292,892 | \$73,223 | \$56,390 | \$16,833 |
| LANDSCAPE CONTINGENCY | \$15,000 | \$3,750 | \$0 | \$3,750 |
| PROPERTY INSURANCE | \$8,500 | \$8,500 | \$10,609 | (\$2,109) |
| LONDON CREEK RANCH MAINTENANCE | \$30,600 | \$7,650 | \$0 | \$7,650 |
| LAKE MAINTENANCE | \$16,480 | \$4,120 | \$3,870 | \$250 |
| LAKE CONTINGENCY | \$1,250 | \$313 | \$0 | \$313 |
| DRAINAGE R&M | \$2,500 | \$625 | \$0 | \$625 |
| IRRIGATION REPAIRS | \$12,000 | \$3,000 | \$3,467 | (\$467) |
| LIGHTING MAINTENANCE | \$1,810 | \$453 | \$0 | \$453 |
| REPAIRS & MAINTENANCE | \$12,500 | \$3,125 | \$197 | \$2,928 |
| PRESSURE WASHING | \$10,000 | \$2,500 | \$0 | \$2,500 |
| CONTINGENCY | \$10,000 | \$2,500 | \$0 | \$2,500 |

| | | | | |
|---------------------------------------|------------------|------------------|------------------|-----------------|
| TOTAL EXPENDITURES | \$695,075 | \$191,325 | \$129,131 | \$62,194 |
| EXCESS REVENUES (EXPENDITURES) | \$0 | | \$410,663 | |
| FUND BALANCE - BEGINNING | \$0 | | \$480,190 | |
| FUND BALANCE - ENDING | \$0 | | \$890,853 | |

Shingle Creek
COMMUNITY DEVELOPMENT DISTRICT

SERIES 2015
DEBT SERVICE FUND

Statement of Revenues & Expenditures
For The Period Ending December 31, 2020

| | ADOPTED BUDGET | PRORATED BUDGET THRU 12/31/20 | ACTUAL THRU 12/31/20 | VARIANCE |
|---------------------------------------|--------------------|----------------------------------|-------------------------|------------------|
| <u>REVENUES:</u> | | | | |
| ASSESSMENTS - TAX ROLL | \$1,434,037 | \$1,142,857 | \$1,142,857 | \$0 |
| INTEREST | \$5,000 | \$1,250 | \$36 | (\$1,214) |
| TOTAL REVENUES | \$1,439,037 | \$1,144,107 | \$1,142,894 | (\$1,214) |
| <u>EXPENDITURES:</u> | | | | |
| INTEREST - 11/1 | \$516,318 | \$516,318 | \$516,318 | \$0 |
| PRINCIPAL - 11/1 | \$400,000 | \$400,000 | \$400,000 | \$0 |
| INTEREST - 05/1 | \$509,068 | \$0 | \$0 | \$0 |
| TOTAL EXPENDITURES | \$1,425,386 | \$916,318 | \$916,318 | \$0 |
| EXCESS REVENUES (EXPENDITURES) | \$13,651 | | \$226,576 | |
| FUND BALANCE - BEGINNING | \$1,020,261 | | \$1,754,934 | |
| FUND BALANCE - ENDING | \$1,033,912 | | \$1,981,510 | |

Shingle Creek

COMMUNITY DEVELOPMENT DISTRICT

SERIES 2019

DEBT SERVICE FUND

Statement of Revenues & Expenditures

For The Period Ending December 31, 2020

| | ADOPTED BUDGET | PRORATED BUDGET THRU 12/31/20 | ACTUAL THRU 12/31/20 | VARIANCE |
|---------------------------------------|--------------------|----------------------------------|-------------------------|----------------|
| REVENUES: | | | | |
| ASSESSMENTS - TAX ROLL | \$965,501 | \$769,704 | \$769,704 | \$0 |
| ASSESSMENTS - DIRECT BILLED | \$167,790 | \$83,895 | \$83,895 | \$0 |
| INTEREST | \$2,500 | \$625 | \$23 | (\$602) |
| TRANSFER IN | \$0 | \$0 | \$0 | \$0 |
| TOTAL REVENUES | \$1,135,791 | \$854,224 | \$853,622 | (\$602) |
| EXPENDITURES: | | | | |
| INTEREST - 11/1 | \$414,581 | \$414,581 | \$414,581 | \$0 |
| PRINCIPAL - 5/1 | \$305,000 | \$0 | \$0 | \$0 |
| INTEREST - 05/1 | \$414,581 | \$0 | \$0 | \$0 |
| TOTAL EXPENDITURES | \$1,134,162 | \$414,581 | \$414,581 | \$0 |
| EXCESS REVENUES (EXPENDITURES) | \$1,629 | | \$439,040 | |
| FUND BALANCE - BEGINNING | \$434,851 | | \$1,013,994 | |
| FUND BALANCE - ENDING | \$436,480 | | \$1,453,035 | |

