

**Flora Ridge Educational Facilities
Benefit District**

Board Meeting

Wednesday, August 14, 2019

2:00 P.M.



**Kissimmee City Hall
International Conference Room
101 N. Church Street, Kissimmee, FL 34741**

Flora Ridge Educational Facilities Benefit District

Wednesday, August 14, 2019

2:00 P.M.

Kissimmee City Hall
International Conference Room
101 N. Church Street, Kissimmee, FL 34741

Meeting Agenda

Introduction - Call to Order

Board Matters

- 1 Approval of the May 29, 2019 Board Meeting Minutes
- 2 Approval of Resolution 2019-3 Approving the Assessment Roll
- 3 Approval of Resolution 2019-4 Adopting the Budget for Fiscal Year 2019-2020
- 4 Approval of Resolution 2019-5 Ratifying the Appointment of Allyson Chiappa
- 5 Approval of Resolution 2019-6 Revising Election Procedures
- 6 Audited Financial Statements for Fiscal Year Ending 9/30/2018

Other Business

- 1 Audience Comments
- 2 Supervisor Requests
- 3 Counsel Requests
- 4 Manager Requests

Adjournment

Flora Ridge Educational Facilities Benefit District

August 14, 2019

Board Matters Agenda Item 1

Approval of the May 29, 2019 Board Meeting Minutes

Executive Summary:

Request approval of the May 29, 2019 Board Meeting Minutes

**FLORA RIDGE EDUCATIONAL FACILITIES BENEFIT DISTRICT
BOARD MEETING
WEDNESDAY, MAY 29, 2019
2:00 P.M.
KISSIMMEE CITY HALL, INTERNATIONAL CONFERENCE ROOM
101 N. CHURCH ST, KISSIMMEE**

PRESENT: Migdalia Gonzalez, School District of Osceola County, Lisa Lynch, School District of Osceola County, Richard Smith, ICI Homes, Justin Sand, Epoch Residential, and Allyson Chiappa, Epoch Residential.

Also present were Christopher Roe, Bryant Miller Olive and Angela Barner, District Manager.

Public Hearing – Board of Supervisors Seat 1

The Public Hearing was called to order at 2:04 p.m. by Migdalia Gonzalez.

Justin Sand was nominated to represent landowner Epoch Residential, for Seat 1 by casting 73 votes.

The Public Hearing closed at 2:07 p.m. by Migdalia Gonzalez.

General Meeting

Introduction

Meeting called to order at 2:07 p.m.

Board Matters

1. Resolution 2019-1 Canvassing Election Results

A motion to adopt Resolution 2019-1 Canvassing Election Results was made by Lisa Lynch and seconded by Justin Sand. The motion passed 3-0.

A motion to appoint Allyson Chiappa to Seat 2 was made by Justin Sand and seconded by Lisa Lynch. The motion passed 3-0.

Chris Roe informed the Board of Supervisors that Andy Hagan and Teri Hansen resigned from the Board of Supervisors and resignation letters were held in escrow by Counsel and will be submitted to the District Manager for the EFBD records. The Board recognized and accepted the resignations by Andy Hagan and Teri Hansen.

Richard Smith resigned from Seat 3 of the Board of Supervisors, effective immediately. The Board recognized and accepted Richard Smith's resignation.

2. Appointing Chairperson

A motion to appoint Migdalia Gonzalez as Chairperson was made by Lisa Lynch and seconded by Allyson Chiappa. Motion passed 4-0.

A motion to appoint Allyson Chiappa as Vice Chairperson was made by Justin Sand and seconded by Lisa Lynch. Motion passed 4-0.

3. Approval of the August 8, 2018 Board Meeting Minutes

A motion to approve the minutes for the August 8, 2018 Board Meeting was made by Lisa and seconded by Justin Sand. Motion passed 4-0.

4. Resolution 2019-2 Approving a Proposed Budget for Fiscal Year 2019-20

A motion to adopt Resolution 2019-2 Approving a Proposed Budget for Fiscal Year 2019-20 was made by Lisa Lynch and seconded by Allyson Chiappa. The motion passed 4-0.

Other Business

Audience Request - None.

Supervisors Request - None.

Counsel Request - None.

Manager Request – The next meeting will be held Wednesday, August 14, 2019 at 2:00 a.m.

Adjournment

A motion to adjourn the meeting was made by Lisa Lynch and seconded by Justin Sand. Motion passed 4-0.

Meeting adjourned at 2:24 p.m.

Flora Ridge Educational Facilities Benefit District

August 14, 2019

Board Matters Agenda Item 2

Approval of Resolution 2019-3 Approving the Assessment Roll

Executive Summary:

Requesting approval of Resolution 2019-3 Approving the Assessment Roll

RESOLUTION NO. 2019-3

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE FLORA RIDGE EDUCATIONAL FACILITIES BENEFIT DISTRICT, OSCEOLA COUNTY, FLORIDA RELATING TO THE FUNDING OF EDUCATIONAL FACILITIES IMPROVEMENTS; APPROVING THE FISCAL YEAR 2019-20 NON-AD VALOREM ASSESSMENT ROLL AND DIRECTING CERTIFICATION THEREOF TO THE OSCEOLA COUNTY TAX COLLECTOR; PROVIDING FOR APPLICABILITY AND AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE FLORA RIDGE EDUCATIONAL FACILITIES BENEFIT DISTRICT AS FOLLOWS:

SECTION 1. AUTHORITY. This Resolution of the Board of Supervisors (the "Board") of the Flora Ridge Educational Facilities Benefit District (the "District") is adopted pursuant to the Amended and Restated Interlocal Agreement between the School Board of Osceola County and the City of Kissimmee dated July 29, 2003, as amended, and City of Kissimmee Ordinance No. 2447, as amended and supplemented from time to time and particularly as amended by Ordinance No. 2876 (collectively, the "District Charter"), Chapters 189 and 1013, Florida Statutes, and other applicable provisions of law.

