

*Scenic Highway
Community Development District*

Agenda

July 15, 2021

AGENDA

Scenic Highway

Community Development District

219 E. Livingston St., Orlando, Florida 32801

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

July 8, 2021

**Board of Supervisors
Scenic Highway
Community Development District**

Dear Board Members:

The regular meeting of the Board of Supervisors of the **Scenic Highway Community Development District** will be held **Thursday, July 15, 2021, at 10:30 AM** at **346 E. Central Ave., Winter Haven, FL 33880.**

Those members of the public wishing to attend the meeting can do so using the information below:

Call-In Information: 1-646-876-9923

Meeting ID: 816 2222 6050

Following is the advance agenda for the meeting:

1. Roll Call
2. Public Comment Period (¹Speakers will fill out a card and submit it to the District Manager prior to the beginning of the meeting)
3. Approval of Minutes of the June 17, 2021 Board of Supervisors Meeting
4. Public Hearings
 - A. Public Hearing on the Adoption of the Fiscal Year 2022 Budget
 - i. Consideration of Resolution 2021-05 Adoption of the District's Fiscal Year 2022 Budget and Appropriating Funds
 - ii. Consideration of Budget Deficit Funding Agreement
 - B. Public Hearing on the Imposition of Operations and Maintenance Special Assessments
 - i. Consideration of Resolution 2021-06 Imposing Special Assessments and Certifying an Assessment Roll
5. Consideration of Resolution 2021-07 Designating a Date, Time, and Location for a Landowners' Meeting and Election
6. Consideration of Resolution 2021-08 Designation of Regular Monthly Meeting Date, Time, and Location for Fiscal Year 2022 Meetings

¹ Comments will be limited to three (3) minutes

7. Consideration of Partial Termination of the Temporary Construction and Access Easement Agreement
8. Presentation of the 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 & Income Statement
 - iii. Ratification of Summary of Series 2020 Phase 3 Requisitions #14 to #22
10. Other Business
11. Supervisors Requests and Audience Comments
12. Adjournment

MINUTES

**MINUTES OF MEETING
SCENIC HIGHWAY
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Scenic Highway Community Development District was held on Tuesday, **June 17, 2021** at 10:30 a.m. at 346 E. Central Ave., Winter Haven, Florida.

Present and constituting a quorum were:

Rennie Heath
Lauren Schwenk
Patrick Marone

Chairman
Vice Chairwoman
Assistant Secretary

Also, present were:

Jill Burns
Roy Van Wyk

District Manager, GMS
District Counsel, Hopping Green & Sams

The following is a summary of the discussions and actions taken at the June 17, 2021 Scenic Highway Community Development District's Regular Board of Supervisor's Meeting.

FIRST ORDER OF BUSINESS

Roll Call

Ms. Burns called the meeting to order. There were three members present constituting a quorum.

SECOND ORDER OF BUSINESS

Public Comment Period

Ms. Burns noted there were no members of the public present at the meeting.

THIRD ORDER OF BUSINESS

**Approval of Minutes of the April 15, 2021
Board of Supervisors Meeting**

Ms. Burns presented the minutes of the April 15, 2021 Board of Supervisors meeting minutes. Ms. Burns asked for any comments or corrections to the minutes. The Board had no changes.

On MOTION by Mr. Heath, seconded by Ms. Schwenk, with all in favor, the Minutes of the February 2, 2021 Board of Supervisors Meeting, were approved.

FOURTH ORDER OF BUSINESS

**Consideration of Assignment of Amenity
Construction Agreement**

Ms. Burns noted that the assignment of Amenity Construction contract is from JMBI Real Estate, LLC to the District. The Board had no questions on the agreement.

On MOTION by Ms. Schwenk, seconded by Mr. Heath, with all in favor, the Assignment of Amenity Construction Agreement from JMBI to the District, was approved.

FIFTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Van Wyk had nothing further to report.

B. Engineer

There being none, the next item followed.

C. District Manager's Report

i. Approval of Check Register

Mr. Burns stated that the check register totaled \$486,009.64. She asked if there were any questions, and hearing none asked for a motion to approve.

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

ii. Balance Sheet and Income Statement

Ms. Burns stated that the financials were included in the package, but no action was needed.

iii. Ratification of Summary of Series 2020

a) Phase 1 & 2 Requisitions #34 to #51

Mr. Burns noted that the requisitions had previously been approved and asked that the Board ratify them at this time.

b) Phase 3 Requisitions #1 to #13

Mr. Burns noted that the requisitions had previously been approved and asked that the Board ratify them at this time.

On MOTION by Mr. Heath, seconded by Ms. Schwenk, with all in favor, the Series 2020 Phase 1 & 2 Requisitions #34 to #51 and Phase 3 Requisitions #1 to #13, were ratified.

iv. Presentation of Number of Registered Voters – 0

Mr. Burns noted that the Florida statutes require them to announce the number of registered voters in the District as of April 15 every year. She stated that there are no registered voters in the District.

SIXTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

SEVENTH ORDER OF BUSINESS

Supervisors Requests and Audience Comments

There being none, the next item followed.

EIGHTH ORDER OF BUSINESS

Adjournment

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

Secretary/Assistant Secretary

Chairman/Vice Chairman

SECTION IV

SECTION A

SECTION 1

RESOLUTION 2021-05

THE ANNUAL APPROPRIATION RESOLUTION OF THE SCENIC HIGHWAY COMMUNITY DEVELOPMENT DISTRICT (“DISTRICT”) RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGETS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2021 AND ENDING SEPTEMBER 30, 2022; AUTHORIZING BUDGET AMENDMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District Manager has, prior to the fifteenth (15th) day in June, 2021, submitted to the Board of Supervisors (“**Board**”) of the Scenic Highway Community Development District (“**District**”) proposed budgets (“**Proposed Budget**”) for the fiscal year beginning October 1, 2021 and ending September 30, 2022 (“**Fiscal Year 2021/2022**”) along with an explanatory and complete financial plan for each fund of the District, pursuant to the provisions of Section 190.008(2)(a), *Florida Statutes*; and

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

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

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

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

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

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

SECTION 1. BUDGET

- a. The Board has reviewed the Proposed Budget, a copy of which is on file with the office of the District Manager and at the District's Local Records Office, and hereby approves certain amendments thereto, as shown in Section 2 below.
- b. The Proposed Budget, attached hereto as **Exhibit "A,"** as amended by the Board, is hereby adopted in accordance with the provisions of Section 190.008(2)(a), *Florida Statutes* ("**Adopted Budget**"), and incorporated herein by reference; provided, however, that the comparative figures contained in the Adopted Budget may be subsequently revised as deemed necessary by the District Manager to reflect actual revenues and expenditures.
- c. The Adopted Budget, as amended, shall be maintained in the office of the District Manager and at the District's Local Records Office and identified as "The Budget for the Scenic Highway Community Development District for the Fiscal Year Ending September 30, 2022."
- d. The Adopted Budget shall be posted by the District Manager on the District's official website within thirty (30) days after adoption, and shall remain on the website for at least 2 years.

SECTION 2. APPROPRIATIONS

There is hereby appropriated out of the revenues of the District, for Fiscal Year 2021/2022, the sum of \$_____ to be raised by the levy of assessments and/or otherwise, which sum is deemed by the Board to be necessary to defray all expenditures of the District during said budget year, to be divided and appropriated in the following fashion:

| | |
|-------------------------------|----------|
| TOTAL GENERAL FUND | \$ _____ |
| SERIES 2020 DEBT SERVICE FUND | \$ _____ |
| TOTAL ALL FUNDS | \$ _____ |

SECTION 3. BUDGET AMENDMENTS

Pursuant to Section 189.016, *Florida Statutes*, the District at any time within Fiscal Year 2021/2022 or within 60 days following the end of the Fiscal Year 2021/2022 may amend its Adopted Budget for that fiscal year as follows:

- a. A line-item appropriation for expenditures within a fund may be decreased or increased by motion of the Board recorded in the minutes, and approving the expenditure, if the total appropriations of the fund do not increase.
- b. The District Manager or Treasurer may approve an expenditure that would increase or decrease a line-item appropriation for expenditures within a fund if the total appropriations of the fund do not increase and if either (i) the aggregate change in

the original appropriation item does not exceed the greater of \$15,000 or 15% of the original appropriation, or (ii) such expenditure is authorized by separate disbursement or spending resolution.

- c. Any other budget amendments shall be adopted by resolution and consistent with Florida law.

The District Manager or Treasurer must ensure that any amendments to the budget under paragraph c. above are posted on the District's website within 5 days after adoption and remain on the website for at least 2 years.

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

PASSED AND ADOPTED THIS 15TH DAY OF JUNE, 2021

ATTEST:

**SCENIC HIGHWAY COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

By:_____

Its:_____

Scenic Highway
Community Development District

Proposed Budget
FY2022



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Scenic Highway
Community Development District
Proposed Budget
General Fund

| Description | Adopted Budget FY2021 | Actuals Thru 5/31/21 | Projected Next 4 Months | Total Thru 9/30/21 | Proposed Budget FY2022 |
|--------------------------------------------|-----------------------------|----------------------------|-------------------------------|--------------------------|------------------------------|
| <u>Revenues</u> | | | | | |
| Assessments | \$ - | \$ - | \$ - | \$ - | \$ 276,000 |
| Developer Contributions | \$ 166,127 | \$ 45,381 | \$ 98,729 | \$ 144,110 | \$ 73,380 |
| Total Revenues | \$ 166,127 | \$ 45,381 | \$ 98,729 | \$ 144,110 | \$ 349,380 |
| <u>Expenditures</u> | | | | | |
| <i><u>Administrative</u></i> | | | | | |
| Supervisor Fees | \$ 12,000 | \$ 4,000 | \$ 4,000 | \$ 8,000 | \$ 12,000 |
| Engineering | \$ 15,000 | \$ - | \$ 5,000 | \$ 5,000 | \$ 15,000 |
| Attorney | \$ 25,000 | \$ 7,681 | \$ 17,319 | \$ 25,000 | \$ 30,000 |
| Annual Audit | \$ 3,300 | \$ - | \$ 3,300 | \$ 3,300 | \$ 4,300 |
| Assessment Administration | \$ 5,000 | \$ - | \$ - | \$ - | \$ 5,000 |
| Arbitrage | \$ 650 | \$ - | \$ 450 | \$ 450 | \$ 650 |
| Dissemination | \$ 5,000 | \$ 2,083 | \$ 1,667 | \$ 3,750 | \$ 5,000 |
| Trustee Fees | \$ 3,550 | \$ - | \$ 3,550 | \$ 3,550 | \$ 3,550 |
| Management Fees | \$ 35,000 | \$ 23,333 | \$ 11,667 | \$ 35,000 | \$ 35,000 |
| Information Technology | \$ 1,410 | \$ 600 | \$ 470 | \$ 1,070 | \$ 1,800 |
| Website Maintenance | \$ 940 | \$ - | \$ 313 | \$ 313 | \$ 1,200 |
| Telephone | \$ 300 | \$ - | \$ 100 | \$ 100 | \$ 300 |
| Postage & Delivery | \$ 1,000 | \$ 74 | \$ 333 | \$ 407 | \$ 1,000 |
| Insurance | \$ 5,700 | \$ 5,381 | \$ - | \$ 5,381 | \$ 6,000 |
| Printing & Binding | \$ 1,000 | \$ 18 | \$ 333 | \$ 352 | \$ 1,000 |
| Legal Advertising | \$ 10,000 | \$ 2,891 | \$ 7,109 | \$ 10,000 | \$ 10,000 |
| Other Current Charges | \$ 5,000 | \$ 903 | \$ 1,667 | \$ 2,569 | \$ 5,000 |
| Office Supplies | \$ 625 | \$ 14 | \$ 208 | \$ 222 | \$ 625 |
| Travel Per Diem | \$ 660 | \$ - | \$ 220 | \$ 220 | \$ 660 |
| Dues, Licenses & Subscriptions | \$ 175 | \$ 175 | \$ - | \$ 175 | \$ 175 |
| Total Administrative | \$ 131,310 | \$ 47,154 | \$ 57,706 | \$ 104,860 | \$ 138,260 |
| <i><u>Operations & Maintenance</u></i> | | | | | |
| Field Services | | | | | |
| Property Insurance | \$ 5,000 | \$ - | \$ - | \$ - | \$ 5,000 |
| Field Management | \$ 6,250 | \$ - | \$ 2,500 | \$ 2,500 | \$ 15,000 |
| Landscape Maintenance | \$ 11,650 | \$ - | \$ 23,333 | \$ 23,333 | \$ 70,000 |
| Landscape Replacement | \$ 1,042 | \$ - | \$ 1,042 | \$ 1,042 | \$ 2,500 |
| Streetlights | \$ 5,250 | \$ - | \$ 6,000 | \$ 6,000 | \$ 18,000 |
| Electric | \$ 833 | \$ - | \$ 1,200 | \$ 1,200 | \$ 3,600 |
| Water & Sewer | \$ 417 | \$ - | \$ 800 | \$ 800 | \$ 2,400 |
| Sidewalk & Asphalt Maintenance | \$ 208 | \$ - | \$ 208 | \$ 208 | \$ 500 |
| Irrigation Repairs | \$ 1,042 | \$ - | \$ 1,042 | \$ 1,042 | \$ 2,500 |
| General Repairs & Maintenance | \$ 2,083 | \$ - | \$ 2,083 | \$ 2,083 | \$ 5,000 |
| Contingency | \$ 1,042 | \$ - | \$ 1,042 | \$ 1,042 | \$ 2,500 |
| Subtotal Field Expenses | \$ 34,817 | \$ - | \$ 39,250 | \$ 39,250 | \$ 127,000 |

Scenic Highway
Community Development District
Proposed Budget
General Fund

| Description | Adopted Budget FY2021 | Actuals Thru 5/31/21 | Projected Next 4 Months | Total Thru 9/30/21 | Proposed Budget FY2022 |
|--------------------------------------------------|-----------------------------|----------------------------|-------------------------------|--------------------------|------------------------------|
| Amenity Expenses | | | | | |
| Amenity - Electric | \$ - | \$ - | \$ - | \$ - | \$ 14,400 |
| Amenity - Water | \$ - | \$ - | \$ - | \$ - | \$ 3,500 |
| Playground Lease | \$ - | \$ - | \$ - | \$ - | \$ 14,000 |
| Internet | \$ - | \$ - | \$ - | \$ - | \$ 3,000 |
| Pest Control | \$ - | \$ - | \$ - | \$ - | \$ 720 |
| Janitorial Service | \$ - | \$ - | \$ - | \$ - | \$ 8,500 |
| Security Services | \$ - | \$ - | \$ - | \$ - | \$ 7,500 |
| Pool Maintenance | \$ - | \$ - | \$ - | \$ - | \$ 18,000 |
| Amenity Access Management | \$ - | \$ - | \$ - | \$ - | \$ 5,000 |
| Amenity Repairs & Maintenance | \$ - | \$ - | \$ - | \$ - | \$ 1,000 |
| Contingency | \$ - | \$ - | \$ - | \$ - | \$ 7,500 |
| Subtotal Amenity Expenses | \$ - | \$ - | \$ - | \$ - | \$ 83,120 |
| <u>Total Operations & Maintenance</u> | \$ 34,817 | \$ - | \$ 39,250 | \$ 39,250 | \$ 210,120 |
| <u>Other Expenses</u> | | | | | |
| Capital Reserves | \$ - | \$ - | \$ - | \$ - | \$ 1,000 |
| <u>Total Other Expenses</u> | \$ - | \$ - | \$ - | \$ - | \$ 1,000 |
| Total Expenditures | \$ 166,127 | \$ 47,154 | \$ 96,956 | \$ 144,110 | \$ 349,380 |
| Excess Revenues/(Expenditures) | \$ - | \$ (1,773) | \$ 1,773 | \$ - | \$ - |

| | |
|---------------------------------|------------------|
| Net Assessments | \$276,000 |
| Add: Discounts & Collections 7% | \$20,774 |
| Gross Assessments | <u>\$296,774</u> |
| Assessable Units | 368 |
| Per Unit Gross Assessment | <u>\$806.45</u> |

Scenic Highway Community Development District General Fund Budget

Revenues:

Assessments

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

Expenditures:

General & Administrative:

Supervisor Fees

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

Engineering

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

Attorney

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

Annual Audit

The District is required by Florida Statutes to arrange for an independent audit of its financial records on an annual basis.

Assessment Administration

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

Arbitrage

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

Dissemination

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

Trustee Fees

The District will incur trustee related costs with the Series 2020 bonds.

Scenic Highway Community Development District General Fund Budget

Management Fees

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

Information Technology

Represents costs related to the District's information systems, which include but are not limited to video conferencing services, cloud storage services and servers, security, accounting software, etc.

Website Maintenance

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

Telephone

Telephone and fax machine.

Postage & Delivery

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

Insurance

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

Printing & Binding

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

Legal Advertising

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

Other Current Charges

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

Office Supplies

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

Scenic Highway Community Development District General Fund Budget

Travel Per Diem

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

Dues, Licenses & Subscriptions

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

Operations & Maintenance:

Field Expenses

Property Insurance

The District's property insurance coverages.