Shingle Creek

COMMUNITY DEVELOPMENT DISTRICT

SERIES 2015

CAPITAL PROJECTS FUND

Statement of Revenues & Expenditures

For The Period Ending December 31, 2020

| | ADOPTED BUDGET | PRORATED BUDGET THRU 12/31/20 | ACTUAL THRU 12/31/20 | VARIANCE |
|---------------------------------------|-------------------|----------------------------------|-------------------------|--------------|
| <u>REVENUES:</u> | | | | |
| INTEREST | \$0 | \$0 | \$0 | \$0 |
| TOTAL REVENUES | \$0 | \$0 | \$0 | \$0 |
| <u>EXPENDITURES:</u> | | | | |
| CAPITAL OUTLAY | \$0 | \$0 | \$0 | \$0 |
| TRANSFER OUT | \$0 | \$0 | \$0 | (\$0) |
| TOTAL EXPENDITURES | \$0 | \$0 | \$0 | (\$0) |
| EXCESS REVENUES (EXPENDITURES) | \$0 | | \$0 | |
| FUND BALANCE - BEGINNING | \$0 | | \$1,617 | |
| FUND BALANCE - ENDING | \$0 | | \$1,617 | |

Shingle Creek

COMMUNITY DEVELOPMENT DISTRICT

SERIES 2019

CAPITAL PROJECTS FUND

Statement of Revenues & Expenditures

For The Period Ending December 31, 2020

| | ADOPTED BUDGET | PRORATED BUDGET THRU 12/31/20 | ACTUAL THRU 12/31/20 | VARIANCE |
|---------------------------------------|-------------------|----------------------------------|-------------------------|------------|
| <u>REVENUES:</u> | | | | |
| INTEREST | \$0 | \$0 | \$0 | \$0 |
| TOTAL REVENUES | \$0 | \$0 | \$0 | \$0 |
| <u>EXPENDITURES:</u> | | | | |
| CAPITAL OUTLAY | \$0 | \$0 | \$0 | \$0 |
| TOTAL EXPENDITURES | \$0 | \$0 | \$0 | \$0 |
| EXCESS REVENUES (EXPENDITURES) | \$0 | | \$0 | |
| FUND BALANCE - BEGINNING | \$0 | | \$728 | |
| FUND BALANCE - ENDING | \$0 | | \$728 | |