SECTION 2. PURPOSE AND DEFINITIONS. This resolution constitutes the Annual Assessment Resolution. All capitalized terms not otherwise defined herein shall have the meanings defined in District Resolution Nos. 2003-14 (the "Procedural Assessment Resolution"), 2003-16 (the "Initial Assessment Resolution") and 2003-17 (the "Final Assessment Resolution," and together with the Procedural Assessment Resolution and the Initial Assessment Resolution, the "Assessment Proceedings").

SECTION 3. FINDINGS. It is hereby ascertained, determined and declared that:

(A) The District is a special purpose local government organized and existing in accordance with Sections 1013.355, 1013.356, and 1013.357, Florida Statutes, (the "Educational Facilities Act") and is a dependant special district, established and created pursuant to Chapter 189, Florida Statutes.

(B) The District was created for the purpose of assisting in financing the construction and maintenance of the Educational Facilities Improvements to be located within District boundaries.

(C) The Educational Facilities Act expressly empowers the District to levy, impose, collect, and enforce non-ad valorem assessments, sometimes referred to as special assessments. The reference to non-ad valorem assessments in the Educational Facilities Act means those assessments which are not based upon millage and which can become a lien against a homestead as permitted in Section 4, Article X of the State Constitution.

(D) Pursuant to Sections 197.3631, 197.3632, and 197.3635, Florida Statutes, authorizing the imposition and collection of non-ad valorem assessments on the same bill as ad valorem taxes (the "Uniform Collection Act"), the District also has the power and authority to levy, impose, collect, and enforce non-ad valorem assessments.

(E) The District entered into that certain Flora Ridge Funding Agreement dated as of October 17, 2006 with the School Board, Intervest Construction of Orlando, Inc., Regional Development Group, Inc., Dyer Boulevard LLC and Carroll Street Properties LLC, recorded in OR Book 4332, Page 1633-1674 of the Public Records of Osceola County, Florida (as amended, the "Funding Agreement").

(F) The Funding Agreement provides for, among other things, the agreement and consent of the parties thereto to the annexation of certain real property described therein as the "Bronson Parcel" into the boundaries of the District, and the imposition of special assessments against the real property comprising the Bronson Parcel. The description of the Bronson Parcel set forth in the Funding Agreement is incorporated herein by reference.

(G) The Funding Agreement provides that upon final plat approval of each tract within the Bronson Parcel, the District shall levy special assessments upon such tract, and that the proceeds of such assessments will not be used to repay or to secure any bonds issued by the District to finance the Project, but will instead be paid to the School Board to reimburse the School Board for its capital contributions to the Project.

(H) In February, 2015, the School Board and the City amended the District Charter to include the Bronson Parcel within District Boundaries.

(I) The District is required by the terms of the Funding Agreement to ensure that collection of special assessments from the real property comprising the Bronson Parcel begins upon plat approval, as contemplated by the Funding Agreement.

(J) Pursuant to the Procedural Assessment Resolution, the District is required to adopt an Annual Assessment Resolution approving the non-ad valorem assessment roll for each Fiscal Year.

(K) The District has considered the assessment roll for Fiscal Year 2019-20 containing a description of the real property subject to the special assessments, including those portions of the Bronson Parcel subject to an approved and recorded plat as required by the Funding Agreement, the name and address of the owner of such property and the amount of the assessment imposed against each parcel (the "Assessment Roll").

(L) The Board wishes to hereby approve the Assessment Roll and to direct certification of the Assessment Roll to the Osceola County Tax Collector for collection.

(M) The District issued bonds to finance construction of the Project and such bonds are secured by the proceeds of annual special assessments imposed by the District, excluding assessment collections from the Bronson Parcel.

(N) The District recently refinanced its bonded indebtedness to obtain annual interest savings for the property owners subject to assessments imposed to repay the bonds.

(O) The special assessments included on the Assessment Roll for Fiscal Year 2019-20 have been reduced from the schedule of assessments approved by the Assessment Proceedings in order to reflect the interest rate savings achieved by the District's bond refinancing. Such savings only apply to those properties subject to the District's bonded indebtedness.

SECTION 4. APPROVAL AND CERTIFICATION OF ASSESSMENT ROLL; LIEN OF ASSESSMENTS.

(A) The Assessment Roll, which is on file with the District Manager and incorporated herein by reference, is hereby approved. The District Manager shall cause the certification and delivery of the Assessment Roll to the Tax Collector by August 26, 2019, in the manner prescribed by the Uniform Collection Act. The Assessment Roll as

delivered to the Tax Collector shall be accompanied by a Certificate to Non-Ad Valorem Assessment Roll in substantially the form attached hereto as Appendix A.

(B) The special assessments shall constitute a lien against assessed property equal in rank and dignity with the liens of all state, county, district or municipal taxes and other non-ad valorem assessments. Except as otherwise provided by law, such lien shall be superior in dignity to all other liens, titles and claims, until paid. The lien shall attach to the property included on the Assessment Roll as of the prior January 1, the lien date for ad valorem taxes.

SECTION 5. REPEALER. All resolutions or orders and parts thereof in conflict herewith are, to the extent of such conflicts, hereby superseded and repealed.

SECTION 6. APPLICABILITY AND EFFECTIVE DATE. This Resolution shall be liberally construed to effect the purposes hereof and shall take effect immediately upon its adoption.

DULY ADOPTED this 14th day of August, 2019.