Field Management

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

Landscape Maintenance

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

Landscape Replacement

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

Streetlights

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

Electric

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

Water & Sewer

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

Sidewalk & Asphalt Maintenance

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

Scenic Highway Community Development District General Fund Budget

Irrigation Repairs

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

General Repairs & Maintenance

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

Contingency

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

Amenity Expenses

Amenity - Electric

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

Amenity – Water

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

Playground Lease

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

Internet

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

Pest Control

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

Janitorial Services

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

Security Services

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

Pool Maintenance

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

Amenity Access Management

Represents the cost of managing and monitoring access to the District's amenity facilities.

Scenic Highway Community Development District General Fund Budget

Amenity Repairs & Maintenance

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

Contingency

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

Other Expenses:

Capital Reserves

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

Scenic Highway
Community Development District
Proposed Budget
Series 2020 Debt Service Fund

| Description | Proposed Budget FY2021 | Actuals Thru 5/31/21 | Projected Next 4 Months | Total Thru 9/30/21 | Proposed Budget FY2022 |
|---------------------------------------------|------------------------------|----------------------------|-------------------------------|--------------------------|------------------------------|
| Revenues | | | | | |
| Special Assessments | \$ - | \$ - | \$ - | \$ - | \$ 459,919 |
| Interest | \$ 5 | \$ 16 | \$ - | \$ 16 | \$ - |
| Carry Forward Surplus | \$ - | \$ - | \$ - | \$ - | \$ 151,772 |
| Total Revenues | \$ 5 | \$ 16 | \$ - | \$ 16 | \$ 611,691 |
| Expenditures | | | | | |
| Interest Expense - 11/1 | \$ - | \$ - | \$ - | \$ - | \$ 151,756 |
| Principal Expense - 5/1 | \$ - | \$ - | \$ - | \$ - | \$ 155,000 |
| Interest Expense - 5/1 | \$ - | \$ 109,602 | \$ - | \$ 109,602 | \$ 151,756 |
| Total Expenditures | \$ - | \$ 109,602 | \$ - | \$ 109,602 | \$ 458,513 |
| Other Financing Sources/(Uses) | | | | | |
| Bond Proceeds | \$ 721,277 | \$ 721,277 | \$ - | \$ 721,277 | \$ - |
| Total Other Financing Sources/(Uses) | \$ 721,277 | \$ 721,277 | \$ - | \$ 721,277 | \$ - |
| Excess Revenues/(Expenditures) | \$ 721,282 | \$ 611,691 | \$ - | \$ 611,691 | \$ 153,178 |

| | |
|--------------------------|-------------------|
| Interest Expense 11/1/22 | \$ 149,625 |
| Total | \$ 149,625 |

| Product | Assessable Units | Maximum Annual Debt Service | Net Assessment Per Unit | Gross Assessment Per Unit |
|---------------|------------------|--------------------------------|----------------------------|------------------------------|
| Single Family | 368 | \$ 459,919 | \$1,250 | \$1,344 |
| | 368 | \$ 459,919 | | |

Scenic Highway
Community Development District
Series 2020 Special Assessment Bonds
Amortization Schedule

| Date | | Balance | Principal | | Interest | | Total |
|----------|----|--------------|-----------|------------|----------|------------|---------------|
| 11/01/21 | \$ | 8,120,000.00 | \$ | - | \$ | 151,756.25 | \$ 261,357.99 |
| 05/01/22 | \$ | 8,120,000.00 | \$ | 155,000.00 | \$ | 151,756.25 | \$ - |
| 11/01/22 | \$ | 7,965,000.00 | \$ | - | \$ | 149,625.00 | \$ 456,381.25 |
| 05/01/23 | \$ | 7,965,000.00 | \$ | 160,000.00 | \$ | 149,625.00 | \$ - |
| 11/01/23 | \$ | 7,805,000.00 | \$ | - | \$ | 147,425.00 | \$ 457,050.00 |
| 05/01/24 | \$ | 7,805,000.00 | \$ | 165,000.00 | \$ | 147,425.00 | \$ - |
| 11/01/24 | \$ | 7,640,000.00 | \$ | - | \$ | 145,156.25 | \$ 457,581.25 |
| 05/01/25 | \$ | 7,640,000.00 | \$ | 170,000.00 | \$ | 145,156.25 | \$ - |
| 11/01/25 | \$ | 7,470,000.00 | \$ | - | \$ | 142,818.75 | \$ 457,975.00 |
| 05/01/26 | \$ | 7,470,000.00 | \$ | 175,000.00 | \$ | 142,818.75 | \$ - |
| 11/01/26 | \$ | 7,295,000.00 | \$ | - | \$ | 139,975.00 | \$ 457,793.75 |
| 05/01/27 | \$ | 7,295,000.00 | \$ | 180,000.00 | \$ | 139,975.00 | \$ - |
| 11/01/27 | \$ | 7,115,000.00 | \$ | - | \$ | 137,050.00 | \$ 457,025.00 |
| 05/01/28 | \$ | 7,115,000.00 | \$ | 185,000.00 | \$ | 137,050.00 | \$ - |
| 11/01/28 | \$ | 6,930,000.00 | \$ | - | \$ | 134,043.75 | \$ 456,093.75 |
| 05/01/29 | \$ | 6,930,000.00 | \$ | 195,000.00 | \$ | 134,043.75 | \$ - |
| 11/01/29 | \$ | 6,735,000.00 | \$ | - | \$ | 130,875.00 | \$ 459,918.75 |
| 05/01/30 | \$ | 6,735,000.00 | \$ | 200,000.00 | \$ | 130,875.00 | \$ - |
| 11/01/30 | \$ | 6,535,000.00 | \$ | - | \$ | 127,625.00 | \$ 458,500.00 |
| 05/01/31 | \$ | 6,535,000.00 | \$ | 205,000.00 | \$ | 127,625.00 | \$ - |
| 11/01/31 | \$ | 6,330,000.00 | \$ | - | \$ | 123,781.25 | \$ 456,406.25 |
| 05/01/32 | \$ | 6,330,000.00 | \$ | 215,000.00 | \$ | 123,781.25 | \$ - |
| 11/01/32 | \$ | 6,115,000.00 | \$ | - | \$ | 119,750.00 | \$ 458,531.25 |
| 05/01/33 | \$ | 6,115,000.00 | \$ | 220,000.00 | \$ | 119,750.00 | \$ - |
| 11/01/33 | \$ | 5,895,000.00 | \$ | - | \$ | 115,625.00 | \$ 455,375.00 |
| 05/01/34 | \$ | 5,895,000.00 | \$ | 230,000.00 | \$ | 115,625.00 | \$ - |
| 11/01/34 | \$ | 5,665,000.00 | \$ | - | \$ | 111,312.50 | \$ 456,937.50 |
| 05/01/35 | \$ | 5,665,000.00 | \$ | 240,000.00 | \$ | 111,312.50 | \$ - |
| 11/01/35 | \$ | 5,425,000.00 | \$ | - | \$ | 106,812.50 | \$ 458,125.00 |
| 05/01/36 | \$ | 5,425,000.00 | \$ | 250,000.00 | \$ | 106,812.50 | \$ - |
| 11/01/36 | \$ | 5,175,000.00 | \$ | - | \$ | 102,125.00 | \$ 458,937.50 |
| 05/01/37 | \$ | 5,175,000.00 | \$ | 260,000.00 | \$ | 102,125.00 | \$ - |
| 11/01/37 | \$ | 4,915,000.00 | \$ | - | \$ | 97,250.00 | \$ 459,375.00 |
| 05/01/38 | \$ | 4,915,000.00 | \$ | 270,000.00 | \$ | 97,250.00 | \$ - |
| 11/01/38 | \$ | 4,645,000.00 | \$ | - | \$ | 92,187.50 | \$ 459,437.50 |
| 05/01/39 | \$ | 4,645,000.00 | \$ | 280,000.00 | \$ | 92,187.50 | \$ - |
| 11/01/39 | \$ | 4,365,000.00 | \$ | - | \$ | 86,937.50 | \$ 459,125.00 |
| 05/01/40 | \$ | 4,365,000.00 | \$ | 290,000.00 | \$ | 86,937.50 | \$ - |
| 11/01/40 | \$ | 4,075,000.00 | \$ | - | \$ | 81,500.00 | \$ 458,437.50 |
| 05/01/41 | \$ | 4,075,000.00 | \$ | 300,000.00 | \$ | 81,500.00 | \$ - |
| 11/01/41 | \$ | 3,775,000.00 | \$ | - | \$ | 75,500.00 | \$ 457,000.00 |
| 05/01/42 | \$ | 3,775,000.00 | \$ | 315,000.00 | \$ | 75,500.00 | \$ - |
| 11/01/42 | \$ | 3,460,000.00 | \$ | - | \$ | 69,200.00 | \$ 459,700.00 |
| 05/01/43 | \$ | 3,460,000.00 | \$ | 325,000.00 | \$ | 69,200.00 | \$ - |
| 11/01/43 | \$ | 3,135,000.00 | \$ | - | \$ | 62,700.00 | \$ 456,900.00 |

Scenic Highway
Community Development District
Series 2020 Special Assessment Bonds
Amortization Schedule

| Date | Balance | Prinicipal | Interest | Total |
|----------|-----------------|-----------------|-----------------|------------------|
| 05/01/44 | \$ 3,135,000.00 | \$ 340,000.00 | \$ 62,700.00 | \$ - |
| 11/01/44 | \$ 2,795,000.00 | \$ - | \$ 55,900.00 | \$ 458,600.00 |
| 05/01/45 | \$ 2,795,000.00 | \$ 355,000.00 | \$ 55,900.00 | \$ - |
| 11/01/45 | \$ 2,440,000.00 | \$ - | \$ 48,800.00 | \$ 459,700.00 |
| 05/01/46 | \$ 2,440,000.00 | \$ 365,000.00 | \$ 48,800.00 | \$ - |
| 11/01/46 | \$ 2,075,000.00 | \$ - | \$ 41,500.00 | \$ 455,300.00 |
| 05/01/47 | \$ 2,075,000.00 | \$ 380,000.00 | \$ 41,500.00 | \$ - |
| 11/01/47 | \$ 1,695,000.00 | \$ - | \$ 33,900.00 | \$ 455,400.00 |
| 05/01/48 | \$ 1,695,000.00 | \$ 400,000.00 | \$ 33,900.00 | \$ - |
| 11/01/48 | \$ 1,295,000.00 | \$ - | \$ 25,900.00 | \$ 459,800.00 |
| 05/01/49 | \$ 1,295,000.00 | \$ 415,000.00 | \$ 25,900.00 | \$ - |
| 11/01/49 | \$ 880,000.00 | \$ - | \$ 17,600.00 | \$ 458,500.00 |
| 05/01/50 | \$ 880,000.00 | \$ 430,000.00 | \$ 17,600.00 | \$ - |
| 11/1/50 | \$ 450,000.00 | \$ - | \$ 9,000.00 | \$ 456,600.00 |
| 5/1/51 | \$ 450,000.00 | \$ 450,000.00 | \$ 9,000.00 | \$ 459,000.00 |
| | | \$ 8,120,000.00 | \$ 5,767,262.50 | \$ 13,996,864.24 |

SECTION 2

**FISCAL YEAR 2021/2022 BUDGET DEFICIT FUNDING AGREEMENT
BETWEEN SCENIC HIGHWAY COMMUNITY DEVELOPMENT
DISTRICT AND JMBI REAL ESTATE, LLC,**

THIS AGREEMENT (the “Agreement”), effective the 15th day of July, 2021, by and between:

SCENIC HIGHWAY COMMUNITY DEVELOPMENT DISTRICT, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, and located in the City of Haines City, Florida (hereinafter "**District**"), and

JMBI REAL ESTATE, LLC, a Florida limited liability company and a landowner in the District (hereinafter "**Landowner**"), with an address of 346 East Central Avenue, Winter Haven, Florida 33880.

RECITALS

WHEREAS, the District was established pursuant to Chapter 190, *Florida Statutes*, for the purpose of planning, financing, constructing, operating and/or maintaining certain infrastructure improvements; and

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

WHEREAS, the District has adopted its operating budget for the Fiscal Year 2021/2022 (the “2022 O&M Budget”), which budget will commence on October 1, 2021, and conclude on September 30, 2022, a copy of which is attached hereto as **Exhibit A** and incorporated herein by reference; and

WHEREAS, Landowner is developing certain real property within the District and presently owns the majority of such real property identified in the District’s Fiscal Year 2021/2022 Assessment Roll (the “Assessment Roll”), appended to the attached **Exhibit A** and incorporated herein by reference, which real property is located entirely within the District and has been determined by the District’s Board of Supervisors (the “Board”) to be specially benefited by the continued operations of the District (the “Property”); and

WHEREAS, following the adoption of the 2022 O&M Budget by the Board, the District has the option of levying an amount of non-ad valorem assessments on all land within its boundaries that will specially benefit from the activities, operations and services set forth in the 2022 O&M Budget and placing such amount on the Assessment Roll submitted to the Polk County Property Appraiser and Polk County Tax Collector (such amount is hereinafter referred to as the “O&M Assessment(s)”), or utilizing such other revenue sources as may be available to it; and

WHEREAS, due to the nature of the ownership of the Property, the District is not able to forecast with absolute certainty (a) the amount of monies that will be necessary to fund the District's activities, operations and services set forth in the 2022 O&M Budget or (b) that the O&M Assessments levied against the Property will be sufficient to cover the actual administrative, operations and maintenance expenditures of the District for Fiscal Year 2021/2022; and

WHEREAS, in contemplation of the foregoing, and in lieu of levying an increased amount of O&M Assessments on the Property and potentially collecting more than is necessary to fund the 2022 O&M Budget, the Landowner desires to provide the monies necessary to fund any shortfall in the actual administrative, operations and maintenance expenditures of the District for the Fiscal Year 2021/2022 that are not otherwise funded by the O&M Assessments levied upon the Property (such funded shortfall is hereinafter referred to as the "O&M Budget Shortfall Payment(s)").

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

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

SECTION 2. PAYMENT OF DISTRICT'S O&M BUDGET.

i. ***Payment of O&M Budget Expenses.*** Upon the District Manager's written request, the Landowner agrees to fund the O&M Budget Shortfall Payment(s), on a continuing basis, within fifteen (15) days of written request by the District Manager, but no more frequently than quarterly. Unless the Landowner otherwise agrees by amendment hereto, the cumulative O&M Budget Shortfall Payment(s) are expressly limited to an amount equal to the total budgeted amount adopted by the Board under the 2022 O&M Budget times 1.10, minus the total amount collected by the District from the O&M Assessments. Funds provided by the Landowner hereunder shall be placed in the District's general checking account and used solely for the purpose of funding the actual administrative, operations and maintenance expenses of the District. In no way shall the foregoing in any way affect the District's ability to levy special assessments upon the lands within the District, including the Property, in accordance with Florida law, to provide funds for any unfunded expenditures whether such expenditures are the result of an amendment to the 2022 O&M Budget or otherwise.

ii. ***Consent to Funding of 2022 O&M Budget.*** The Landowner acknowledges and agrees that the O&M Budget Shortfall Payment(s) represent the funding of administrative, operations and maintenance expenditures that would otherwise be appropriately funded through O&M Assessments equitably allocated to the Property within the District in accordance with the District's assessment methodology. Landowner agrees to pay, or caused to be paid, the O&M Budget Shortfall Payment(s) regardless of whether Landowner owns the Property at the time of

such payment subject to the terms set forth in Section 10 herein. Landowner agrees that it will not contest the legality or validity of such imposition, collection or enforcement to the extent such imposition is made in accordance with the terms of this Agreement.

SECTION 3. CONTINUING LIEN. The District shall have the right to file a continuing lien upon the Property described in **Exhibit A** for all payments due and owing under the terms of this Agreement and for interest thereon, and for reasonable attorneys' fees, paralegals' fees, expenses and court costs incurred by the District incident to the collection of funds under this Agreement or for enforcement of this lien. The lien shall be effective as of the date and time of the recording of a "Notice of Lien for FY 2021/2022 O&M Budget" in the public records of Polk County, Florida, stating among other things, the description of the real property and the amount due as of the recording of the Notice, and the existence of this Agreement. The District Manager, in its sole discretion, is hereby authorized by the District to file the Notice of Lien for 2022 O&M Budget on behalf of the District, without the need of further Board action authorizing or directing such filing. At the District Manager's direction, the District may also bring an action at law against the record title holder to the Property to pay the amount due under this Agreement, or may foreclose the lien against the Property in any manner authorized by law. The District may partially release any filed lien for portions of the Property subject to a plat if and when the Landowner has demonstrated, in the District's sole discretion, such release will not materially impair the ability of the District to enforce the collection of funds hereunder. In the event the Landowner sells any of the Property described in **Exhibit A** after the execution of this Agreement, the Landowner's rights and obligations under this Agreement shall remain the same; provided, however, that the District shall only have the right to file a lien upon the remaining Property owned by the Landowner.