Shingle Creek Community Development District

| | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sept | Total |
|---------------------------------------|-------------------|-----------------|------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------------|
| REVENUES: | | | | | | | | | | | | | |
| ASSESSMENTS - TAX ROLL | \$0 | \$63,665 | \$452,308 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$515,973 |
| ASSESSMENTS - DIRECT BILLED | \$23,820 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$23,820 |
| TOTAL REVENUES | \$23,820 | \$63,665 | \$452,308 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$539,794 |
| EXPENDITURES: | | | | | | | | | | | | | |
| ADMINISTRATIVE: | | | | | | | | | | | | | |
| SUPERVISOR FEES | \$0 | \$200 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$200 |
| FICA EXPENSE | \$0 | \$15 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$15 |
| ENGINEERING | \$95 | \$190 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$285 |
| ATTORNEY | \$30 | \$756 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$786 |
| ARBITRAGE | \$550 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$550 |
| DISSEMINATION | \$583 | \$583 | \$583 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$1,750 |
| ANNUAL AUDIT | \$0 | \$2,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$2,000 |
| TRUSTEE FEES | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| ASSESSMENT ADMINISTRATION | \$5,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$5,000 |
| MANAGEMENT FEES | \$2,790 | \$2,917 | \$2,917 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$8,623 |
| INFORMATION TECHNOLOGY | \$100 | \$100 | \$100 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$300 |
| TELEPHONE | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| POSTAGE | \$4 | \$14 | \$13 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$30 |
| PRINTING & BINDING | \$16 | \$2 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$18 |
| INSURANCE | \$9,611 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$9,611 |
| LEGAL ADVERTISING | \$800 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$800 |
| OTHER CURRENT CHARGES | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| OFFICE SUPPLIES | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$1 |
| PROPERTY APPRAISER | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| PROPERTY TAXES | \$0 | \$662 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$662 |
| DUES, LICENSES & SUBSCRIPTIONS | \$175 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$175 |
| FIELD: | | | | | | | | | | | | | |
| FIELD SERVICES | \$625 | \$1,250 | \$1,250 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$3,125 |
| ELECTRIC | \$596 | \$594 | \$592 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$1,781 |
| STREETLIGHTS | \$4,368 | \$5,289 | \$6,133 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$15,791 |
| WATER & SEWER | \$1,568 | \$968 | \$558 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$3,094 |
| LANDSCAPE MAINTENANCE | \$18,797 | \$18,797 | \$18,797 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$56,390 |
| LANDSCAPE CONTINGENCY | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| PROPERTY INSURANCE | \$10,609 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$10,609 |
| LONDON CREEK RANCH MAINTENANCE | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| LAKE MAINTENANCE | \$1,290 | \$1,290 | \$1,290 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$3,870 |
| LAKE CONTINGENCY | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| DRAINAGE R&M | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| IRRIGATION REPAIRS | \$1,150 | \$1,085 | \$1,232 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$3,467 |
| LIGHTING MAINTENANCE | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| REPAIRS & MAINTENANCE | \$0 | \$197 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$197 |
| PRESSURE WASHING | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| CONTINGENCY | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL EXPENDITURES | \$38,756 | \$36,909 | \$33,465 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$129,131 |
| EXCESS REVENUES/(EXPENDITURES) | (\$34,936) | \$26,756 | \$418,842 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$410,663 |

Shingle Creek

COMMUNITY DEVELOPMENT DISTRICT

LONG TERM DEBT REPORT

| SERIES 2015, SPECIAL ASSESSMENT REVENUE BONDS | | |
|---|---------------------------------|---------------------|
| INTEREST RATE: | 3.625%, 4.500%, 5.125%, 5.400% | |
| MATURITY DATE: | 11/1/2045 | |
| RESERVE FUND DEFINITION | 50% MAXIMUM ANNUAL DEBT SERVICE | |
| RESERVE FUND REQUIREMENT | \$716,689 | |
| RESERVE FUND BALANCE | \$716,707 | |
| BONDS OUTSTANDING - 9/30/15 | | \$21,465,000 |
| LESS: PRINCIPAL PAYMENT 11/1/16 | | (\$345,000) |
| LESS: PRINCIPAL PAYMENT 11/1/17 | | (\$360,000) |
| LESS: PRINCIPAL PAYMENT 11/1/18 | | (\$370,000) |
| LESS: PRINCIPAL PAYMENT 11/1/19 | | (\$385,000) |
| LESS: PRINCIPAL PAYMENT 11/1/20 | | (\$400,000) |
| CURRENT BONDS OUTSTANDING | | \$19,605,000 |

| SERIES 2019, SPECIAL ASSESSMENT REVENUE BONDS | | |
|---|---------------------------------|---------------------|
| INTEREST RATE: | 3.625%, 4.000%, 4.750%, 5.000% | |
| MATURITY DATE: | 5/1/2049 | |
| RESERVE FUND DEFINITION | 50% MAXIMUM ANNUAL DEBT SERVICE | |
| RESERVE FUND REQUIREMENT | \$566,645 | |
| RESERVE FUND BALANCE | \$572,029 | |
| BONDS OUTSTANDING - 2/27/19 | | \$17,895,000 |
| LESS: PRINCIPAL PAYMENT 05/1/20 | | (\$295,000) |
| CURRENT BONDS OUTSTANDING | | \$17,600,000 |