**BOARD OF SUPERVISORS OF THE FLORA
RIDGE EDUCATIONAL FACILITIES
BENEFIT DISTRICT**

(SEAL)

By: _____
Chair

ATTEST:

Vice Chair

**APPENDIX A – FORM OF
CERTIFICATE TO NON-AD VALOREM ASSESSMENT ROLL**

I HEREBY CERTIFY that I am the Chairman of the Board of Supervisors of the Flora Ridge Educational Facilities Benefit District (the "District") or authorized agent of the District; as such I have satisfied myself that all property included or includable on the non-ad valorem assessment roll for the District (the "Non-Ad Valorem Assessment Roll") is properly assessed so far as I have been able to ascertain; and that all required extensions on the above described roll to show the non-ad valorem assessments attributable to the property listed therein have been made pursuant to law.

I FURTHER CERTIFY that, in accordance with the Uniform Assessment Collection Act, this certificate and the herein described Non-Ad Valorem Assessment Roll will be delivered to the Osceola County Tax Collector by August 26, 2019.

IN WITNESS WHEREOF, I have subscribed this certificate and directed the same to be delivered to the Osceola County Tax Collector and made part of the above described Non-Ad Valorem Assessment Roll this 14th day of August, 2019.

**FLORA RIDGE EDUCATIONAL
FACILITIES BENEFIT DISTRICT**

By: _____
Chair

Flora Ridge E.F.B.D.
Pro Forma 2019-2020

Item#	Description	All 2019-2020 Flora Ridge Parcels/Units		Original Flora Ridge Service Area		Preserve at Tapestry Phases 1,2,3 & 4		Sonoma Resort & Enclave at Tapestry Phase 1		Enclave at Tapestry Phase 2 Replat		Tapestry & Tapestry Ph 2		Tapestry Ph 3 & Tapestry Ph 4		Tapestry Ph 5	
		Total E.F.B.D. Units	Total Cost	Costs to be Recovered by the NAV	Approx. Cost Per EDU	Costs to be Recovered by the NAV	Approx. Cost Per EDU	Costs to be Recovered by the NAV	Approx. Cost Per EDU	Costs to be Recovered by the NAV	Approx. Cost Per EDU	Costs to be Recovered by the NAV	Approx. Cost Per EDU	Costs to be Recovered by the NAV	Approx. Cost Per EDU	Costs to be Recovered by the NAV	Approx. Cost Per EDU
1	E.F.B.D. Assessment Units Collected Using the Uniform Collection Method	3,882		2,219		297		228		68		431		316		323	
2	Net Assessment (Total Units x Base NAV per Unit)		\$ 763,319.86	\$ 506,575.51	\$ 228.29	\$ 59,022.81	\$ 198.73	\$ 44,423.52	\$ 194.84	\$ 12,989.36	\$ 191.02	\$ 80,713.37	\$ 187.27	\$ 58,017.60	\$ 183.60	\$ 58,140.00	\$ 180.00
	Savings from 2017 Bond refunding			\$ (56,562.31)	\$ (25.49)												
	Adjusted Net Assessments ((Total Units x Base NAV per Unit) - (Savings Adjustment))			\$ 450,013.20	\$ 202.80	\$ 59,022.81	\$ 198.73	\$ 44,423.52	\$ 194.84	\$ 12,989.36	\$ 191.02	\$ 80,713.37	\$ 187.27	\$ 58,017.60	\$ 183.60	\$ 58,140.00	\$ 180.00
	Recoverable Collection Costs (Source: Proposed Budget, unless noted otherwise)																
3	Roll Maintenance, Preparation & Documentation		\$ 3,950.00	\$ 2,257.87	\$ 1.02	\$ 302.20	\$ 1.02	\$ 231.99	\$ 1.02	\$ 69.19	\$ 1.02	\$ 438.55	\$ 1.02	\$ 321.54	\$ 1.02	\$ 328.66	\$ 1.02
4	Audit		\$ 10,300.00	\$ 5,887.61	\$ 2.65	\$ 788.02	\$ 2.65	\$ 604.95	\$ 2.65	\$ 180.42	\$ 2.65	\$ 1,143.56	\$ 2.65	\$ 838.43	\$ 2.65	\$ 857.01	\$ 2.65
5	Director's Liability Insurance		\$ 5,000.00	\$ 2,858.06	\$ 1.29	\$ 382.53	\$ 1.29	\$ 293.66	\$ 1.29	\$ 87.58	\$ 1.29	\$ 555.13	\$ 1.29	\$ 407.01	\$ 1.29	\$ 416.02	\$ 1.29
6	Registration		\$ 175.00	\$ 100.03	\$ 0.05	\$ 13.39	\$ 0.05	\$ 10.28	\$ 0.05	\$ 3.07	\$ 0.05	\$ 19.43	\$ 0.05	\$ 14.25	\$ 0.05	\$ 14.56	\$ 0.05
7	Advertisement		\$ 800.00	\$ 457.29	\$ 0.21	\$ 61.21	\$ 0.21	\$ 46.99	\$ 0.21	\$ 14.01	\$ 0.21	\$ 88.82	\$ 0.21	\$ 65.12	\$ 0.21	\$ 66.56	\$ 0.21
8	Legal		\$ 8,000.00	\$ 4,572.90	\$ 2.06	\$ 612.06	\$ 2.06	\$ 469.86	\$ 2.06	\$ 140.13	\$ 2.06	\$ 888.20	\$ 2.06	\$ 651.21	\$ 2.06	\$ 665.64	\$ 2.06
9	Disclosure Fee		\$ 2,500.00	\$ 1,429.03	\$ 0.64	\$ 191.27	\$ 0.64	\$ 146.83	\$ 0.64	\$ 43.79	\$ 0.64	\$ 277.56	\$ 0.64	\$ 203.50	\$ 0.64	\$ 208.01	\$ 0.64
10	Trustee Fee		\$ 4,250.00	\$ 2,429.35	\$ 1.09	\$ 325.15	\$ 1.09	\$ 249.61	\$ 1.09	\$ 74.45	\$ 1.09	\$ 471.86	\$ 1.09	\$ 345.96	\$ 1.09	\$ 353.62	\$ 1.09
11	Arbitrage Calculations		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12	School District Management Fee		\$ 20,000.00	\$ 11,432.25	\$ 5.15	\$ 1,530.14	\$ 5.15	\$ 1,174.65	\$ 5.15	\$ 350.33	\$ 5.15	\$ 2,220.50	\$ 5.15	\$ 1,628.03	\$ 5.15	\$ 1,664.09	\$ 5.15
13	Collection Cost of \$1.00/tax parcel billed using Uniform Collection Method (Source: Osceola County Assessment Office) for 3,198 parcels on the roll	3,882	\$ 3,198.00	\$ 1,828.02	\$ 0.82	\$ 244.67	\$ 0.82	\$ 187.83	\$ 0.82	\$ 56.02	\$ 0.82	\$ 355.06	\$ 0.82	\$ 260.32	\$ 0.82	\$ 266.09	\$ 0.82
14	Subtotal		\$ 821,492.86	\$ 483,265.62	\$ 217.75	\$ 63,473.45	\$ 213.72	\$ 47,840.17	\$ 209.83	\$ 14,008.36	\$ 206.01	\$ 87,172.04	\$ 202.26	\$ 62,752.96	\$ 198.59	\$ 62,980.26	\$ 194.99
				\$ 483,265.62		\$ 63,473.45		\$ 47,840.17		\$ 14,008.36		\$ 87,172.04		\$ 62,752.96		\$ 62,980.26	
15	4% Discount (Source: Florida Statute)		\$ 34,228.87	\$ 20,136.07	\$ 9.07	\$ 2,644.73	\$ 8.90	\$ 1,993.34	\$ 8.74	\$ 583.68	\$ 8.58	\$ 3,632.17	\$ 8.43	\$ 2,614.71	\$ 8.27	\$ 2,624.18	\$ 8.12
16	Rate Adjusted for 4% Discount		\$ 855,721.73	\$ 503,401.69	\$ 226.86	\$ 66,118.18	\$ 222.62	\$ 49,833.51	\$ 218.57	\$ 14,592.04	\$ 214.59	\$ 90,804.21	\$ 210.68	\$ 65,367.67	\$ 206.86	\$ 65,604.43	\$ 203.11
17	Approx. Tax Collector's Fee - Collection Cost of 2% of NAV Assessment Total on the Certified Roll (Source: Tax Collector's Office)		\$ 17,463.71	\$ 10,273.50	\$ 4.63	\$ 1,349.35	\$ 4.54	\$ 1,017.01	\$ 4.46	\$ 297.80	\$ 4.38	\$ 1,853.15	\$ 4.30	\$ 1,334.03	\$ 4.22	\$ 1,338.87	\$ 4.15
18	Pro Forma Assessment Total/Rate		\$ 873,185.44	\$ 513,675.19	\$ 231.49	\$ 67,467.53	\$ 227.16	\$ 50,850.52	\$ 223.03	\$ 14,889.84	\$ 218.97	\$ 92,657.36	\$ 214.98	\$ 66,701.70	\$ 211.08	\$ 66,943.30	\$ 207.25