SECTION 4. ALTERNATIVE COLLECTION METHODS.

i. In the alternative or in addition to the collection method set forth in Section 3 above, the District may enforce the collection of the O&M Budget Shortfall Payment(s) by action against the Landowner in the appropriate judicial forum in and for Polk County, Florida. The enforcement of the collection of funds in this manner shall be in the sole discretion of the District Manager on behalf of the District. In the event that either party is required to enforce this Agreement by court proceedings or otherwise, then the parties agree that the prevailing party shall be entitled to recover from the other all costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

ii. The District hereby finds that the activities, operations and services funded by the O&M Budget Shortfall Payment(s) provide a special and peculiar benefit to the Property, which benefit is initially allocated on an equal developable acreage basis. The Landowner agrees that the activities, operations and services that will be funded by the O&M Budget Shortfall Payment(s) provide a special and peculiar benefit to the Property in excess of the costs thereof on an equal developable acreage basis. Therefore, in the alternative or in addition to the other methods of collection set forth in this Agreement, the District, in its sole discretion, may choose to certify amounts due hereunder as a non-ad valorem assessment on all or any part of the Property for collection, either through the Uniform Method of Collection set forth in Chapter 197 or under any method of direct bill and collection authorized by Florida law. Such assessment, if imposed, may be certified on the next available tax roll of the Polk County property appraiser.

SECTION 5. NOTICE. All notices, payments and other communications hereunder (“Notices”) shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or telecopied to the parties, as follows:

- A. If to District: Scenic Highway
Community Development District
219 E. Livingston St.
Orlando, Florida 32801
Attn: District Manager
- With a copy to: Hopping Green & Sams, P.A.
119 South Monroe Street, Suite 300
Tallahassee, Florida 32301
Attn: District Counsel
- B. If to Developer: Warren K. (Rennie) Heath II
346 E. Central Avenue
Winter Haven, Florida 33880
- With a copy to: Straughn & Turner, P.A.
255 Magnolia Avenue SW
Winter Haven, Florida 33880
Attn: Richard E. Straughn

SECTION 6. AMENDMENT. This instrument shall constitute the final and complete expression of the agreement between the parties relating to the subject matter of this Agreement. Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by both of the parties hereto.

SECTION 7. AUTHORITY. The execution of this Agreement has been duly authorized by the appropriate body or official of all parties hereto, each party has complied with all the requirements of law, and each party has full power and authority to comply with the terms and provisions of this instrument.

SECTION 8. ASSIGNMENT. This Agreement may not be assigned, in whole or in part, by either party except upon the written consent of the other, which consent shall not be unreasonably withheld.

SECTION 9. DEFAULT. A default by either party under this Agreement shall entitle the other to all remedies available at law or in equity, which shall include, but not be limited to, the right of damages, injunctive relief and specific performance and specifically including the ability of the District to enforce any and all payment obligations under this Agreement in the matter described in Sections 3 and 4 above.

SECTION 10. THIRD PARTY RIGHTS; TRANSFER OF PROPERTY. This Agreement is solely for the benefit of the formal parties herein and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third party not a formal party hereto. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the parties hereto any right, remedy or claim under or by reason of this Agreement or any provisions or conditions hereof; and all of the provisions, representations, covenants and conditions herein contained shall inure to the sole benefit of and shall be binding upon the parties hereto and their respective representatives, successors and assigns. In the event the Landowner sells or otherwise disposes of its business or of all or substantially all of its assets relating to improvements, work product, or lands within the District, including the Property (other than in the normal course of business to homeowners or to other builders by individual lot), the Landowner shall continue to be bound by the terms of this Agreement and additionally shall expressly require that the purchaser agree to be bound by the terms of this Agreement. The Landowner shall give ninety (90) days prior written notice to the District under this Agreement of any such bulk sale or disposition.

SECTION 11. APPLICABLE LAW AND VENUE. This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida. The parties agree that venue shall be in Polk County, Florida.

SECTION 12. NEGOTIATION AT ARM'S LENGTH. This Agreement has been negotiated fully between the parties as an arm's length transaction. The parties participated fully in the preparation of this Agreement with the assistance of their respective counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, the parties are each deemed to have drafted, chosen and selected the language, and the doubtful language will not be interpreted or construed against any party.

SECTION 13. EFFECTIVE DATE. The Agreement shall take effect as of July 15, 2021. The enforcement provisions of this Agreement shall survive its termination, until all payments due pursuant to this Agreement are paid in full.

{SIGNATURE PAGE FOLLOWS}

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

ATTEST:

**SCENIC HIGHWAY COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chairperson, Board of Supervisors

WITNESS:

JMBI REAL ESTATE, LLC,
a Florida limited liability company

[Print Name]

By: Warren K. (Rennie) Heath
Its: Manager

EXHIBIT A: Fiscal Year 2021/2022 O&M Budget & Assessment Roll

EXHIBIT A

Fiscal Year 2021/2022 O&M Budget & Assessment Roll

Scenic Highway
Community Development District

Proposed Budget
FY2022



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Scenic Highway
Community Development District
Proposed Budget
General Fund

| Description | Adopted Budget FY2021 | Actuals Thru 5/31/21 | Projected Next 4 Months | Total Thru 9/30/21 | Proposed Budget FY2022 |
|--------------------------------------------|-----------------------------|----------------------------|-------------------------------|--------------------------|------------------------------|
| <u>Revenues</u> | | | | | |
| Assessments | \$ - | \$ - | \$ - | \$ - | \$ 276,000 |
| Developer Contributions | \$ 166,127 | \$ 45,381 | \$ 98,729 | \$ 144,110 | \$ 73,380 |
| Total Revenues | \$ 166,127 | \$ 45,381 | \$ 98,729 | \$ 144,110 | \$ 349,380 |
| <u>Expenditures</u> | | | | | |
| <i><u>Administrative</u></i> | | | | | |
| Supervisor Fees | \$ 12,000 | \$ 4,000 | \$ 4,000 | \$ 8,000 | \$ 12,000 |
| Engineering | \$ 15,000 | \$ - | \$ 5,000 | \$ 5,000 | \$ 15,000 |
| Attorney | \$ 25,000 | \$ 7,681 | \$ 17,319 | \$ 25,000 | \$ 30,000 |
| Annual Audit | \$ 3,300 | \$ - | \$ 3,300 | \$ 3,300 | \$ 4,300 |
| Assessment Administration | \$ 5,000 | \$ - | \$ - | \$ - | \$ 5,000 |
| Arbitrage | \$ 650 | \$ - | \$ 450 | \$ 450 | \$ 650 |
| Dissemination | \$ 5,000 | \$ 2,083 | \$ 1,667 | \$ 3,750 | \$ 5,000 |
| Trustee Fees | \$ 3,550 | \$ - | \$ 3,550 | \$ 3,550 | \$ 3,550 |
| Management Fees | \$ 35,000 | \$ 23,333 | \$ 11,667 | \$ 35,000 | \$ 35,000 |
| Information Technology | \$ 1,410 | \$ 600 | \$ 470 | \$ 1,070 | \$ 1,800 |
| Website Maintenance | \$ 940 | \$ - | \$ 313 | \$ 313 | \$ 1,200 |
| Telephone | \$ 300 | \$ - | \$ 100 | \$ 100 | \$ 300 |
| Postage & Delivery | \$ 1,000 | \$ 74 | \$ 333 | \$ 407 | \$ 1,000 |
| Insurance | \$ 5,700 | \$ 5,381 | \$ - | \$ 5,381 | \$ 6,000 |
| Printing & Binding | \$ 1,000 | \$ 18 | \$ 333 | \$ 352 | \$ 1,000 |
| Legal Advertising | \$ 10,000 | \$ 2,891 | \$ 7,109 | \$ 10,000 | \$ 10,000 |
| Other Current Charges | \$ 5,000 | \$ 903 | \$ 1,667 | \$ 2,569 | \$ 5,000 |
| Office Supplies | \$ 625 | \$ 14 | \$ 208 | \$ 222 | \$ 625 |
| Travel Per Diem | \$ 660 | \$ - | \$ 220 | \$ 220 | \$ 660 |
| Dues, Licenses & Subscriptions | \$ 175 | \$ 175 | \$ - | \$ 175 | \$ 175 |
| Total Administrative | \$ 131,310 | \$ 47,154 | \$ 57,706 | \$ 104,860 | \$ 138,260 |
| <i><u>Operations & Maintenance</u></i> | | | | | |
| Field Services | | | | | |
| Property Insurance | \$ 5,000 | \$ - | \$ - | \$ - | \$ 5,000 |
| Field Management | \$ 6,250 | \$ - | \$ 2,500 | \$ 2,500 | \$ 15,000 |
| Landscape Maintenance | \$ 11,650 | \$ - | \$ 23,333 | \$ 23,333 | \$ 70,000 |
| Landscape Replacement | \$ 1,042 | \$ - | \$ 1,042 | \$ 1,042 | \$ 2,500 |
| Streetlights | \$ 5,250 | \$ - | \$ 6,000 | \$ 6,000 | \$ 18,000 |
| Electric | \$ 833 | \$ - | \$ 1,200 | \$ 1,200 | \$ 3,600 |
| Water & Sewer | \$ 417 | \$ - | \$ 800 | \$ 800 | \$ 2,400 |
| Sidewalk & Asphalt Maintenance | \$ 208 | \$ - | \$ 208 | \$ 208 | \$ 500 |
| Irrigation Repairs | \$ 1,042 | \$ - | \$ 1,042 | \$ 1,042 | \$ 2,500 |
| General Repairs & Maintenance | \$ 2,083 | \$ - | \$ 2,083 | \$ 2,083 | \$ 5,000 |
| Contingency | \$ 1,042 | \$ - | \$ 1,042 | \$ 1,042 | \$ 2,500 |
| Subtotal Field Expenses | \$ 34,817 | \$ - | \$ 39,250 | \$ 39,250 | \$ 127,000 |

Scenic Highway
Community Development District
Proposed Budget
General Fund

| Description | Adopted Budget FY2021 | Actuals Thru 5/31/21 | Projected Next 4 Months | Total Thru 9/30/21 | Proposed Budget FY2022 |
|--------------------------------------------------|-----------------------------|----------------------------|-------------------------------|--------------------------|------------------------------|
| Amenity Expenses | | | | | |
| Amenity - Electric | \$ - | \$ - | \$ - | \$ - | \$ 14,400 |
| Amenity - Water | \$ - | \$ - | \$ - | \$ - | \$ 3,500 |
| Playground Lease | \$ - | \$ - | \$ - | \$ - | \$ 14,000 |
| Internet | \$ - | \$ - | \$ - | \$ - | \$ 3,000 |
| Pest Control | \$ - | \$ - | \$ - | \$ - | \$ 720 |
| Janitorial Service | \$ - | \$ - | \$ - | \$ - | \$ 8,500 |
| Security Services | \$ - | \$ - | \$ - | \$ - | \$ 7,500 |
| Pool Maintenance | \$ - | \$ - | \$ - | \$ - | \$ 18,000 |
| Amenity Access Management | \$ - | \$ - | \$ - | \$ - | \$ 5,000 |
| Amenity Repairs & Maintenance | \$ - | \$ - | \$ - | \$ - | \$ 1,000 |
| Contingency | \$ - | \$ - | \$ - | \$ - | \$ 7,500 |
| Subtotal Amenity Expenses | \$ - | \$ - | \$ - | \$ - | \$ 83,120 |
| <u>Total Operations & Maintenance</u> | \$ 34,817 | \$ - | \$ 39,250 | \$ 39,250 | \$ 210,120 |
| <u>Other Expenses</u> | | | | | |
| Capital Reserves | \$ - | \$ - | \$ - | \$ - | \$ 1,000 |
| <u>Total Other Expenses</u> | \$ - | \$ - | \$ - | \$ - | \$ 1,000 |
| Total Expenditures | \$ 166,127 | \$ 47,154 | \$ 96,956 | \$ 144,110 | \$ 349,380 |
| Excess Revenues/(Expenditures) | \$ - | \$ (1,773) | \$ 1,773 | \$ - | \$ - |

| | |
|---------------------------------|------------------|
| Net Assessments | \$276,000 |
| Add: Discounts & Collections 7% | \$20,774 |
| Gross Assessments | <u>\$296,774</u> |
| Assessable Units | 368 |
| Per Unit Gross Assessment | <u>\$806.45</u> |

Scenic Highway Community Development District General Fund Budget

Revenues:

Assessments

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

Expenditures:

General & Administrative:

Supervisor Fees

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

Engineering

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

Attorney

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

Annual Audit

The District is required by Florida Statutes to arrange for an independent audit of its financial records on an annual basis.

Assessment Administration

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

Arbitrage

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

Dissemination

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

Trustee Fees

The District will incur trustee related costs with the Series 2020 bonds.

Scenic Highway Community Development District General Fund Budget

Management Fees

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

Information Technology

Represents costs related to the District's information systems, which include but are not limited to video conferencing services, cloud storage services and servers, security, accounting software, etc.

Website Maintenance

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

Telephone

Telephone and fax machine.

Postage & Delivery

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

Insurance

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

Printing & Binding

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

Legal Advertising

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

Other Current Charges

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

Office Supplies

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

Scenic Highway Community Development District General Fund Budget

Travel Per Diem

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

Dues, Licenses & Subscriptions

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

Operations & Maintenance:

Field Expenses

Property Insurance

The District's property insurance coverages.

Field Management

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

Landscape Maintenance

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

Landscape Replacement

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

Streetlights

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

Electric

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

Water & Sewer

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

Sidewalk & Asphalt Maintenance

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

Scenic Highway Community Development District General Fund Budget

Irrigation Repairs

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

General Repairs & Maintenance

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

Contingency

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

Amenity Expenses

Amenity - Electric

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

Amenity – Water

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

Playground Lease

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

Internet

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

Pest Control

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

Janitorial Services

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

Security Services

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

Pool Maintenance

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

Amenity Access Management

Represents the cost of managing and monitoring access to the District's amenity facilities.

Scenic Highway Community Development District General Fund Budget

Amenity Repairs & Maintenance

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

Contingency

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

Other Expenses:

Capital Reserves

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

Scenic Highway
Community Development District
Proposed Budget
Series 2020 Debt Service Fund

| Description | Proposed Budget FY2021 | Actuals Thru 5/31/21 | Projected Next 4 Months | Total Thru 9/30/21 | Proposed Budget FY2022 |
|---------------------------------------------|------------------------------|----------------------------|-------------------------------|--------------------------|------------------------------|
| Revenues | | | | | |
| Special Assessments | \$ - | \$ - | \$ - | \$ - | \$ 459,919 |
| Interest | \$ 5 | \$ 16 | \$ - | \$ 16 | \$ - |
| Carry Forward Surplus | \$ - | \$ - | \$ - | \$ - | \$ 151,772 |
| Total Revenues | \$ 5 | \$ 16 | \$ - | \$ 16 | \$ 611,691 |
| Expenditures | | | | | |
| Interest Expense - 11/1 | \$ - | \$ - | \$ - | \$ - | \$ 151,756 |
| Principal Expense - 5/1 | \$ - | \$ - | \$ - | \$ - | \$ 155,000 |
| Interest Expense - 5/1 | \$ - | \$ 109,602 | \$ - | \$ 109,602 | \$ 151,756 |
| Total Expenditures | \$ - | \$ 109,602 | \$ - | \$ 109,602 | \$ 458,513 |
| Other Financing Sources/(Uses) | | | | | |
| Bond Proceeds | \$ 721,277 | \$ 721,277 | \$ - | \$ 721,277 | \$ - |
| Total Other Financing Sources/(Uses) | \$ 721,277 | \$ 721,277 | \$ - | \$ 721,277 | \$ - |
| Excess Revenues/(Expenditures) | \$ 721,282 | \$ 611,691 | \$ - | \$ 611,691 | \$ 153,178 |

| | |
|--------------------------|-------------------|
| Interest Expense 11/1/22 | \$ 149,625 |
| Total | \$ 149,625 |

| Product | Assessable Units | Maximum Annual Debt Service | Net Assessment Per Unit | Gross Assessment Per Unit |
|---------------|------------------|--------------------------------|----------------------------|------------------------------|
| Single Family | 368 | \$ 459,919 | \$1,250 | \$1,344 |
| | 368 | \$ 459,919 | | |