Pro Forma Total to be Collected	\$ 873,185.44
Total Amount to be Collected on Roll	\$ 873,183.04
Shortfall due to rounding	\$ (2.40)

2019-2020 Flora Ridge E.F.B.D.

NAV Assessment Roll

Approved for Certification

Parcel Number	EDUs	Rate per EDU	NAV Assessment
08-25-29-1282-0001-3240	1	\$231.49	\$231.49
08-25-29-1282-0001-3250	1	\$231.49	\$231.49
08-25-29-1282-0001-3260	1	\$231.49	\$231.49
08-25-29-1282-0001-3270	1	\$231.49	\$231.49
08-25-29-1282-0001-3280	1	\$231.49	\$231.49
08-25-29-1282-0001-3290	1	\$231.49	\$231.49
08-25-29-1282-0001-3300	1	\$231.49	\$231.49
08-25-29-1282-0001-3310	1	\$231.49	\$231.49
08-25-29-1282-0001-3320	1	\$231.49	\$231.49
08-25-29-1282-0001-3330	1	\$231.49	\$231.49
08-25-29-1282-0001-3340	1	\$231.49	\$231.49
08-25-29-1282-0001-3350	1	\$231.49	\$231.49
08-25-29-1282-0001-3360	1	\$231.49	\$231.49
08-25-29-1282-0001-3370	1	\$231.49	\$231.49
08-25-29-1282-0001-3380	1	\$231.49	\$231.49
08-25-29-1283-0001-0010	1.14	\$231.49	\$263.32
08-25-29-1283-0001-0020	1.14	\$231.49	\$263.32
08-25-29-1283-0001-0030	1.14	\$231.49	\$263.32
08-25-29-1283-0001-0040	1.14	\$231.49	\$263.32
08-25-29-1283-0001-0050	1.14	\$231.49	\$263.32
08-25-29-1283-0001-0060	1.14	\$231.49	\$263.32
08-25-29-1283-0001-0070	1.14	\$231.49	\$263.32
08-25-29-1283-0001-0080	1.14	\$231.49	\$263.32
08-25-29-1283-0001-0090	1.14	\$231.49	\$263.32
08-25-29-1283-0001-0100	1.14	\$231.49	\$263.32
08-25-29-1283-0001-0110	1.14	\$231.49	\$263.32
08-25-29-1283-0001-0120	1.14	\$231.49	\$263.32
08-25-29-1283-0001-0130	1.14	\$231.49	\$263.32
08-25-29-1283-0001-0140	1.14	\$231.49	\$263.32
08-25-29-1283-0001-0150	1.14	\$231.49	\$263.32
08-25-29-1283-0001-0160	1.14	\$231.49	\$263.32
08-25-29-1283-0001-0170	1.14	\$231.49	\$263.32
08-25-29-1283-0001-0180	1.14	\$231.49	\$263.32
08-25-29-1283-0001-0190	1.14	\$231.49	\$263.32
08-25-29-1283-0001-0200	1.14	\$231.49	\$263.32
08-25-29-1283-0001-0210	1.14	\$231.49	\$263.32
08-25-29-1283-0001-0220	1.14	\$231.49	\$263.32
08-25-29-1283-0001-0230	1.14	\$231.49	\$263.32
08-25-29-1283-0001-0240	1.14	\$231.49	\$263.32

Parcel Number	EDUs	Rate per EDU	NAV Assessment
08-25-29-2243-0001-1038	1	\$207.25	\$207.25
08-25-29-2243-0001-1039	1	\$207.25	\$207.25
08-25-29-2243-0001-1040	1	\$207.25	\$207.25
08-25-29-2243-0001-1041	1	\$207.25	\$207.25
08-25-29-2243-0001-1042	1	\$207.25	\$207.25
08-25-29-2243-0001-1043	1	\$207.25	\$207.25
08-25-29-2243-0001-1044	1	\$207.25	\$207.25
08-25-29-2243-0001-1045	1	\$207.25	\$207.25
08-25-29-2243-0001-1046	1	\$207.25	\$207.25
08-25-29-2243-0001-1047	1	\$207.25	\$207.25
08-25-29-2243-0001-1048	1	\$207.25	\$207.25
08-25-29-2243-0001-1049	1	\$207.25	\$207.25
08-25-29-2243-0001-1050	1	\$207.25	\$207.25
08-25-29-2243-0001-1051	1	\$207.25	\$207.25
08-25-29-2243-0001-1052	1	\$207.25	\$207.25
08-25-29-2243-0001-1053	1	\$207.25	\$207.25
08-25-29-2243-0001-1054	1	\$207.25	\$207.25
08-25-29-2243-0001-1055	1	\$207.25	\$207.25
08-25-29-2243-0001-1056	1	\$207.25	\$207.25
08-25-29-2243-0001-1057	1	\$207.25	\$207.25
08-25-29-2243-0001-1058	1	\$207.25	\$207.25
08-25-29-2243-0001-1059	1	\$207.25	\$207.25
08-25-29-2243-0001-1060	1	\$207.25	\$207.25
08-25-29-2243-0001-1061	1	\$207.25	\$207.25
08-25-29-2243-0001-1062	1	\$207.25	\$207.25
08-25-29-2243-0001-1063	1	\$207.25	\$207.25
08-25-29-2243-0001-1064	1	\$207.25	\$207.25
08-25-29-2243-0001-1065	1	\$207.25	\$207.25
08-25-29-2243-0001-1066	1	\$207.25	\$207.25
08-25-29-2243-0001-1067	1	\$207.25	\$207.25
08-25-29-2243-0001-1068	1	\$207.25	\$207.25
08-25-29-2243-0001-1069	1	\$207.25	\$207.25
08-25-29-2243-0001-1070	1	\$207.25	\$207.25
08-25-29-2243-0001-1071	1	\$207.25	\$207.25
08-25-29-2243-0001-1072	1	\$207.25	\$207.25
08-25-29-2243-0001-1073	1	\$207.25	\$207.25
08-25-29-2243-0001-1074	1	\$207.25	\$207.25
08-25-29-2243-0001-1075	1	\$207.25	\$207.25
08-25-29-2243-0001-1076	1	\$207.25	\$207.25
	3,882		\$873,183.04

Flora Ridge Educational Facilities Benefit District

August 14, 2019

Board Matters Agenda Item 3

Approval of Resolution 2019-4 Adopting the Budget for Fiscal Year 2019-2020

Executive Summary:

Request approval of Resolution 2019-4 - Adopting the Budget for Fiscal Year 2019-2020

General Fund:

Estimated Revenue - \$525,649.91

Appropriations and Transfers Out - \$520,567.45

Fund Balance \$5,082.46

Debt Service:

Transfers In - \$444,930.74

Appropriations - \$444,930.74

Fund Balance - \$117,343.91

RESOLUTION 2019-4

**A RESOLUTION OF THE BOARD OF SUPERVISORS
OF THE FLORA RIDGE EDUCATIONAL FACILITIES
BENEFIT DISTRICT, OSCEOLA COUNTY, FLORIDA,
ADOPTING A BUDGET FOR THE FISCAL YEAR 19-20;
PROVIDING FOR APPLICABILITY AND AN
EFFECTIVE DATE.**

**BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE FLORA
RIDGE EDUCATIONAL FACILITIES BENEFIT DISTRICT AS FOLLOWS:**

SECTION 1. AUTHORITY. This Resolution of the Board of Supervisors (the "Board") of the Flora Ridge Educational Facilities Benefit District (the "District") is adopted pursuant to the Amended and Restated Interlocal Agreement between the School Board of Osceola County and the City of Kissimmee dated July 29, 2003, as amended, and City of Kissimmee Ordinance No. 2447, as amended and supplemented from time to time and particularly as amended by Ordinance No. 2876 (collectively, the "District Charter"), Chapters 189 and 1013, Florida Statutes, and other applicable provisions of law.