Scenic Highway
Community Development District
Series 2020 Special Assessment Bonds
Amortization Schedule

| Date | | Balance | Principal | | Interest | | Total |
|----------|----|--------------|-----------|------------|----------|------------|---------------|
| 11/01/21 | \$ | 8,120,000.00 | \$ | - | \$ | 151,756.25 | \$ 261,357.99 |
| 05/01/22 | \$ | 8,120,000.00 | \$ | 155,000.00 | \$ | 151,756.25 | \$ - |
| 11/01/22 | \$ | 7,965,000.00 | \$ | - | \$ | 149,625.00 | \$ 456,381.25 |
| 05/01/23 | \$ | 7,965,000.00 | \$ | 160,000.00 | \$ | 149,625.00 | \$ - |
| 11/01/23 | \$ | 7,805,000.00 | \$ | - | \$ | 147,425.00 | \$ 457,050.00 |
| 05/01/24 | \$ | 7,805,000.00 | \$ | 165,000.00 | \$ | 147,425.00 | \$ - |
| 11/01/24 | \$ | 7,640,000.00 | \$ | - | \$ | 145,156.25 | \$ 457,581.25 |
| 05/01/25 | \$ | 7,640,000.00 | \$ | 170,000.00 | \$ | 145,156.25 | \$ - |
| 11/01/25 | \$ | 7,470,000.00 | \$ | - | \$ | 142,818.75 | \$ 457,975.00 |
| 05/01/26 | \$ | 7,470,000.00 | \$ | 175,000.00 | \$ | 142,818.75 | \$ - |
| 11/01/26 | \$ | 7,295,000.00 | \$ | - | \$ | 139,975.00 | \$ 457,793.75 |
| 05/01/27 | \$ | 7,295,000.00 | \$ | 180,000.00 | \$ | 139,975.00 | \$ - |
| 11/01/27 | \$ | 7,115,000.00 | \$ | - | \$ | 137,050.00 | \$ 457,025.00 |
| 05/01/28 | \$ | 7,115,000.00 | \$ | 185,000.00 | \$ | 137,050.00 | \$ - |
| 11/01/28 | \$ | 6,930,000.00 | \$ | - | \$ | 134,043.75 | \$ 456,093.75 |
| 05/01/29 | \$ | 6,930,000.00 | \$ | 195,000.00 | \$ | 134,043.75 | \$ - |
| 11/01/29 | \$ | 6,735,000.00 | \$ | - | \$ | 130,875.00 | \$ 459,918.75 |
| 05/01/30 | \$ | 6,735,000.00 | \$ | 200,000.00 | \$ | 130,875.00 | \$ - |
| 11/01/30 | \$ | 6,535,000.00 | \$ | - | \$ | 127,625.00 | \$ 458,500.00 |
| 05/01/31 | \$ | 6,535,000.00 | \$ | 205,000.00 | \$ | 127,625.00 | \$ - |
| 11/01/31 | \$ | 6,330,000.00 | \$ | - | \$ | 123,781.25 | \$ 456,406.25 |
| 05/01/32 | \$ | 6,330,000.00 | \$ | 215,000.00 | \$ | 123,781.25 | \$ - |
| 11/01/32 | \$ | 6,115,000.00 | \$ | - | \$ | 119,750.00 | \$ 458,531.25 |
| 05/01/33 | \$ | 6,115,000.00 | \$ | 220,000.00 | \$ | 119,750.00 | \$ - |
| 11/01/33 | \$ | 5,895,000.00 | \$ | - | \$ | 115,625.00 | \$ 455,375.00 |
| 05/01/34 | \$ | 5,895,000.00 | \$ | 230,000.00 | \$ | 115,625.00 | \$ - |
| 11/01/34 | \$ | 5,665,000.00 | \$ | - | \$ | 111,312.50 | \$ 456,937.50 |
| 05/01/35 | \$ | 5,665,000.00 | \$ | 240,000.00 | \$ | 111,312.50 | \$ - |
| 11/01/35 | \$ | 5,425,000.00 | \$ | - | \$ | 106,812.50 | \$ 458,125.00 |
| 05/01/36 | \$ | 5,425,000.00 | \$ | 250,000.00 | \$ | 106,812.50 | \$ - |
| 11/01/36 | \$ | 5,175,000.00 | \$ | - | \$ | 102,125.00 | \$ 458,937.50 |
| 05/01/37 | \$ | 5,175,000.00 | \$ | 260,000.00 | \$ | 102,125.00 | \$ - |
| 11/01/37 | \$ | 4,915,000.00 | \$ | - | \$ | 97,250.00 | \$ 459,375.00 |
| 05/01/38 | \$ | 4,915,000.00 | \$ | 270,000.00 | \$ | 97,250.00 | \$ - |
| 11/01/38 | \$ | 4,645,000.00 | \$ | - | \$ | 92,187.50 | \$ 459,437.50 |
| 05/01/39 | \$ | 4,645,000.00 | \$ | 280,000.00 | \$ | 92,187.50 | \$ - |
| 11/01/39 | \$ | 4,365,000.00 | \$ | - | \$ | 86,937.50 | \$ 459,125.00 |
| 05/01/40 | \$ | 4,365,000.00 | \$ | 290,000.00 | \$ | 86,937.50 | \$ - |
| 11/01/40 | \$ | 4,075,000.00 | \$ | - | \$ | 81,500.00 | \$ 458,437.50 |
| 05/01/41 | \$ | 4,075,000.00 | \$ | 300,000.00 | \$ | 81,500.00 | \$ - |
| 11/01/41 | \$ | 3,775,000.00 | \$ | - | \$ | 75,500.00 | \$ 457,000.00 |
| 05/01/42 | \$ | 3,775,000.00 | \$ | 315,000.00 | \$ | 75,500.00 | \$ - |
| 11/01/42 | \$ | 3,460,000.00 | \$ | - | \$ | 69,200.00 | \$ 459,700.00 |
| 05/01/43 | \$ | 3,460,000.00 | \$ | 325,000.00 | \$ | 69,200.00 | \$ - |
| 11/01/43 | \$ | 3,135,000.00 | \$ | - | \$ | 62,700.00 | \$ 456,900.00 |

Scenic Highway
Community Development District
Series 2020 Special Assessment Bonds
Amortization Schedule

| Date | Balance | Prinicipal | Interest | Total |
|----------|-----------------|-----------------|-----------------|------------------|
| 05/01/44 | \$ 3,135,000.00 | \$ 340,000.00 | \$ 62,700.00 | \$ - |
| 11/01/44 | \$ 2,795,000.00 | \$ - | \$ 55,900.00 | \$ 458,600.00 |
| 05/01/45 | \$ 2,795,000.00 | \$ 355,000.00 | \$ 55,900.00 | \$ - |
| 11/01/45 | \$ 2,440,000.00 | \$ - | \$ 48,800.00 | \$ 459,700.00 |
| 05/01/46 | \$ 2,440,000.00 | \$ 365,000.00 | \$ 48,800.00 | \$ - |
| 11/01/46 | \$ 2,075,000.00 | \$ - | \$ 41,500.00 | \$ 455,300.00 |
| 05/01/47 | \$ 2,075,000.00 | \$ 380,000.00 | \$ 41,500.00 | \$ - |
| 11/01/47 | \$ 1,695,000.00 | \$ - | \$ 33,900.00 | \$ 455,400.00 |
| 05/01/48 | \$ 1,695,000.00 | \$ 400,000.00 | \$ 33,900.00 | \$ - |
| 11/01/48 | \$ 1,295,000.00 | \$ - | \$ 25,900.00 | \$ 459,800.00 |
| 05/01/49 | \$ 1,295,000.00 | \$ 415,000.00 | \$ 25,900.00 | \$ - |
| 11/01/49 | \$ 880,000.00 | \$ - | \$ 17,600.00 | \$ 458,500.00 |
| 05/01/50 | \$ 880,000.00 | \$ 430,000.00 | \$ 17,600.00 | \$ - |
| 11/1/50 | \$ 450,000.00 | \$ - | \$ 9,000.00 | \$ 456,600.00 |
| 5/1/51 | \$ 450,000.00 | \$ 450,000.00 | \$ 9,000.00 | \$ 459,000.00 |
| | | \$ 8,120,000.00 | \$ 5,767,262.50 | \$ 13,996,864.24 |

DISTRICT - SCENIC HIGHWAY CDD

Report Generated:

Note: This report may contain CONFIDENTIAL

| PARCEL ID | NAME | MAIL CITY | MAIL STATE | PROP DSCR1 | PROP DSCR2 | PROP DSCR3 | ACREAGE | O&M |
|--------------------|----------------------|--------------|------------|------------------------|--------------------------------------------------|----------------------------------------------------|---------|--------------|
| 272804000000032010 | JMBI REAL ESTATE LLC | WINTER HAVEN | FL | COMM NW COR OF E1/2 | S0-24-15E 858.74 FT TO POB N44-35-45E 255.97 FT | N0-24-15W 504.59 FT S76-30-22E 127.48 FT S1-14-57E | 42.36 | \$181,285.09 |
| 272804000000032020 | JMBI REAL ESTATE LLC | WINTER HAVEN | FL | BEG NW COR OF SE1/4 OF | 1209.85 FT TO WLY R/W OF SR 17 SELY ALONG CURVE | ALONG SAID WLY R/W 289.32 FT N88-45-03E 17 FT | 13.32 | \$56,993.63 |
| 272804000000041010 | VMAR DEV LLC | WINTER HAVEN | FL | BEG NW COR OF W1/2 OF | N88-45-03E 165.1 FT N1-14-57W 6.05 FT N88-45-03E | 220 FT S1-14-57E 60 FT N88-45-03E 690 FT N1-14-57W | 31.17 | \$133,403.28 |

SECTION B

SECTION 1

RESOLUTION 2021-06

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE SCENIC HIGHWAY COMMUNITY DEVELOPMENT DISTRICT MAKING A DETERMINATION OF BENEFIT AND IMPOSING SPECIAL ASSESSMENTS FOR FISCAL YEAR 2021/2022; PROVIDING FOR THE COLLECTION AND ENFORCEMENT OF SPECIAL ASSESSMENTS; CERTIFYING AN ASSESSMENT ROLL; PROVIDING FOR AMENDMENTS TO THE ASSESSMENT ROLL; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

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

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

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

WHEREAS, the Board of Supervisors (“**Board**”) of the District hereby determines to undertake various operations and maintenance and other activities described in the District’s budget (“**Adopted Budget**”) for the fiscal year beginning October 1, 2021 and ending September 30, 2022 (“**Fiscal Year 2021/2022**”), attached hereto as **Exhibit “A”** and incorporated by reference herein; and

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

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

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

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

WHEREAS, the District has previously levied an assessment for debt service, which the District desires to collect for Fiscal Year 2021/2022; and

WHEREAS, Chapter 197, *Florida Statutes*, provides a mechanism pursuant to which such special assessments may be placed on the tax roll and collected by the local tax collector (“**Uniform Method**”), and the District has previously authorized the use of the Uniform Method by, among other things, entering into agreements with the Property Appraiser and Tax Collector of the County for that purpose; and

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

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

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

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

SECTION 2. ASSESSMENT IMPOSITION. Pursuant to Chapters 190 and 197, *Florida Statutes*, and using the procedures authorized by Florida law for the levy and collection of special assessments, a special assessment for operation and maintenance is hereby imposed and levied on benefitted lands within the District, and in accordance with **Exhibits “A” and “B.”** The lien of the special assessments for operations and maintenance imposed and levied by this Resolution shall be effective upon passage of this Resolution. Moreover, pursuant to Section 197.3632(4), *Florida Statutes*, the lien amount shall serve as the “maximum rate” authorized by law for operation and maintenance assessments.

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

SECTION 4. ASSESSMENT ROLL. The Assessment Roll, attached to this Resolution as

Exhibit “B,” is hereby certified to the County Tax Collector and shall be collected by the County Tax Collector in the same manner and time as County taxes. The proceeds therefrom shall be paid to the District.

SECTION 5. ASSESSMENT ROLL AMENDMENT. The District Manager shall keep apprised of all updates made to the County property roll by the Property Appraiser after the date of this Resolution, and shall amend the Assessment Roll in accordance with any such updates, for such time as authorized by Florida law, to the County property roll. After any amendment of the Assessment Roll, the District Manager shall file the updates in the District records.

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

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

PASSED AND ADOPTED this 15th day of July, 2021.

ATTEST:

**SCENIC HIGHWAY COMMUNITY
DEVELOPMENT DISTRICT**

Secretary / Assistant Secretary

By: _____

Its: _____

Exhibit A: Budget
Exhibit B: Assessment Roll

Scenic Highway
Community Development District

Proposed Budget
FY2022



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| 8 | Series 2020 Debt Service Fund |
| 9-10 | Series 2020 Amortization Schedule |

Scenic Highway
Community Development District
Proposed Budget
General Fund

| Description | Adopted Budget FY2021 | Actuals Thru 5/31/21 | Projected Next 4 Months | Total Thru 9/30/21 | Proposed Budget FY2022 |
|--------------------------------------------|-----------------------------|----------------------------|-------------------------------|--------------------------|------------------------------|
| <u>Revenues</u> | | | | | |
| Assessments | \$ - | \$ - | \$ - | \$ - | \$ 276,000 |
| Developer Contributions | \$ 166,127 | \$ 45,381 | \$ 98,729 | \$ 144,110 | \$ 73,380 |
| Total Revenues | \$ 166,127 | \$ 45,381 | \$ 98,729 | \$ 144,110 | \$ 349,380 |
| <u>Expenditures</u> | | | | | |
| <i><u>Administrative</u></i> | | | | | |
| Supervisor Fees | \$ 12,000 | \$ 4,000 | \$ 4,000 | \$ 8,000 | \$ 12,000 |
| Engineering | \$ 15,000 | \$ - | \$ 5,000 | \$ 5,000 | \$ 15,000 |
| Attorney | \$ 25,000 | \$ 7,681 | \$ 17,319 | \$ 25,000 | \$ 30,000 |
| Annual Audit | \$ 3,300 | \$ - | \$ 3,300 | \$ 3,300 | \$ 4,300 |
| Assessment Administration | \$ 5,000 | \$ - | \$ - | \$ - | \$ 5,000 |
| Arbitrage | \$ 650 | \$ - | \$ 450 | \$ 450 | \$ 650 |
| Dissemination | \$ 5,000 | \$ 2,083 | \$ 1,667 | \$ 3,750 | \$ 5,000 |
| Trustee Fees | \$ 3,550 | \$ - | \$ 3,550 | \$ 3,550 | \$ 3,550 |
| Management Fees | \$ 35,000 | \$ 23,333 | \$ 11,667 | \$ 35,000 | \$ 35,000 |
| Information Technology | \$ 1,410 | \$ 600 | \$ 470 | \$ 1,070 | \$ 1,800 |
| Website Maintenance | \$ 940 | \$ - | \$ 313 | \$ 313 | \$ 1,200 |
| Telephone | \$ 300 | \$ - | \$ 100 | \$ 100 | \$ 300 |
| Postage & Delivery | \$ 1,000 | \$ 74 | \$ 333 | \$ 407 | \$ 1,000 |
| Insurance | \$ 5,700 | \$ 5,381 | \$ - | \$ 5,381 | \$ 6,000 |
| Printing & Binding | \$ 1,000 | \$ 18 | \$ 333 | \$ 352 | \$ 1,000 |
| Legal Advertising | \$ 10,000 | \$ 2,891 | \$ 7,109 | \$ 10,000 | \$ 10,000 |
| Other Current Charges | \$ 5,000 | \$ 903 | \$ 1,667 | \$ 2,569 | \$ 5,000 |
| Office Supplies | \$ 625 | \$ 14 | \$ 208 | \$ 222 | \$ 625 |
| Travel Per Diem | \$ 660 | \$ - | \$ 220 | \$ 220 | \$ 660 |
| Dues, Licenses & Subscriptions | \$ 175 | \$ 175 | \$ - | \$ 175 | \$ 175 |
| Total Administrative | \$ 131,310 | \$ 47,154 | \$ 57,706 | \$ 104,860 | \$ 138,260 |
| <i><u>Operations & Maintenance</u></i> | | | | | |
| Field Services | | | | | |
| Property Insurance | \$ 5,000 | \$ - | \$ - | \$ - | \$ 5,000 |
| Field Management | \$ 6,250 | \$ - | \$ 2,500 | \$ 2,500 | \$ 15,000 |
| Landscape Maintenance | \$ 11,650 | \$ - | \$ 23,333 | \$ 23,333 | \$ 70,000 |
| Landscape Replacement | \$ 1,042 | \$ - | \$ 1,042 | \$ 1,042 | \$ 2,500 |
| Streetlights | \$ 5,250 | \$ - | \$ 6,000 | \$ 6,000 | \$ 18,000 |
| Electric | \$ 833 | \$ - | \$ 1,200 | \$ 1,200 | \$ 3,600 |
| Water & Sewer | \$ 417 | \$ - | \$ 800 | \$ 800 | \$ 2,400 |
| Sidewalk & Asphalt Maintenance | \$ 208 | \$ - | \$ 208 | \$ 208 | \$ 500 |
| Irrigation Repairs | \$ 1,042 | \$ - | \$ 1,042 | \$ 1,042 | \$ 2,500 |
| General Repairs & Maintenance | \$ 2,083 | \$ - | \$ 2,083 | \$ 2,083 | \$ 5,000 |
| Contingency | \$ 1,042 | \$ - | \$ 1,042 | \$ 1,042 | \$ 2,500 |
| Subtotal Field Expenses | \$ 34,817 | \$ - | \$ 39,250 | \$ 39,250 | \$ 127,000 |

Scenic Highway
Community Development District
Proposed Budget
General Fund

| Description | Adopted Budget FY2021 | Actuals Thru 5/31/21 | Projected Next 4 Months | Total Thru 9/30/21 | Proposed Budget FY2022 |
|--------------------------------------------------|-----------------------------|----------------------------|-------------------------------|--------------------------|------------------------------|
| Amenity Expenses | | | | | |
| Amenity - Electric | \$ - | \$ - | \$ - | \$ - | \$ 14,400 |
| Amenity - Water | \$ - | \$ - | \$ - | \$ - | \$ 3,500 |
| Playground Lease | \$ - | \$ - | \$ - | \$ - | \$ 14,000 |
| Internet | \$ - | \$ - | \$ - | \$ - | \$ 3,000 |
| Pest Control | \$ - | \$ - | \$ - | \$ - | \$ 720 |
| Janitorial Service | \$ - | \$ - | \$ - | \$ - | \$ 8,500 |
| Security Services | \$ - | \$ - | \$ - | \$ - | \$ 7,500 |
| Pool Maintenance | \$ - | \$ - | \$ - | \$ - | \$ 18,000 |
| Amenity Access Management | \$ - | \$ - | \$ - | \$ - | \$ 5,000 |
| Amenity Repairs & Maintenance | \$ - | \$ - | \$ - | \$ - | \$ 1,000 |
| Contingency | \$ - | \$ - | \$ - | \$ - | \$ 7,500 |
| Subtotal Amenity Expenses | \$ - | \$ - | \$ - | \$ - | \$ 83,120 |
| <u>Total Operations & Maintenance</u> | \$ 34,817 | \$ - | \$ 39,250 | \$ 39,250 | \$ 210,120 |
| <u>Other Expenses</u> | | | | | |
| Capital Reserves | \$ - | \$ - | \$ - | \$ - | \$ 1,000 |
| <u>Total Other Expenses</u> | \$ - | \$ - | \$ - | \$ - | \$ 1,000 |
| Total Expenditures | \$ 166,127 | \$ 47,154 | \$ 96,956 | \$ 144,110 | \$ 349,380 |
| Excess Revenues/(Expenditures) | \$ - | \$ (1,773) | \$ 1,773 | \$ - | \$ - |

| | |
|---------------------------------|------------------|
| Net Assessments | \$276,000 |
| Add: Discounts & Collections 7% | \$20,774 |
| Gross Assessments | <u>\$296,774</u> |
| Assessable Units | 368 |
| Per Unit Gross Assessment | <u>\$806.45</u> |

Scenic Highway Community Development District General Fund Budget

Revenues:

Assessments

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

Expenditures:

General & Administrative:

Supervisor Fees

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

Engineering

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

Attorney

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

Annual Audit

The District is required by Florida Statutes to arrange for an independent audit of its financial records on an annual basis.