SECTION 2. FINDINGS. It is hereby ascertained, determined and declared as follows:

(A) On May 29, 2019, the Board approved a proposed Fiscal Year 2019-20 Annual Budget and scheduled a public hearing thereon as required by the District Charter.

(B) On August 14, 2019, the Board conducted a duly noticed public hearing to receive comment upon such proposed budget.

(C) In accordance with the District Charter, the Board hereby determines that the Fiscal Year 2019-20 Annual Budget of the District accurately describes the estimated amounts to be expended by the Board in the ensuing fiscal year.

SECTION 3. ADOPTION OF BUDGET. The Fiscal Year 2019-20 Annual Budget attached hereto as Appendix A is hereby approved and adopted. The District Manager is hereby directed to submit a certified copy of this Resolution,

including the budget attached hereto, to the City of Kissimmee in accordance with the District Charter.

SECTION 4. APPLICABILITY AND EFFECTIVE DATE. This Resolution shall be liberally construed to effect the purposes hereof and shall take effect immediately upon its adoption.

DULY ADOPTED this 14h day of August, 2019.

**BOARD OF SUPERVISORS OF THE
FLORA RIDGE EDUCATIONAL
FACILITIES BENEFIT DISTRICT**

[SEAL]

By: _____
Chair

ATTEST:

Vice Chair

APPENDIX A

FISCAL YEAR 2019-20 BUDGET

Flora Ridge Educational Facilities Benefit District

Fiscal Year 2019-20 Final Budget

General Fund

Uses	Function	2019-2020 Preliminary	2019-2020 Final	Difference
ESTIMATED REVENUES				
Federal Direct	3100			0.00
Federal Through State & Local	3200			0.00
State Sources	3300			0.00
Local Sources	3400	571,588.01	525,649.91	(45,938.10)
Total Estimated Revenues		571,588.01	525,649.91	(45,938.10)
APPROPRIATIONS				
Current:				
Instruction	5000			0.00
Pupil Personnel Services	6100			0.00
Instructional Media Services	6200			0.00
Instruction and Curriculum Development Services	6300			0.00
Instructional Staff Training Services	6400			0.00
Instruction Related Technology	6500			0.00
Board	7100	48,209.36	48,886.71	677.35
General Administration	7200			0.00
School Administration	7300			0.00
Facilities Acquisition and Construction	7400			0.00
Fiscal Services	7500	20,000.00	20,000.00	0.00
Food Services	7600			0.00
Central Services	7700			0.00
Pupil Transportation Services	7800			0.00
Operation of Plant	7900			0.00
Maintenance of Plant	8100			0.00
Administrative Technology Services	8200			0.00
Community Services	9100			0.00
Debt Service: (Function 9200)				
Retirement of Principal	7100			0.00
Interest	7200			0.00
Dues, Fees and Issuance Costs	7300	6,750.00	6,750.00	0.00
Miscellaneous Expenditures	7900			0.00
Capital Outlay:				
Facilities Acquisition and Construction	7420			0.00
Other Capital Outlay	9300			0.00
Total Estimated Appropriations		74,959.36	75,636.71	677.35
Excess (Deficiency) of Revenues Over (Under) Expenditures		496,628.65	450,013.20	(46,615.45)
OTHER SOURCES (USES)				
Loans Incurred	3720			0.00
Proceeds from the Sale of Capital Assets	3730			0.00
Loss Recoveries	3740			0.00
Proceeds of Forward Supply Contract	3760			0.00
Special Facilities Construction Advances	3770			0.00
Transfers In	3600			0.00
Transfers Out	9700	(444,930.74)	(444,930.74)	0.00
Total Other Financing Sources (Uses)		(444,930.74)	(444,930.74)	0.00
FUND BALANCE				
Net Change in Fund Balances		51,697.91	5,082.46	(46,615.45)
Fund Balance - Beginning of Year	2800	265,680.26	265,680.26	0.00
Adjustment to Fund Balance	2891			
Fund Balance - End of Year	2700	317,378.17	270,762.72	(46,615.45)

Flora Ridge Educational Facilities Benefit District
Fiscal Year 2019-20 Final Budget

General Fund

Supporting Schedule of Estimated Revenues, Appropriations and Other Sources / Uses

<i>Estimated Revenues:</i>		
Source	Description	Amount

Flora Ridge Residents	EFBD assessments, net of 4% discount (excluding Bronson Parcel's base assessments)	525,649.91
Total Revenues:		525,649.91

<i>Expenditures:</i>		
Vendor	Description	Amount

<u>Function 7100:</u>		
Ennead LLC	Assessment preparation fees	3,950.00
Moss, Krusick & Associates, LLC	Audit	10,300.00
	Director's liability insurance	5,000.00
Department of Economic Opportunity	Registration	175.00
Orlando Sentinel	Posting of public meetings	800.00
Bryant Miller & Olive	Legal counsel	8,000.00
Bruce Vickers Tax Collector	Tax collector collection fees	17,463.71
Osceola County Property Appraiser	County assessment fee	3,198.00
<u>Function 7500:</u>		
The School District of Osceola County	District Management Fee	20,000.00
<u>Function 9200:</u>		
US Bank	Trustee fees - 20014 Series	4,250.00
DAC	Disclosure report	2,500.00
The PFM Group	Arbitrage Calculation	-
Total Expenditures:		75,636.71