Assessment Administration

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

Arbitrage

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

Dissemination

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

Trustee Fees

The District will incur trustee related costs with the Series 2020 bonds.

Scenic Highway Community Development District General Fund Budget

Management Fees

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

Information Technology

Represents costs related to the District's information systems, which include but are not limited to video conferencing services, cloud storage services and servers, security, accounting software, etc.

Website Maintenance

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

Telephone

Telephone and fax machine.

Postage & Delivery

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

Insurance

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

Printing & Binding

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

Legal Advertising

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

Other Current Charges

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

Office Supplies

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

Scenic Highway Community Development District General Fund Budget

Travel Per Diem

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

Dues, Licenses & Subscriptions

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

Operations & Maintenance:

Field Expenses

Property Insurance

The District's property insurance coverages.

Field Management

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

Landscape Maintenance

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

Landscape Replacement

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

Streetlights

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

Electric

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

Water & Sewer

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

Sidewalk & Asphalt Maintenance

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

Scenic Highway Community Development District General Fund Budget

Irrigation Repairs

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

General Repairs & Maintenance

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

Contingency

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

Amenity Expenses

Amenity - Electric

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

Amenity – Water

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

Playground Lease

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

Internet

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

Pest Control

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

Janitorial Services

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

Security Services

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

Pool Maintenance

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

Amenity Access Management

Represents the cost of managing and monitoring access to the District's amenity facilities.

Scenic Highway Community Development District General Fund Budget

Amenity Repairs & Maintenance

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

Contingency

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

Other Expenses:

Capital Reserves

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

Scenic Highway
Community Development District
Proposed Budget
Series 2020 Debt Service Fund

| Description | Proposed Budget FY2021 | Actuals Thru 5/31/21 | Projected Next 4 Months | Total Thru 9/30/21 | Proposed Budget FY2022 |
|---------------------------------------------|------------------------------|----------------------------|-------------------------------|--------------------------|------------------------------|
| Revenues | | | | | |
| Special Assessments | \$ - | \$ - | \$ - | \$ - | \$ 459,919 |
| Interest | \$ 5 | \$ 16 | \$ - | \$ 16 | \$ - |
| Carry Forward Surplus | \$ - | \$ - | \$ - | \$ - | \$ 151,772 |
| Total Revenues | \$ 5 | \$ 16 | \$ - | \$ 16 | \$ 611,691 |
| Expenditures | | | | | |
| Interest Expense - 11/1 | \$ - | \$ - | \$ - | \$ - | \$ 151,756 |
| Principal Expense - 5/1 | \$ - | \$ - | \$ - | \$ - | \$ 155,000 |
| Interest Expense - 5/1 | \$ - | \$ 109,602 | \$ - | \$ 109,602 | \$ 151,756 |
| Total Expenditures | \$ - | \$ 109,602 | \$ - | \$ 109,602 | \$ 458,513 |
| Other Financing Sources/(Uses) | | | | | |
| Bond Proceeds | \$ 721,277 | \$ 721,277 | \$ - | \$ 721,277 | \$ - |
| Total Other Financing Sources/(Uses) | \$ 721,277 | \$ 721,277 | \$ - | \$ 721,277 | \$ - |
| Excess Revenues/(Expenditures) | \$ 721,282 | \$ 611,691 | \$ - | \$ 611,691 | \$ 153,178 |

| | |
|--------------------------|-------------------|
| Interest Expense 11/1/22 | \$ 149,625 |
| Total | \$ 149,625 |

| Product | Assessable Units | Maximum Annual Debt Service | Net Assessment Per Unit | Gross Assessment Per Unit |
|---------------|------------------|--------------------------------|----------------------------|------------------------------|
| Single Family | 368 | \$ 459,919 | \$1,250 | \$1,344 |
| | 368 | \$ 459,919 | | |

Scenic Highway
Community Development District
Series 2020 Special Assessment Bonds
Amortization Schedule

| Date | | Balance | Principal | | Interest | | Total |
|----------|----|--------------|-----------|------------|----------|------------|---------------|
| 11/01/21 | \$ | 8,120,000.00 | \$ | - | \$ | 151,756.25 | \$ 261,357.99 |
| 05/01/22 | \$ | 8,120,000.00 | \$ | 155,000.00 | \$ | 151,756.25 | \$ - |
| 11/01/22 | \$ | 7,965,000.00 | \$ | - | \$ | 149,625.00 | \$ 456,381.25 |
| 05/01/23 | \$ | 7,965,000.00 | \$ | 160,000.00 | \$ | 149,625.00 | \$ - |
| 11/01/23 | \$ | 7,805,000.00 | \$ | - | \$ | 147,425.00 | \$ 457,050.00 |
| 05/01/24 | \$ | 7,805,000.00 | \$ | 165,000.00 | \$ | 147,425.00 | \$ - |
| 11/01/24 | \$ | 7,640,000.00 | \$ | - | \$ | 145,156.25 | \$ 457,581.25 |
| 05/01/25 | \$ | 7,640,000.00 | \$ | 170,000.00 | \$ | 145,156.25 | \$ - |
| 11/01/25 | \$ | 7,470,000.00 | \$ | - | \$ | 142,818.75 | \$ 457,975.00 |
| 05/01/26 | \$ | 7,470,000.00 | \$ | 175,000.00 | \$ | 142,818.75 | \$ - |
| 11/01/26 | \$ | 7,295,000.00 | \$ | - | \$ | 139,975.00 | \$ 457,793.75 |
| 05/01/27 | \$ | 7,295,000.00 | \$ | 180,000.00 | \$ | 139,975.00 | \$ - |
| 11/01/27 | \$ | 7,115,000.00 | \$ | - | \$ | 137,050.00 | \$ 457,025.00 |
| 05/01/28 | \$ | 7,115,000.00 | \$ | 185,000.00 | \$ | 137,050.00 | \$ - |
| 11/01/28 | \$ | 6,930,000.00 | \$ | - | \$ | 134,043.75 | \$ 456,093.75 |
| 05/01/29 | \$ | 6,930,000.00 | \$ | 195,000.00 | \$ | 134,043.75 | \$ - |
| 11/01/29 | \$ | 6,735,000.00 | \$ | - | \$ | 130,875.00 | \$ 459,918.75 |
| 05/01/30 | \$ | 6,735,000.00 | \$ | 200,000.00 | \$ | 130,875.00 | \$ - |
| 11/01/30 | \$ | 6,535,000.00 | \$ | - | \$ | 127,625.00 | \$ 458,500.00 |
| 05/01/31 | \$ | 6,535,000.00 | \$ | 205,000.00 | \$ | 127,625.00 | \$ - |
| 11/01/31 | \$ | 6,330,000.00 | \$ | - | \$ | 123,781.25 | \$ 456,406.25 |
| 05/01/32 | \$ | 6,330,000.00 | \$ | 215,000.00 | \$ | 123,781.25 | \$ - |
| 11/01/32 | \$ | 6,115,000.00 | \$ | - | \$ | 119,750.00 | \$ 458,531.25 |
| 05/01/33 | \$ | 6,115,000.00 | \$ | 220,000.00 | \$ | 119,750.00 | \$ - |
| 11/01/33 | \$ | 5,895,000.00 | \$ | - | \$ | 115,625.00 | \$ 455,375.00 |
| 05/01/34 | \$ | 5,895,000.00 | \$ | 230,000.00 | \$ | 115,625.00 | \$ - |
| 11/01/34 | \$ | 5,665,000.00 | \$ | - | \$ | 111,312.50 | \$ 456,937.50 |
| 05/01/35 | \$ | 5,665,000.00 | \$ | 240,000.00 | \$ | 111,312.50 | \$ - |
| 11/01/35 | \$ | 5,425,000.00 | \$ | - | \$ | 106,812.50 | \$ 458,125.00 |
| 05/01/36 | \$ | 5,425,000.00 | \$ | 250,000.00 | \$ | 106,812.50 | \$ - |
| 11/01/36 | \$ | 5,175,000.00 | \$ | - | \$ | 102,125.00 | \$ 458,937.50 |
| 05/01/37 | \$ | 5,175,000.00 | \$ | 260,000.00 | \$ | 102,125.00 | \$ - |
| 11/01/37 | \$ | 4,915,000.00 | \$ | - | \$ | 97,250.00 | \$ 459,375.00 |
| 05/01/38 | \$ | 4,915,000.00 | \$ | 270,000.00 | \$ | 97,250.00 | \$ - |
| 11/01/38 | \$ | 4,645,000.00 | \$ | - | \$ | 92,187.50 | \$ 459,437.50 |
| 05/01/39 | \$ | 4,645,000.00 | \$ | 280,000.00 | \$ | 92,187.50 | \$ - |
| 11/01/39 | \$ | 4,365,000.00 | \$ | - | \$ | 86,937.50 | \$ 459,125.00 |
| 05/01/40 | \$ | 4,365,000.00 | \$ | 290,000.00 | \$ | 86,937.50 | \$ - |
| 11/01/40 | \$ | 4,075,000.00 | \$ | - | \$ | 81,500.00 | \$ 458,437.50 |
| 05/01/41 | \$ | 4,075,000.00 | \$ | 300,000.00 | \$ | 81,500.00 | \$ - |
| 11/01/41 | \$ | 3,775,000.00 | \$ | - | \$ | 75,500.00 | \$ 457,000.00 |
| 05/01/42 | \$ | 3,775,000.00 | \$ | 315,000.00 | \$ | 75,500.00 | \$ - |
| 11/01/42 | \$ | 3,460,000.00 | \$ | - | \$ | 69,200.00 | \$ 459,700.00 |
| 05/01/43 | \$ | 3,460,000.00 | \$ | 325,000.00 | \$ | 69,200.00 | \$ - |
| 11/01/43 | \$ | 3,135,000.00 | \$ | - | \$ | 62,700.00 | \$ 456,900.00 |

Scenic Highway
Community Development District
Series 2020 Special Assessment Bonds
Amortization Schedule

| Date | Balance | Principal | Interest | Total |
|----------|-----------------|------------------------|------------------------|-------------------------|
| 05/01/44 | \$ 3,135,000.00 | \$ 340,000.00 | \$ 62,700.00 | \$ - |
| 11/01/44 | \$ 2,795,000.00 | \$ - | \$ 55,900.00 | \$ 458,600.00 |
| 05/01/45 | \$ 2,795,000.00 | \$ 355,000.00 | \$ 55,900.00 | \$ - |
| 11/01/45 | \$ 2,440,000.00 | \$ - | \$ 48,800.00 | \$ 459,700.00 |
| 05/01/46 | \$ 2,440,000.00 | \$ 365,000.00 | \$ 48,800.00 | \$ - |
| 11/01/46 | \$ 2,075,000.00 | \$ - | \$ 41,500.00 | \$ 455,300.00 |
| 05/01/47 | \$ 2,075,000.00 | \$ 380,000.00 | \$ 41,500.00 | \$ - |
| 11/01/47 | \$ 1,695,000.00 | \$ - | \$ 33,900.00 | \$ 455,400.00 |
| 05/01/48 | \$ 1,695,000.00 | \$ 400,000.00 | \$ 33,900.00 | \$ - |
| 11/01/48 | \$ 1,295,000.00 | \$ - | \$ 25,900.00 | \$ 459,800.00 |
| 05/01/49 | \$ 1,295,000.00 | \$ 415,000.00 | \$ 25,900.00 | \$ - |
| 11/01/49 | \$ 880,000.00 | \$ - | \$ 17,600.00 | \$ 458,500.00 |
| 05/01/50 | \$ 880,000.00 | \$ 430,000.00 | \$ 17,600.00 | \$ - |
| 11/1/50 | \$ 450,000.00 | \$ - | \$ 9,000.00 | \$ 456,600.00 |
| 5/1/51 | \$ 450,000.00 | \$ 450,000.00 | \$ 9,000.00 | \$ 459,000.00 |
| | | \$ 8,120,000.00 | \$ 5,767,262.50 | \$ 13,996,864.24 |

DISTRICT - SCENIC HIGHWAY CDD

Report Generated:

Note: This report may contain CONFIDENTIAL

| PARCEL ID | NAME | MAIL CITY | MAIL STATE | PROP DSCR1 | PROP DSCR2 | PROP DSCR3 | ACREAGE | O&M |
|--------------------|----------------------|--------------|------------|------------------------|--------------------------------------------------|----------------------------------------------------|---------|--------------|
| 272804000000032010 | JMBI REAL ESTATE LLC | WINTER HAVEN | FL | COMM NW COR OF E1/2 | S0-24-15E 858.74 FT TO POB N44-35-45E 255.97 FT | N0-24-15W 504.59 FT S76-30-22E 127.48 FT S1-14-57E | 42.36 | \$181,285.09 |
| 272804000000032020 | JMBI REAL ESTATE LLC | WINTER HAVEN | FL | BEG NW COR OF SE1/4 OF | 1209.85 FT TO WLY R/W OF SR 17 SELY ALONG CURVE | ALONG SAID WLY R/W 289.32 FT N88-45-03E 17 FT | 13.32 | \$56,993.63 |
| 272804000000041010 | VMAR DEV LLC | WINTER HAVEN | FL | BEG NW COR OF W1/2 OF | N88-45-03E 165.1 FT N1-14-57W 6.05 FT N88-45-03E | 220 FT S1-14-57E 60 FT N88-45-03E 690 FT N1-14-57W | 31.17 | \$133,403.28 |

SECTION V

RESOLUTION 2021-07

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

WHEREAS, Scenic Highway Community Development District ("District") is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, being situated within the City of Haines City, Florida; and

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

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

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

1. EXISTING BOARD SUPERVISORS; SEATS SUBJECT TO ELECTIONS.

The Board is currently made up of the following individuals:

| <u>Seat Number</u> | <u>Supervisor</u> | <u>Term Expiration Date</u> |
|--------------------|------------------------------|-----------------------------|
| 1 | Warren K. "Rennie" Heath, II | November 2023 |
| 2 | Lauren O. Schwenk | November 2023 |
| 3 | Jack M. Berry | November 2021 |
| 4 | Andrew Rhinehart | November 2021 |
| 5 | Patrick Marone | November 2021 |

This year, Seat 3, currently held by Jack M. Berry, Seat 4, currently held by Andrew Rhinehart, and Seat 5, currently held by Patrick Marone are subject to election by landowners in November 2021. The two candidates receiving the highest number of votes shall be elected for a term of four (4) years. The candidate receiving the next highest number of votes shall be elected for a term of two (2) years. The term of office for each successful candidate shall commence upon election.

2. LANDOWNERS' ELECTION. In accordance with Section 190.006(2), *Florida Statutes*, the meeting of the landowners to elect Board Supervisor(s) of the District shall be held

on the following date, time and location:

DATE: November 2, 2021
TIME: ___:___ a/p.m.
LOCATION: _____

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

4. FORMS. Pursuant to Section 190.006(2)(b), *Florida Statutes*, the landowners' meeting and election have been announced by the Board at its July 15, 2021 meeting. A sample notice of landowners' meeting and election, proxy, ballot form and instructions were presented at such meeting and are attached hereto as **Exhibit A**. Such documents are available for review and copying during normal business hours at the office of the District Manager, Governmental Management Services – Central Florida, LLC, 219 East Livingston Street, Orlando, Florida 32801.

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

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

PASSED AND ADOPTED this 15th day July 2021.

ATTEST:

**SCENIC HIGHWAY COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Vice Chairperson, Board of Supervisors

Exhibit A: Sample Election Documents

Exhibit A

NOTICE OF LANDOWNERS' MEETING AND ELECTION AND MEETING OF THE BOARD OF SUPERVISORS OF THE SCENIC HIGHWAY COMMUNITY DEVELOPMENT DISTRICT

Notice is hereby given to the public and all landowners within the Scenic Highway Community Development District (the "District"), the location of which is generally described as comprising a parcel or parcels of land containing approximately 86.85 acres, generally located in an area east of Highway 27, west of SR 17 (Scenic Highway S), and south of State Road 544 (Scenic Highway S), in the City of Haines City, Florida, advising that a meeting of landowners will be held for the purpose of electing three (3) persons to the District Board of Supervisors. Immediately following the landowners' meeting and election, there will be convened a meeting of the Board of Supervisors for the purpose of considering certain matters of the Board to include election of certain District officers, and other such business which may properly come before the Board.

DATE: November 2, 2021
TIME: ___:___ a/p.m.
LOCATION: _____

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

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

Any person requiring special accommodations to participate in these meetings is asked to contact the District Office at (407) 841-5524, at least forty-eight (48) hours before the hearing. If you are hearing or speech impaired, please contact the Florida Relay Service at 7-1-1 or (800) 955-8770 for aid in contacting the District Office.

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

Jill Burns
District Manager

Run Date(s): [REDACTED] & [REDACTED]

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

**INSTRUCTIONS RELATING TO LANDOWNERS' MEETING OF
SCENIC HIGHWAY COMMUNITY DEVELOPMENT DISTRICT
FOR THE ELECTION OF SUPERVISORS**

DATE OF
LANDOWNERS' MEETING: **November 2, 2021**

TIME: __:__ A/P.M.

LOCATION: _____

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

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

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

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

A proxy is available upon request. To be valid, each proxy must be signed by one of the legal owners of the property for which the vote is cast and must contain the typed or printed name of

the individual who signed the proxy; the street address, legal description of the property or tax parcel identification number; and the number of authorized votes. If the proxy authorizes more than one vote, each property must be listed and the number of acres of each property must be included. The signature on a proxy does not need to be notarized.

**LANDOWNER PROXY
SCENIC HIGHWAY COMMUNITY DEVELOPMENT DISTRICT
CITY OF HAINES CITY, POLK COUNTY, FLORIDA
LANDOWNERS' MEETING – November 2, 2021**

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, the fee simple owner of the lands described herein, hereby constitutes and appoints _____ (**"Proxy Holder"**) for and on behalf of the undersigned, to vote as proxy at the meeting of the landowners of the Scenic Highway Community Development District to be held at _____, on **November 2, 2021** at _____ **.m.** and at any adjournments thereof, according to the number of acres of unplatted land and/or platted lots owned by the undersigned landowner that the undersigned would be entitled to vote if then personally present, upon any question, proposition, or resolution or any other matter or thing that may be considered at said meeting including, but not limited to, the election of members of the Board of Supervisors. Said Proxy Holder may vote in accordance with his or her discretion on all matters not known or determined at the time of solicitation of this proxy, which may legally be considered at said meeting.

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

Printed Name of Legal Owner

Signature of Legal Owner

Date

Parcel Description

Acreage

Authorized Votes

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

Total Number of Authorized Votes:

NOTES: Pursuant to Section 190.006(2)(b), *Florida Statutes* (2018), a fraction of an acre is treated as one (1) acre entitling the landowner to one vote with respect thereto. Moreover, two (2) or more persons who own real property in common that is one acre or less are together entitled to only one vote for that real property.

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

OFFICIAL BALLOT
SCENIC HIGHWAY COMMUNITY DEVELOPMENT DISTRICT
CITY OF HAINES CITY, POLK COUNTY, FLORIDA
LANDOWNERS' MEETING – November 2, 2021

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

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

Description

Acreage

| | |
|-------|-------|
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |

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

or

Attach Proxy.

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

| SEAT # | NAME OF CANDIDATE | NUMBER OF VOTES |
|--------|-------------------|-----------------|
| 3 | | |
| 4 | | |
| 5 | | |

Date: _____

Signed: _____

Printed Name: _____

SECTION VI

RESOLUTION 2021-08

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE SCENIC HIGHWAY COMMUNITY DEVELOPMENT DISTRICT ADOPTING THE ANNUAL MEETING SCHEDULE FOR FISCAL YEAR 2021-2022; AND PROVIDING FOR AN EFFECTIVE DATE

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

WHEREAS, the District is required by Section 189.015, *Florida Statutes*, to file quarterly, semi-annually, or annually a schedule (including date, time, and location) of its regular meetings with local governing authorities; and

WHEREAS, further, in accordance with the above-referenced statute, the District shall also publish quarterly, semi-annually, or annually the District’s regular meeting schedule in a newspaper of general paid circulation in the county in which the District is located; and

WHEREAS, the Board desires to adopt the Fiscal Year 2021-2022 annual meeting schedule attached as **Exhibit A**.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE SCENIC HIGHWAY COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. The Fiscal Year 2021-2022 annual meeting schedule attached hereto and incorporated by reference herein as **Exhibit A** is hereby approved and shall be published in accordance with the requirements of Florida law and also provided to applicable governing authorities.

SECTION 2. This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED this 15th day of June 2021.

ATTEST:

**SCENIC HIGHWAY COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Vice Chairperson, Board of Supervisors

Exhibit A: Fiscal Year 2021-2022 Annual Meeting Schedule

Exhibit A

BOARD OF SUPERVISORS MEETING DATES SCENIC HIGHWAY COMMUNITY DEVELOPMENT DISTRICT FISCAL YEAR 2021-2022

The Board of Supervisors of the Scenic Highway Community Development District will hold their regular meetings for Fiscal Year 2021-2022 on the 3rd Thursday of every month, at the Offices of Cassidy Homes, 346 E. Central Ave., Winter Haven, Florida 33880, at 10:30 a.m. unless otherwise indicated as follows:

**October 21, 2021
November 18, 2021
December 16, 2021
January 20, 2022
February 17, 2022
March 17, 2022
April 21, 2022
May 19, 2022
June 16, 2022
July 21, 2022
August 18, 2022
September 15, 2022**

The meetings are open to the public and will be conducted in accordance with the provision of Florida Law for Community Development Districts. The meetings may be continued to a date, time, and place to be specified on the record at the meeting. A copy of the agenda for these meetings may be obtained from Governmental Management Services – Central Florida, LLC, 219 E. Livingston Street, Orlando, Florida 32801 or by calling (407) 841-5524.

There may be occasions when one or more Supervisors or staff will participate by telephone. Pursuant to provisions of the Americans with Disabilities Act, any person requiring special accommodations at this meeting because of a disability or physical impairment should contact the District Office at (407) 841-5524 at least 48 hours prior to the meeting. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) / 1-800-955-8770 (Voice), for aid in contacting the District Office.

A person who decides to appeal any decision made at the meeting with respect to any matter considered at the meeting is advised that person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

District Manager

SECTION VII

Prepared By and Return to:

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

PARTIAL TERMINATION OF TEMPORARY CONSTRUCTION AND ACCESS EASEMENT AGREEMENT

This **Partial Termination of Temporary Construction and Access Easement Agreement** (“Partial Termination”) is made as of this 30th day of June, 2021, by **Scenic Highway Community Development District**, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, being situated in Haines City, Florida, whose address is c/o Governmental Management Services Central Florida, LLC, 219 E. Livingston St., Orlando, Florida 32801 (“District”), and is joined by **JMBI Real Estate, LLC**, a Florida limited liability company (“Landowner”), whose address is 346 E Central Avenue, Winter Haven, Florida 32801

WITNESSETH:

WHEREAS, the District and Landowner are parties to that certain *Temporary Construction and Access Easement Agreement*, dated October 17, 2019, and recorded in the Official Records of Polk County, Florida in Official Records Book 11099, Page 0430-0436 (the “Easement Agreement”); and

WHEREAS, a portion of the Easement Area has been platted into individual lots that are not necessary for the District to construct the Improvements; and

WHEREAS, the District desires to release a portion of the Easement Area described in Exhibit A, attached hereto and incorporated herein (the “Release Parcels”), from the scope and effect of the Easement Agreement as is more particularly provided herein.

NOW, THEREFORE, for and in consideration of the foregoing premises, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. RECITALS; DEFINED TERMS. The foregoing recitals are true and correct and by this reference are incorporated as a material part of this Partial Termination. Capitalized terms for which no definition is provided herein shall have the meaning ascribed to them in the Easement Agreement.

2. RELEASE OF A PORTION OF EASEMENT AREA. That portion of the Easement Area constituting the Release Parcels is hereby released and discharged from the operation and

effect of the Easement Agreement and shall no longer be subject to any of the terms and provisions of the Easement Agreement.

3. CONTINUING EFFECTIVENESS OF EASEMENT AGREEMENT. Except as to the Release Parcels and any other portions of the Easement Area previously released from the operation and effect of the Easement Agreement by the District, District confirms the continuing effectiveness of the Easement Agreement in all respects and nothing contained in this Partial Termination shall be deemed to or be construed as affecting any portion of the Easement Area other than the Release Parcel or any other portions of the Easement Area previously released from the operation and effect of the Easement Agreement by the District.

IN WITNESS WHEREOF, District has caused this instrument to be executed by its duly authorized officers effective as of the day and year first above written.

[Signature pages follow]

Signed, sealed and delivered
in the presence of:

(Signature)

(Print Name)

(Signature)

(Print Name)

STATE OF FLORIDA
COUNTY OF _____

SCENIC COMMUNITY DEVELOPMENT DISTRICT, a
local unit of special-purpose government created
pursuant to Chapter 190, *Florida Statutes*

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

The foregoing instrument was acknowledged before me by means of ☐ physical presence
or ☐ online notarization this 30th day of June 2021, by Warren “Rennie” K. Heath II, as
Chairperson of the Board of Supervisors of the Scenic Highway Community Development
District. He is personally known to me or has produced
_____ (type of identification) as identification.

(Official Notary Signature & Seal)

Name: _____

Personally Known _____

OR Produced Identification _____

Type of Identification _____

EXHIBIT “A” - Legal Description of the Release Parcels

Lots 5, 6, 7, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 156, 157, 158, 159, 160, 161, 185, 186, 187, 188, 189, 190, and 191, of Magnolia Park Phase 1 and 2, according to the plat thereof recorded in Plat Book 184, Page 1, Public Records of Polk County, Florida.

SECTION VIII

Financial Report

Year Ended September 30, 2020

**Scenic Highway Community
Development District**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Scenic Highway Community Development District

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the *Scenic Highway Community Development District* (the "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

The District's 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 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 principles 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 *Scenic Highway Community Development District* as of September 30, 2020, and the respective changes in financial position thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis starting on page 3, 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 a report dated June 24, 2021, on our consideration of the *Scenic Highway Community Development District's*, internal control over financial reporting and 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 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.

A handwritten signature in black ink that reads "McDiarmid Davis". The script is cursive and fluid.

Orlando, Florida
June 24, 2021

Our discussion and analysis of the *Scenic Highway Community Development District* (the "District") financial accomplishments provide an overview of the District's financial activities for the year ended September 30, 2020. Please read it in conjunction with the District's Independent Auditor's Report, financial statements and accompanying notes.

This information is being presented to provide additional information regarding the activities of the District and to meet the disclosure requirements of Government Accounting Standards Board Statement (GASB) No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* issued June 1999.

Financial Highlights

- The liabilities of the District exceeded its assets at September 30, 2020 by \$7,586, an increase in net position of \$1,466 in comparison with the prior year.
- At September 30, 2020, the District's governmental funds reported deficit fund balances of \$1,512,334, a decrease in fund balance of \$1,503,282 in comparison with the prior year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the *Scenic Highway Community Development District's* financial statements. The District's financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to financial statements.

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 of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

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

Fund Financial Statements

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

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government'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 two individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund and capital projects fund, which are considered to be 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 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

Statement of Net Position

The District's net position was \$(7,586) at September 30, 2020. The following analysis focuses on the net position of the District's governmental activities.

| | <u>2020</u> | <u>2019</u> |
|----------------------------------------------|--------------------------|--------------------------|
| Assets, excluding capital assets | \$ 26,404 | \$ 26,325 |
| Capital assets, net of depreciation | <u>1,504,748</u> | <u>-</u> |
| Total assets | <u>1,531,152</u> | <u>26,325</u> |
| Liabilities, excluding long-term liabilities | <u>1,538,738</u> | <u>35,377</u> |
| Total liabilities | <u>1,538,738</u> | <u>35,377</u> |
| Net Position: | | |
| Net investment in capital assets | 1,504,748 | - |
| Unrestricted | <u>(1,512,334)</u> | <u>(9,052)</u> |
| Total net position | <u><u>\$ (7,586)</u></u> | <u><u>\$ (9,052)</u></u> |

Changes to Net Position

The following is a summary of the District's governmental activities for the year ended September 30, 2020.

Changes in Net Position

| | <u>2020</u> | <u>2019</u> |
|---------------------------------|-------------------|-------------------|
| Revenues: | | |
| Program revenues | \$ 75,000 | \$ 60,000 |
| Total revenues | <u>75,000</u> | <u>60,000</u> |
| Expenses: | | |
| General government | 73,534 | 51,191 |
| Physical environment | - | 17,861 |
| Total expenses | <u>73,534</u> | <u>69,052</u> |
| Change in net position | 1,466 | (9,052) |
| Net position, beginning of year | (9,052) | - |
| Net position, ending | <u>\$ (7,586)</u> | <u>\$ (9,052)</u> |

As noted above and in the statement of activities, the cost of all governmental activities during the year ended September 30, 2020 was \$73,534, the majority were general government expenses.

Financial Analysis of the Government's Funds

The District uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The focus of the District's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. At September 30, 2020, the District's governmental funds reported a combined ending fund balance deficit of \$(1,512,334). Of this total, \$5,381 is nonspendable and the remainder is an unassigned fund balance deficit of \$(1,517,715).

In the current year, the fund balance of the District's general fund increased by \$1,466 because of developer contributions in excess of expenses. The fund balance of the capital projects fund decreased by \$1,504,748 due to capital outlay expenditures.

General Fund Budgetary 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. There were no budget amendments during the year. The legal level of budgetary control is at the fund level.

Capital Asset Administration

Capital Assets

At September 30, 2020 the District had \$1,504,748 invested in infrastructure under construction. More detailed information about the District's capital assets is presented in the notes to financial statements.

Requests for Information

If you have questions about this report or need additional financial information, contact the *Scenic Highway Community Development District's* Finance Department at 219 E. Livingston Street, Orlando, Florida 32801.