<i>Other Sources:</i>		
From	Description	Amount

Total Other Sources: -

<i>Other Uses:</i>		
To	Description	Amount

Debt Service Fund	Transfers Out to meet debt service requirements	444,930.74
Total Other Uses:		444,930.74
Balance:		5,082.46

Flora Ridge Educational Facilities Benefit District

Fiscal Year 2019-20 Final Budget

Debt Service

Uses	Function	2019-2020 Preliminary	2019-2020 Final	Difference
ESTIMATED REVENUES				
Federal Direct	3100			0.00
Federal Through State & Local	3200			0.00
State Sources	3300			0.00
Local Sources	3400			0.00
Total Revenues		0.00	0.00	0.00
APPROPRIATIONS				
Current:				
Instruction	5000			0.00
Pupil Personnel Services	6100			0.00
Instructional Media Services	6200			0.00
Instruction and Curriculum Development Services	6300			0.00
Instructional Staff Training Services	6400			0.00
Instruction Related Technology	6500			0.00
Board	7100			0.00
General Administration	7200			0.00
School Administration	7300			0.00
Facilities Acquisition and Construction	7400			0.00
Fiscal Services	7500			0.00
Food Services	7600			0.00
Central Services	7700			0.00
Pupil Transportation Services	7800			0.00
Operation of Plant	7900			0.00
Maintenance of Plant	8100			0.00
Administrative Technology Services	8200			0.00
Community Services	9100			0.00
Debt Service: (Function 9200)				
Retirement of Principal	7100	195,000.00	195,000.00	0.00
Interest	7200	249,930.74	249,930.74	0.00
Dues, Fees and Issuance Costs	7300			0.00
Miscellaneous Expenditures	7900			0.00
Capital Outlay:				
Facilities Acquisition and Construction	7420			0.00
Other Capital Outlay	9300			0.00
Total Expenditures		444,930.74	444,930.74	0.00
Excess (Deficiency) of Revenues Over (Under) Expenditures				
		(444,930.74)	(444,930.74)	0.00
OTHER SOURCES (USES)				
Loans Incurred	3720			0.00
Proceeds from the Sale of Capital Assets	3730			0.00
Loss Recoveries	3740			0.00
Proceeds of Forward Supply Contract	3760			0.00
Special Facilities Construction Advances	3770			0.00
Transfers In	3600	444,930.74	444,930.74	0.00
Transfers Out	9700			0.00
Total Other Financing Sources (Uses)		444,930.74	444,930.74	0.00
SPECIAL ITEMS				
				0.00
FUND BALANCE				
Net Change in Fund Balances		0.00	0.00	0.00
Fund Balance - Beginning of Year	2800	117,343.91	117,343.91	0.00
Adjustment to Fund Balance	2891			
Fund Balance - End of Year	2700	117,343.91	117,343.91	0.00

Flora Ridge Educational Facilities Benefit District
Fiscal Year 2019-20 Final Budget

Debt Service
Supporting Schedule of Estimated Revenue, Appropriations and Other Sources / Uses

Estimated Revenues:

Source	Description	Amount
--------	-------------	--------

Total Revenues: _____ -

Appropriations:

Vendor	Description	Amount
--------	-------------	--------

Debt Service	November 2019 interest - 2014 Series	21,010.94
Debt Service	May 2020 principal - 2014 Series	195,000.00
Debt Service	May 2020 interest - 2014 Series	126,065.63
Debt Service	November 2020 interest - 2014 Series	102,854.17

Total Expenditures: _____ 444,930.74

Other Sources:

From	Description	Amount
------	-------------	--------

General Fund	Transfer in to meet debt service requirements	444,930.74
--------------	---	------------

Total Transfers In: _____ 444,930.74

Other Uses:

To	Description	Amount
----	-------------	--------

Total Transfers Out: _____ -

Balance: _____ -

Flora Ridge Educational Facilities Benefit District

August 14, 2019

Board Matters Agenda Item 4

Approval of Resolution 2019-5 Ratifying the Appointment of Allyson Chiappa

Executive Summary:

Request approval of Resolution 2019-5 Ratifying the Appointment of Allyson Chiappa to the Flora Ridge EFBD Board of Supervisors

RESOLUTION 2019-5

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE FLORA RIDGE EDUCATIONAL FACILITIES BENEFIT DISTRICT, OSCEOLA COUNTY, FLORIDA, RATIFYING AND CONFIRMING THE APPOINTMENT OF ALLYSON CHIAPPA TO SEAT 2 OF THE BOARD OF SUPERVISORS; PROVIDING FOR APPLICABILITY AND AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE FLORA RIDGE EDUCATIONAL FACILITIES BENEFIT DISTRICT AS FOLLOWS:

SECTION 1. AUTHORITY. This Resolution of the Board of Supervisors (the "Board") of the Flora Ridge Educational Facilities Benefit District (the "District") is adopted pursuant to the Amended and Restated Interlocal Agreement between the School Board of Osceola County and the City of Kissimmee dated July 29, 2003, as amended and City of Kissimmee Ordinance No. 2447, as amended (collectively, the "District Charter"), Chapters 189 and 1013, Florida Statutes, and other applicable provisions of law.

SECTION 2. FINDINGS. It is hereby ascertained, determined and declared as follows:

(A) Seat 2 of the Board of Supervisors was vacated by resignation of Richard Smith which was tendered at the May 29, 2019 meeting of the Board.

(B) In light of such resignation, the Board appointed Allison Chiappa to Seat 2 for the duration of the current term.

(E) The Board wishes to ratify and confirm its appointment Ms. Chiappa to Seat 2 of the Board of Supervisors.

SECTION 3. APPOINTMENT OF JASON GOOD.

(A) Section 4-3-7 of the District Charter provides that the then-existing Board shall fill vacant supervisor seats through appointment and that appointees shall serve until the expiration of the term for which they were appointed.