FINANCIAL STATEMENTS

Scenic Highway Community Development District
Statement of Net Position
September 30, 2020

| | Governmental Activities |
|---------------------------------------|------------------------------------|
| Assets: | |
| Cash | \$ 6,023 |
| Due from developer | 15,000 |
| Prepaid expenses | 5,381 |
| Capital Assets: | |
| Capital assets not being depreciated | 1,504,748 |
| Total assets | 1,531,152 |
| Liabilities: | |
| Accounts payable and accrued expenses | 1,513,700 |
| Due to developer | 19,657 |
| Unearned revenue | 5,381 |
| Total liabilities | 1,538,738 |
| Net Position: | |
| Net investment in capital assets | 1,504,748 |
| Unrestricted | (1,512,334) |
| Net position | \$ (7,586) |

Statement of Activities

Year Ended September 30, 2020

| Functions/Programs | Expenses | Program Revenue | | | Net (Expense) |
|--------------------------------------|------------------|----------------------|------------------------------------|----------------------------------|-------------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Revenue and Changes in Net Position |
| Governmental Activities: | | | | | Governmental Activities |
| General government | \$ 73,534 | \$ - | \$ 75,000 | \$ - | \$ 1,466 |
| Total governmental activities | \$ 73,534 | \$ - | \$ 75,000 | \$ - | 1,466 |
| Change in net position | | | | | 1,466 |
| Net position, beginning | | | | | (9,052) |
| Net position, ending | | | | | \$ (7,586) |

Scenic Highway Community Development District
Balance Sheet
Governmental Funds
September 30, 2020

| | <u>General</u> | <u>Capital Projects</u> | <u>Total Governmental Funds</u> |
|-------------------------------------------------------------------------------------------------------------------------|------------------|-------------------------|-----------------------------------------|
| Assets: | | | |
| Cash | \$ 6,023 | \$ - | \$ 6,023 |
| Due from developer | 15,000 | - | 15,000 |
| Prepaid expenses | 5,381 | - | 5,381 |
| Total assets | <u>\$ 26,404</u> | <u>\$ -</u> | <u>\$ 26,404</u> |
| Liabilities and Fund Balances: | | | |
| Liabilities: | | | |
| Accounts payable and accrued expenses | \$ 10,748 | \$ 1,502,952 | \$ 1,513,700 |
| Due to developer | - | 19,657 | 19,657 |
| Unearned revenue | 5,381 | - | 5,381 |
| Total liabilities | <u>16,129</u> | <u>1,522,609</u> | <u>1,538,738</u> |
| Fund Balances: | | | |
| Nonspendable | 5,381 | - | 5,381 |
| Unassigned | 4,894 | (1,522,609) | (1,517,715) |
| Total fund balances | <u>10,275</u> | <u>(1,522,609)</u> | <u>(1,512,334)</u> |
| Total liabilities and fund balances | <u>\$ 26,404</u> | <u>\$ -</u> | |
| 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 in the funds. | | | <u>1,504,748</u> |
| Net position of governmental activities | | | <u>\$ (7,586)</u> |

Scenic Highway Community Development District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended September 30, 2020

| | <u>General</u> | <u>Capital Projects</u> | <u>Total Governmental Funds</u> |
|-----------------------------------------------------------|------------------|-------------------------|-----------------------------------------|
| Revenues: | | | |
| Developer contributions | \$ 75,000 | \$ - | \$ 75,000 |
| Total revenues | <u>75,000</u> | <u>-</u> | <u>75,000</u> |
| Expenditures: | | | |
| Current: | | | |
| General government | 73,534 | - | 73,534 |
| Capital Outlay | <u>-</u> | <u>1,504,748</u> | <u>1,504,748</u> |
| Total expenditures | <u>73,534</u> | <u>1,504,748</u> | <u>1,578,282</u> |
| Excess (deficit) of revenues over expenditures | 1,466 | (1,504,748) | (1,503,282) |
| Fund balances, beginning of year | <u>8,809</u> | <u>(17,861)</u> | <u>(9,052)</u> |
| Fund balances, end of year | <u>\$ 10,275</u> | <u>\$ (1,522,609)</u> | <u>\$ (1,512,334)</u> |

Scenic Highway Community Development District
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds to the Statement of Activities
Year Ended September 30, 2020

Amounts reported for Governmental Activities in the Statement of Activities are different because:

| | | |
|--------------------------------------------------------|----|-------------|
| Net change in fund balances - total governmental funds | \$ | (1,503,282) |
|--------------------------------------------------------|----|-------------|

Governmental Funds report outlays for Capital Assets as expenditures because such outlays use current financial resources; however, in the statement of net position the cost of those assets is recorded as capital assets.

| | | |
|----------------------------------------------------------|-----------|---------------------|
| | | <u>1,504,748</u> |
| Change in Net Position of Governmental Activities | \$ | <u>1,466</u> |

Scenic Highway Community Development District
Statement of Revenues, Expenditures and Changes in
Fund Balance Budget and Actual - General Fund
Year Ended September 30, 2020

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|-------------------------------------------------------|-------------------------|-----------------|-----------------------|-------------------------------------------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Developer contributions | \$ 113,178 | \$ 113,178 | \$ 75,000 | \$ (38,178) |
| Total revenues | 113,178 | 113,178 | 75,000 | (38,178) |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 113,178 | 113,178 | 73,534 | 39,644 |
| Total expenditures | 113,178 | 113,178 | 73,534 | 39,644 |
| Excess (Deficit) of Revenues Over Expenditures | - | - | 1,466 | 1,466 |
| Net change in fund balance | - | - | 1,466 | 1,466 |
| Fund balance, beginning | 8,809 | 8,809 | 8,809 | - |
| Fund balance, ending | \$ 8,809 | \$ 8,809 | \$ 10,275 | \$ 1,466 |

NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The *Scenic Highway Community Development District*, (the "District") was established on March 7, 2019 by the Haines City, Florida Ordinance No. 19-1634, pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes. The Act provides, among other things, the power to manage basic services for community development, the power to borrow money and issue bonds, and the power to levy and collect non-ad valorem assessments for the financing and delivery of capital infrastructure. The District was established for the purpose 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 (the "Board"), which is composed of five members. All Supervisors are elected by landowners within the District. The Board of Supervisors of the District exercises all powers granted to the District pursuant to Chapter 190, Florida Statutes. At September 30, 2020, all board members were affiliated with the Developer.

The Board has the final responsibility for, among other things:

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 14, 39 and 61. 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.

Government-Wide and Fund Financial Statements

The 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 and 2) grants, contributions and investment income that are restricted to meeting the operational or capital requirements of a particular function or segment and 3) operating-type special assessments that are treated as charges for services (including assessments for maintenance and debt service). Other items not included among program revenues are reported instead as *general revenues*.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 District 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, including debt service assessments and operation and maintenance assessments, are non-ad valorem assessments imposed on all lands located within the District and benefited by the District's activities. Operation and maintenance assessments are levied by the District prior to the start of the fiscal year which begins October 1st and ends on September 30th. These assessments are imposed upon all benefited lands located in the District. Debt service special assessments are imposed upon certain lots and lands as described in each resolution imposing the special assessment for each series of bonds issued by the District.

Assessments and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

General Fund - Is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Capital Projects 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 District's policy to use restricted resources first, then unrestricted resources as they are needed.

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

Restricted Assets

These assets represent cash and investments set aside pursuant to bond covenants.

Accounts Receivable

Accounts receivable are reported net of an allowance for doubtful accounts.

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and demand deposits.

Investments of the District are reported at fair value and are categorized within the fair value hierarchy established in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. The District did not have any investments for the year ended September 30, 2020.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. All capital asset acquisition and construction is considered infrastructure under construction at September 30, 2020.

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 using the straight-line method. Bonds payable are reported net of premiums or discounts.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond 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 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. The District does not have any item that qualifies for reporting in this category for the year ended September 30, 2020.

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. The District does not have any item that qualifies for reporting in this category for the year ended September 30, 2020.

Net Position Flow Assumption

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance Flow Assumption

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any imitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes fund balance amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The Board of Supervisors is the highest level of decision-making authority for the government that can, by adoption of an ordinance or resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance or resolution remains in place until a similar action is taken to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The Board of Supervisors has authorized the District Manager to assign amounts for specific purposes. The Board of Supervisors may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above an additional action is essential to either remove or revise a commitment.

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.

New Accounting Standards Issued

In fiscal year 2020, the Government Accounting Standards Boards (GASB) has issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. This statement provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic by postponing the effective dates of provisions in certain other statements. There was no effect on beginning balance of the District for implementation of this Statement.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

The District is required to establish a budgetary system and an approved annual budget for the General Fund. Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. All annual appropriations lapse at the fiscal year end. The legal level of budgetary control is at the fund level. Any budget amendments that increase the aggregate budgeted appropriations, at the fund level, must be approved by the Board of Supervisors.

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

1. Each year the District Manager submits to the District Board proposed budgets for the fiscal year commencing the following October 1.
2. A public hearing is conducted to obtain public comments.
3. Prior to October 1, the budget is legally adopted by the District Board.
4. Subject to certain limited exceptions set forth in the District's appropriation resolutions adopted each year, all budget changes must be approved by the District Board.
5. The budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

NOTE 3 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 categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

Under GASB 72, assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted price for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining quoted prices for identical or similar assets, or liabilities, in markets that are not active. Level 3 is the least reliable, and uses significant unobservable inputs that uses the best information available under the circumstances, which includes the District's own data in measuring unobservable inputs.

Instead of establishing a written investment policy, the District elected to limit investments to those approved by Florida Statutes and the District Trust Indenture. Authorized District investments include, but are not limited to:

1. The State Board of Administration Local Government Investment Pool (SBA);
2. Securities and Exchange Commission Registered Money Market Funds with the highest credit quality rating from a nationally recognized rating agency;
3. Interest-bearing savings accounts and certificates of deposit in state-certified qualified public depositories;
4. Direct obligations of the U.S. Treasury.

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. Investments in U.S. Government securities and agencies must be backed by the full faith and credit of the United States Government. Short term bond funds shall be rated by a nationally recognized ratings agency and shall maintain the highest credit quality rating. Investment ratings by investment type are included in the preceding summary of investments.

Custodial Credit Risk

In the case of deposits, this is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy requires that bank deposits be secured as provided by Chapter 280, Florida Statutes. This law requires local governments to deposit funds only in financial institutions designated as qualified public depositories by the Chief Financial Officer of the State of Florida, and creates the Public Deposits Trust Fund, a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a default or insolvency has occurred. At September 30, 2020, all of the District's bank deposits were in qualified public depositories.

For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At September 30, 2020, none of the investments listed are exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

Concentration of Credit Risk

The District's investment policy does not specify limits on the amount the District may invest in any one issuer.

Interest Rate Risk

The District's investment policy does not specifically address interest rate risk; however, the general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and in general, avoid speculative investments. The District manages its exposure to declines in fair values by investing primarily in pooled investments that have a weighted average maturity of less than three months.

NOTE 4 DEVELOPER TRANSACTIONS

The Developer owns a portion of land within the District; therefore, assessment revenue in the general fund includes assessments levied on land owned by the Developer. For the fiscal year ended September 30, 2020, the Developer contributed 100% of District revenue. The District is economically dependent on the Developer.

NOTE 5 CAPITAL ASSETS

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

| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Disposals</u> | <u>Ending Balance</u> |
|----------------------------------------------------|------------------------------|---------------------|------------------|---------------------------|
| Governmental Activities: | | | | |
| Capital Assets, not being depreciated: | | | | |
| Construction in progress | \$ - | \$ 1,504,748 | \$ - | \$ 1,504,748 |
| Total capital assets, not being depreciated | <u>-</u> | <u>1,504,748</u> | <u>-</u> | <u>1,504,748</u> |
| Governmental activities capital assets, net | <u>\$ -</u> | <u>\$ 1,504,748</u> | <u>\$ -</u> | <u>\$ 1,504,748</u> |

NOTE 6 MANAGEMENT COMPANY

The District has contracted with a management company to perform management services, which include financial and accounting services. Certain employees of the management company also serve as officers (Board appointed non-voting positions) of the District. Under the agreements, the District compensates the management company for management, accounting, financial reporting and other administrative costs.

NOTE 7 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. These risks are covered by commercial insurance from independent third parties. The District did not file any claims under this commercial coverage during the last three years.

NOTE 8 SUBSEQUENT EVENTS

In December 2020, the District issued \$8,120,000 of Special Assessment Revenue Bonds Series 2020 consisting of \$650,000 Series 2020 Term 1 Bonds due May 1, 2025 with a fixed interest rate of 2.75%, \$935,000 Series 2020 Term 2 Bonds due on May 1, 2030 with a fixed interest rate of 3.25%, \$2,460,000 Series 2020 Term 3 Bonds due May 1, 2040 with a fixed interest rate of 3.75%, and \$4,075,000 Series 2020 Term 4 Bonds due May 1, 2051 with a fixed rate of 4.00%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the property within the District. Interest is due semiannually on each May 1 and November 1. Principal on the Series 2020 Bonds is due annually commencing May 1, 2022 through May 1, 2051.

COMPLIANCE SECTION

**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
Scenic Highway Community Development District

We have audited, 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, the financial statements of the governmental activities and each major fund of the *Scenic Highway Community Development District* (the "District") as of and for the year ended September 30, 2020 and the related notes to the financial statements, which collectively comprise the District's financial statements and have issued our report thereon dated June 24, 2021.

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 as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be a material weakness or significant deficiency. Given these limitations, during our audit, we did not identify any deficiencies in internal control over financial reporting 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, 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*.

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.

McDermitt Davis

Orlando, Florida
June 24, 2021

MANAGEMENT LETTER

Board of Supervisors
Scenic Highway Community Development District

Report on the Financial Statements

We have audited the financial statements of *Scenic Highway Community Development District*, (the "District") as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated June 24, 2021.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* 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 June 24, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Condition and Management

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

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the District. It is management's responsibility to monitor the *District's* financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

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

Additional Matters

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

Purpose of this Letter

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

A handwritten signature in black ink that reads "McDiarmid Davis". The script is cursive and fluid, with the first name "McDiarmid" and the last name "Davis" clearly distinguishable.

Orlando, Florida
June 24, 2021



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Orlando, Florida 32803
407-843-5406
www.mcdermittdavis.com

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES**

Board of Supervisors
Scenic Highway Community Development District

We have examined *Scenic Highway Community Development District's* (the "District") compliance with the requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2020. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

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

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2020.

McDermitt Davis

Orlando, Florida
June 24, 2021

SECTION IX

SECTION C

SECTION 1

SCENIC HIGHWAY

Community Development District

Summary of Checks

June 10, 2021 to July 7, 2021

| Bank | Date | Check No.'s | Amount |
|--------------|---------|-------------|----------------------------|
| General Fund | 6/11/21 | 105 | \$ 336,474.00 |
| | 6/16/21 | 106-108 | \$ 16,993.17 |
| | 6/22/21 | 109-111 | \$ 15,324.25 |
| | 6/29/21 | 112 | \$ 75.00 |
| | 6/30/21 | 113-115 | \$ 600.00 |
| | | | <hr/> \$ 369,466.42 |
| | | | <hr/> \$ 369,466.42 |

| | | | | | | | | | | | | | | | |
|---------------------------------------------|-------|---------------------------------------------------------------|--------------------------------------------------|-----------------------------------|--------|------------|-----------------------------|--------|--|--|--|-------------|--|--------|--|
| AP300R | | YEAR-TO-DATE ACCOUNTS PAYABLE PREPAID/COMPUTER CHECK REGISTER | | | | | | | | | | RUN 7/08/21 | | PAGE 1 | |
| *** CHECK DATES 06/10/2021 - 07/07/2021 *** | | SCENIC HIGHWAY GENERAL FUND | | | | | | | | | | | | | |
| | | BANK A SCENIC HIGHWAY CDD | | | | | | | | | | | | | |
| CHECK DATE | VEND# |INVOICE..... DATE INVOICE | ...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS | VENDOR NAME | STATUS | AMOUNT |CHECK..... AMOUNT # | | | | | | | | |
| 6/11/21 | 00016 | 5/31/21 PAYAPP2 | 202106 300-20700-10100 | | * | 336,474.00 | | | | | | | | | |
| | | FY21SER20PH1&2 FR#4 | | | | | | | | | | | | | |
| | | | | CON-SUR, INC | | | 336,474.00 | 000105 | | | | | | | |
| 6/16/21 | 00013 | 5/21/21 985557 | 202106 300-20700-10100 | | * | 13,176.10 | | | | | | | | | |
| | | FY21 SER20PH1&2 FR#5 | | | | | | | | | | | | | |
| | | | | DANIELLE FENCE | | | 13,176.10 | 000106 | | | | | | | |
| 6/16/21 | 00002 | 6/01/21 33 | 202106 310-51300-34000 | | * | 2,916.67 | | | | | | | | | |
| | | MAMANGEMENT FEES JUNE 21 | | | | | | | | | | | | | |
| | | 6/01/21 33 | 202106 310-51300-35100 | | * | 75.00 | | | | | | | | | |
| | | INFO TECHNOLOGY JUNE 21 | | | | | | | | | | | | | |
| | | 6/01/21 33 | 202106 310-51300-31300 | | * | 416.67 | | | | | | | | | |
| | | DISSEMINATION JUNE 21 | | | | | | | | | | | | | |
| | | 6/01/21 33 | 202106 310-51300-51000 | | * | .24 | | | | | | | | | |
| | | OFFICE SUPPLIES | | | | | | | | | | | | | |
| | | 6/01/21 33 | 202106 310-51300-42000 | | * | 4.08 | | | | | | | | | |
| | | | | GOVERNMENTAL MANAGEMENT SERVICES | | | 3,412.66 | 000107 | | | | | | | |
| 6/16/21 | 00004 | 4/30/21 1046618 | 202104 310-51300-48000 | | * | 404.41 | | | | | | | | | |
| | | NOT OF BOS MEETING 4/8/21 | | | | | | | | | | | | | |
| | | | | THE LEDGER/NEW CHIEF | | | 404.41 | 000108 | | | | | | | |
| 6/22/21 | 00017 | 6/07/21 9187 | 202106 300-20700-10100 | | * | 750.00 | | | | | | | | | |
| | | FY21 SER20PH1&2 FR#6 | | | | | | | | | | | | | |
| | | | | G.B. COLLINS ENGINEERING | | | 750.00 | 000109 | | | | | | | |
| 6/22/21 | 00018 | 6/07/21 0020524 | 202106 300-20700-10100 | | * | 4,449.25 | | | | | | | | | |
| | | FY21 SER20PH1&2 FR#6 | | | | | | | | | | | | | |
| | | | | LEADING EDGE LAND SERVICES INC | | | 4,449.25 | 000110 | | | | | | | |
| 6/22/21 | 00011 | 6/06/21 1107 | 202106 300-20700-10100 | | * | 10,125.00 | | | | | | | | | |
| | | FY21 SER20PH1&2 FR#6 | | | | | | | | | | | | | |
| | | | | WOOD & ASSOCIATES ENGINEERING LLC | | | 10,125.00 | 000111 | | | | | | | |
| 6/29/21 | 00011 | 6/08/21 1130 | 202106 300-20700-10100 | | * | 75.00 | | | | | | | | | |
| | | FY21SER20 PH1&2 FR#7 | | | | | | | | | | | | | |
| | | | | WOOD & ASSOCIATES ENGINEERING LLC | | | 75.00 | 000112 | | | | | | | |
| 6/30/21 | 00008 | 6/17/21 LS061720 | 202106 310-51300-11000 | | * | 200.00 | | | | | | | | | |
| | | SUPERVISOR FEE 6/17/21 | | | | | | | | | | | | | |
| | | | | LAUREN SCHWENK | | | 200.00 | 000113 | | | | | | | |
| 6/30/21 | 00010 | 6/17/21 PM061720 | 202106 310-51300-11000 | | * | 200.00 | | | | | | | | | |
| | | SUPERVISOR FEE 6/17/21 | | | | | | | | | | | | | |
| | | | | PATRICK MARONE | | | 200.00 | 000114 | | | | | | | |
| SCEN SCENIC HIGHWAY KCOSTA | | | | | | | | | | | | | | | |

| CHECK DATE | VEND# |INVOICE..... DATE INVOICE | ...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS | VENDOR NAME | STATUS | AMOUNT |CHECK..... AMOUNT # |
|--------------------|-------|-----------------------------------|-----------------------------------------------------------|--------------|--------|------------|----------------------------|
| 6/30/21 | 00009 | 6/17/21 | RH061720 202106 310-51300-11000 SUPERVISOR FEE 6/17/21 | RENNIE HEATH | * | 200.00 | 200.00 000115 |
| ----- | | | | | | | |
| TOTAL FOR BANK A | | | | | | 369,466.42 | |
| TOTAL FOR REGISTER | | | | | | 369,466.42 | |

SCEN SCENIC HIGHWAY KCOSTA

SECTION 2

Scenic Highway
Community Development District

Unaudited Financial Reporting
May 31, 2021



Table of Contents

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| 2 | <hr/> General Fund |
| 3 | <hr/> Series 2020 Debt Service Fund |
| 4 | <hr/> Series 2020 Capital Projects Fund |
| 5 | <hr/> Month to Month |
| 6 | <hr/> Long Term Debt Report |

Scenic Highway
Community Development District
Combined Balance Sheet
May 31, 2021

| | <i>General Fund</i> | <i>Debt Service Fund</i> | <i>Capital Projects Fund</i> | <i>Totals Governmental Funds</i> |
|---------------------------------------------|-------------------------|------------------------------|----------------------------------|--------------------------------------|
| Assets: | | | | |
| Cash: | | | | |
| Operating Account | \$ 9,848 | \$ - | \$ - | \$ 9,848 |
| Series 2020: | | | | |
| Reserve | \$ - | \$ 459,919 | \$ - | \$ 459,919 |
| Revenue | \$ - | \$ 16 | \$ - | \$ 16 |
| Interest | \$ - | \$ 151,756 | \$ - | \$ 151,756 |
| Construction - Phase 2 | \$ - | \$ - | \$ 1,465,989 | \$ 1,465,989 |
| Cost of Issuance | \$ - | \$ - | \$ 0 | \$ 0 |
| Due From Developer | \$ - | \$ - | \$ 163,269 | \$ 163,269 |
| Total Assets | \$ 9,848 | \$ 611,691 | \$ 1,629,258 | \$ 2,250,797 |
| Liabilities: | | | | |
| Accounts Payable | \$ 1,345 | \$ - | \$ - | \$ 1,345 |
| Contracts Payable | \$ - | \$ - | \$ 163,269 | \$ 163,269 |
| Due To Developer | \$ - | \$ - | \$ 13,574 | \$ 13,574 |
| Total Liabilities | \$ 1,345 | \$ - | \$ 176,844 | \$ 178,189 |
| Fund Balances: | | | | |
| Unassigned | \$ 8,503 | \$ - | \$ - | \$ 8,503 |
| Assigned for Series 2020 Debt Service | \$ - | \$ 611,691 | \$ - | \$ 611,691 |
| Assigned for Series 2020 Capital Projects | \$ - | \$ - | \$ 1,452,414 | \$ 1,452,414 |
| Total Fund Balances | \$ 8,503 | \$ 611,691 | \$ 1,452,414 | \$ 2,072,608 |
| Total Liabilities & Fund Balance | \$ 9,848 | \$ 611,691 | \$ 1,629,258 | \$ 2,250,797 |

Scenic Highway
Community Development District
General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance
For The Period Ending May 31, 2021

| | Adopted | Prorated Budget | Actual | |
|---------------------------------------------|-------------------|------------------|-------------------|------------------|
| | Budget | Thru 05/31/21 | Thru 05/31/21 | Variance |
| <u>Revenues</u> | | | | |
| Developer Contributions | \$ 166,127 | \$ 45,381 | \$ 45,381 | \$ - |
| Total Revenues | \$ 166,127 | \$ 45,381 | \$ 45,381 | \$ - |
| <u>Expenditures:</u> | | | | |
| <u>General & Administrative:</u> | | | | |
| Supervisor Fees | \$ 12,000 | \$ 8,000 | \$ 4,000 | \$ 4,000 |
| Engineering | \$ 15,000 | \$ 10,000 | \$ - | \$ 10,000 |
| Attorney | \$ 25,000 | \$ 16,667 | \$ 7,681 | \$ 8,985 |
| Annual Audit | \$ 3,300 | \$ - | \$ - | \$ - |
| Assessment Administration | \$ 5,000 | \$ - | \$ - | \$ - |
| Arbitrage | \$ 650 | \$ - | \$ - | \$ - |
| Dissemination | \$ 5,000 | \$ 3,333 | \$ 2,083 | \$ 1,250 |
| Trustee Fees | \$ 3,550 | \$ - | \$ - | \$ - |
| Management Fees | \$ 35,000 | \$ 23,333 | \$ 23,333 | \$ (0) |
| Information Technology | \$ 2,350 | \$ 1,567 | \$ 600 | \$ 967 |
| Telephone | \$ 300 | \$ 200 | \$ - | \$ 200 |
| Postage & Delivery | \$ 1,000 | \$ 667 | \$ 74 | \$ 593 |
| Insurance | \$ 5,700 | \$ 5,700 | \$ 5,381 | \$ 319 |
| Printing & Binding | \$ 1,000 | \$ 667 | \$ 18 | \$ 648 |
| Legal Advertising | \$ 10,000 | \$ 6,667 | \$ 2,891 | \$ 3,776 |
| Other Current Charges | \$ 5,000 | \$ 3,333 | \$ 903 | \$ 2,431 |
| Office Supplies | \$ 625 | \$ 417 | \$ 14 | \$ 403 |
| Travel Per Diem | \$ 660 | \$ 440 | \$ - | \$ 440 |
| Dues, Licenses & Subscriptions | \$ 175 | \$ 175 | \$ 175 | \$ - |
| Total General & Administrative: | \$ 131,310 | \$ 81,165 | \$ 47,154 | \$ 34,011 |
| <u>Operations & Maintenance:</u> | | | | |
| <u>Field Services</u> | | | | |
| Property Insurance | \$ 5,000 | \$ 1,000 | \$ - | \$ 1,000 |
| Field Management | \$ 6,250 | \$ 1,250 | \$ - | \$ 1,250 |
| Landscape Maintenance | \$ 11,650 | \$ 2,330 | \$ - | \$ 2,330 |
| Landscape Replacement | \$ 1,042 | \$ 208 | \$ - | \$ 208 |
| Streetlights | \$ 5,250 | \$ 1,050 | \$ - | \$ 1,050 |
| Electric | \$ 833 | \$ 167 | \$ - | \$ 167 |
| Water & Sewer | \$ 417 | \$ 83 | \$ - | \$ 83 |
| Sidewalk & Asphalt Maintenance | \$ 208 | \$ 42 | \$ - | \$ 42 |
| Irrigation Repairs | \$ 1,042 | \$ 208 | \$ - | \$ 208 |
| General Repairs & Maintenance | \$ 2,083 | \$ 417 | \$ - | \$ 417 |
| Contingency | \$ 1,042 | \$ 208 | \$ - | \$ 208 |
| Total Operations & Maintenance | \$ 34,817 | \$ 6,963 | \$ - | \$ 6,963 |
| Total Expenditures | \$ 166,127 | \$ 88,128 | \$ 47,154 | \$ 40,975 |
| Excess Revenues (Expenditures) | \$ - | | \$ (1,773) | |
| Fund Balance - Beginning | \$ - | | \$ 10,276 | |
| Fund Balance - Ending | \$ - | | \$ 8,503 | |

Scenic Highway
Community Development District
Series 2020 Debt Service Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
For The Period Ending May 31, 2021

| | Adopted | Prorated Budget | Actual | |
|---------------------------------------------|-------------|-----------------|-------------------|---------------------|
| | Budget | Thru 05/31/21 | Thru 05/31/21 | Variance |
| Revenues | | | | |
| Interest | \$ - | \$ - | \$ 16 | \$ 16 |
| Total Revenues | \$ - | \$ - | \$ 16 | \$ 16 |
| Expenditures: | | | | |
| Interest - 5/1 | \$ - | \$ - | \$ 109,602 | \$ (109,602) |
| Total Expenditures | \$ - | \$ - | \$ 109,602 | \$ (109,602) |
| Other Sources/(Uses) | | | | |
| Bond Proceeds | \$ - | \$ - | \$ 721,277 | \$ 721,277 |
| Total Other Financing Sources (Uses) | \$ - | \$ - | \$ 721,277 | \$ 721,277 |
| Excess Revenues (Expenditures) | \$ - | | \$ 611,691 | |
| Fund Balance - Beginning | \$ - | | \$ - | |
| Fund Balance - Ending | \$ - | | \$ 611,691 | |

Scenic Highway
Community Development District
Series 2020 Capital Projects Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
For The Period Ending May 31, 2021

| | Adopted | Prorated Budget | Actual | |
|---------------------------------------------|-------------|-----------------|-----------------------|-----------------------|
| | Budget | Thru 05/31/21 | Thru 05/31/21 | Variance |
| Revenues | | | | |
| Developer Contributions | \$ - | \$ - | \$ 472,296 | \$ 472,296 |
| Interest | \$ - | \$ - | \$ 79 | \$ 79 |
| Total Revenues | \$ - | \$ - | \$ 472,374 | \$ 472,374 |
| Expenditures: | | | | |
| Capital Outlay | \$ - | \$ - | \$ 4,536,917 | \$ (4,536,917) |
| Capital Outlay - Cost Of Issuance | \$ - | \$ - | \$ 353,075 | \$ (353,075) |
| Total Expenditures | \$ - | \$ - | \$ 4,889,992 | \$ (4,889,992) |
| Other Sources/(Uses) | | | | |
| Bond Proceeds | \$ - | \$ - | \$ 7,398,723 | \$ 7,398,723 |
| Total Other Financing Sources (Uses) | \$ - | \$ - | \$ 7,398,723 | \$ 7,398,723 |
| Excess Revenues (Expenditures) | \$ - | | \$ 2,981,105 | |
| Fund Balance - Beginning | \$ - | | \$ (1,528,691) | |
| Fund Balance - Ending | \$ - | | \$ 1,452,414 | |

Scenic Highway
Community Development District
Month to Month

| | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Total |
|--------------------------------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------|-------------------|-------------|-------------|-------------|-------------|----------------|
| Revenues | | | | | | | | | | | | | |
| Developer Contributions | \$ 25,381 | \$ - | \$ - | \$ - | \$ - | \$ - | 20,000 | \$ - | \$ - | \$ - | \$ - | \$ - | 45,381 |
| Total Revenues | \$ 25,381 | \$ - | \$ - | \$ - | \$ - | \$ - | 20,000 | \$ - | \$ - | \$ - | \$ - | \$ - | 45,381 |
| Expenditures: | | | | | | | | | | | | | |
| General & Administrative: | | | | | | | | | | | | | |
| Supervisor Fees | \$ 1,000 | \$ 800 | \$ 1,000 | \$ - | \$ 600 | \$ - | 600 | \$ - | \$ - | \$ - | \$ - | \$ - | 4,000 |
| Engineering | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - |
| Attorney | \$ 1,560 | \$ 537 | \$ 1,795 | \$ 1,054 | \$ 1,633 | \$ 162 | 941 | \$ - | \$ - | \$ - | \$ - | \$ - | 7,681 |
| Annual Audit | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - |
| Assessment Administration | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - |
| Arbitrage | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - |
| Dissemination | \$ - | \$ - | \$ - | \$ 417 | \$ 417 | \$ 417 | 417 | \$ 417 | \$ - | \$ - | \$ - | \$ - | 2,083 |
| Trustee Fees | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - |
| Management Fees | \$ 2,917 | \$ 2,917 | \$ 2,917 | \$ 2,917 | \$ 2,917 | \$ 2,917 | 2,917 | \$ 2,917 | \$ - | \$ - | \$ - | \$ - | 23,333 |
| Information Technology | \$ 75 | \$ 75 | \$ 75 | \$ 75 | \$ 75 | \$ 75 | 75 | \$ 75 | \$ - | \$ - | \$ - | \$ - | 600 |
| Telephone | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - |
| Postage & Delivery | \$ 0 | \$ 34 | \$ 1 | \$ 1 | \$ 4 | \$ 32 | \$ - | \$ 3 | \$ - | \$ - | \$ - | \$ - | 74 |
| Insurance | \$ 5,381 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | 5,381 |
| Printing & Binding | \$ - | \$ 0 | \$ 9 | \$ 5 | \$ 2 | \$ - | \$ - | \$ 3 | \$ - | \$ - | \$ - | \$ - | 18 |
| Legal Advertising | \$ 477 | \$ 431 | \$ 1,142 | \$ 437 | \$ - | \$ - | 404 | \$ - | \$ - | \$ - | \$ - | \$ - | 2,891 |
| Other Current Charges | \$ - | \$ 265 | \$ 126 | \$ 121 | \$ 120 | \$ 120 | 120 | \$ 30 | \$ - | \$ - | \$ - | \$ - | 903 |
| Office Supplies | \$ 3 | \$ 3 | \$ 3 | \$ 3 | \$ 0 | \$ 0 | \$ - | \$ 3 | \$ - | \$ - | \$ - | \$ - | 14 |
| Travel Per Diem | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - |
| Dues, Licenses & Subscriptions | \$ 175 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | 175 |
| Total General & Administrative: | \$ 11,588 | \$ 5,062 | \$ 7,067 | \$ 5,027 | \$ 5,766 | \$ 3,723 | 5,474 | \$ 3,447 | \$ - | \$ - | \$ - | \$ - | 47,154 |
| Operations & Maintenance: | | | | | | | | | | | | | |
| Field Services | | | | | | | | | | | | | |
| Property Insurance | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - |
| Field Management | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - |
| Landscape Maintenance | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - |
| Landscape Replacement | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - |
| Streetlights | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - |
| Electric | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - |
| Water & Sewer | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - |
| Sidewalk & Asphalt Maintenance | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - |
| Irrigation Repairs | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - |
| General Repairs & Maintenance | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - |
| Contingency | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - |
| Total Operations & Maintenance | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - |
| Total Expenditures | \$ 11,588 | \$ 5,062 | \$ 7,067 | \$ 5,027 | \$ 5,766 | \$ 3,723 | 5,474 | \$ 3,447 | \$ - | \$ - | \$ - | \$ - | 47,154 |
| Excess Revenues (Expenditures) | \$ 13,793 | \$ (5,062) | \$ (7,067) | \$ (5,027) | \$ (5,766) | \$ (3,723) | 14,526 | \$ (3,447) | \$ - | \$ - | \$ - | \$ - | (1,773) |

Scenic Highway

Community Development District

Long Term Debt Report

| SERIES 2020, SPECIAL ASSESSMENT REVENUE BONDS | | |
|-----------------------------------------------|--------------------------------|--------------------|
| INTEREST RATE: | 2.750%, 3.250%, 3.750%, 4.000% | |
| MATURITY DATE: | 5/1/2051 | |
| RESERVE FUND DEFINITION | MAXIMUM ANNUAL DEBT SERVICE | |
| RESERVE FUND REQUIREMENT | \$459,919 | |
| RESERVE FUND BALANCE | \$459,919 | |
| BONDS OUTSTANDING - 12/21/20 | | \$8,120,000 |
| CURRENT BONDS OUTSTANDING | | \$8,120,000 |

SECTION 3

| Requisition | Payee/Vendor | Amount |
|-------------|----------------------------------------|---------------|
| 14 | VMar Dev | \$ 3,000.00 |
| 15 | Wood & Associates Engineering, LLC | \$ 16,850.00 |
| 16 | Duke Energy | \$ 14,668.16 |
| 17 | JMBI Real Estate, LLC | \$ 13,574.16 |
| 18 | Blue Ox Enterprises, LLC | \$ 435,009.21 |
| 19 | VMar Dev | \$ 3,000.00 |
| 20 | Wood & Associates Engineering, LLC | \$ 231.25 |
| 21 | VMar Dev | \$ 3,000.00 |
| 22 | Stewart & Associates Property Services | \$ 8,500.00 |
| | TOTAL | \$ 497,832.78 |