(B) In accordance therewith, the Board hereby ratifies and confirms its May 29, 2019 appointment of Allyson Chiappa to fill Seat 2 of the Board for the duration of the current term which expires in May, 2021.

(C) Ms. Chiappa has taken the oath of office attached hereto as Appendix A.

SECTION 4. APPLICABILITY AND EFFECTIVE DATE. This Resolution shall be liberally construed to effect the purposes hereof and shall take effect immediately upon its adoption.

DULY ADOPTED this 14th day of August, 2019.

**BOARD OF SUPERVISORS OF THE
FLORA RIDGE EDUCATIONAL
FACILITIES BENEFIT DISTRICT**

[SEAL]

By: _____
Chair

ATTEST:

Vice Chairperson

APPENDIX A

**OATH OF OFFICE FOR
BOARD OF SUPERVISORS OF THE
FLORA RIDGE EDUCATIONAL FACILITIES BENEFIT DISTRICT**

I, **Allyson Chiappa**, a citizen of the State of Florida and of the United States of America, and being employed by or an officer of the Flora Ridge Educational Facilities Benefit District and responsible for public funds as such employee or officer, do hereby solemnly swear or affirm that I will support the Constitution of the United States and of the State of Florida.

Signature

Date

Flora Ridge Educational Facilities Benefit District

August 14, 2019

Board Matters Agenda Item 5

Approval of Resolution 2019-6 Revising Election Procedures

Executive Summary:

Request approval of Resolution 2019-6 Revising Election Procedures

RESOLUTION 2019-6

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE FLORA RIDGE EDUCATIONAL FACILITIES BENEFIT DISTRICT, OSCEOLA COUNTY, FLORIDA, AMENDING AND RESTATING DISTRICT RESOLUTION NO. 2007-05; ADOPTING ELECTION PROCEDURES FOR LANDOWNER REPRESENTATIVES ON THE BOARD OF SUPERVISORS; PROVIDING A SCHEDULE OF ELECTIONS AND AN ELECTION DATE; PROVIDING FOR NOTICE AND OATHS OF OFFICE; APPROVING THE FORM OF WRITTEN PROXIES; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE FLORA RIDGE EDUCATIONAL FACILITIES BENEFIT DISTRICT AS FOLLOWS:

SECTION 1. AUTHORITY. This Resolution of the Board of Supervisors (the "Board") of the Flora Ridge Educational Facilities Benefit District (the "District") is adopted pursuant to the Amended and Restated Interlocal Agreement between the School Board of Osceola County and the City of Kissimmee dated July 29, 2003, as amended and City of Kissimmee Ordinance No. 2447, as amended (collectively, the "District Charter"), Chapters 189 and 1013, Florida Statutes, and other applicable provisions of law.

SECTION 2. FINDINGS. It is hereby ascertained, determined and declared as follows:

(A) The District Charter provides that after initial Board member appointments, the Board of the District shall consist of seven supervisors as follows: two appointed by the City of Kissimmee, Florida; two appointed by the School Board of Osceola County, Florida; and three elected by owners of real property located within the District ("landowners") on a "one-acre/one-vote" basis. The three landowner seats shall be described as "Seat 1", "Seat 2" and "Seat 3."

(B) The District Charter further provides that the Board shall establish procedures for the election of landowner representatives.

(C) The Board adopted Resolution No. 2007-05 on May 10, 2007 to establish a landowner election procedure.

(D) The Board adopts this Resolution to amend and restate Resolution No. 2007-05 and thereby implement revisions to the District's landowner election procedure.

SECTION 3. GENERAL PROVISIONS REGARDING LANDOWNER ELECTIONS.

(A) All candidates for landowner representative must own real property located within District boundaries; provided, however, that a landowner may designate an authorized representative to serve on the Board on behalf of such landowner. Such authorized representative is not required to own real property within District boundaries. The landowner may designate an alternate authorized representative at any time through written notice to the District Manager submitted by email or other written means.

(B) Elections for landowner representatives shall be nonpartisan.

(C) A parcel of property owned jointly entitles the owners thereof to one combined vote, not one vote per owner.

(D) Landowners entitled to more than one vote may vote for different candidates.

(E) Governmental landowners are not entitled to vote.

SECTION 4. SCHEDULE OF ELECTIONS.

(A) As provided in the District Charter, landowner representatives serve on the Board for four (4) year terms.

(B) The term of office for landowner representatives shall commence in May of the election year and continue through May four calendar years later. The landowner election shall be held in May of the election year, unless the Board determines otherwise; provided, however, that the landowner election shall occur no later than August of the election year.

(C) The initial election for Seat 1 was held in 2007. Subsequent elections for Seat 1 shall be held every four (4) years thereafter. The candidate receiving the highest number of votes shall be elected to Seat 1.

(D) The initial election for Seats 2 and 3 was held in 2009. Subsequent elections shall be held every four years thereafter. The candidate receiving the highest number of votes shall be elected to Seat 2, and the candidate receiving the second highest number of votes shall be elected to Seat 3. In the event two candidates tie for highest number of votes, those two candidates shall be elected to Seats 2 and 3.

(E) The District Manager shall provide notice of the forthcoming landowner election pursuant to Section 6 hereof.

SECTION 5. ELECTION PROCEDURES.

(A) Landowner elections shall be held in a public place in Kissimmee, Florida. The location shall be specified in the notice provided under Section 6 hereof. Landowners and proxy holders who are present at the landowner meeting shall constitute a quorum for the purpose of holding such election.

(B) Landowners, when assembled at such meeting, may organize by electing a chair who shall conduct the meeting. The chair may be any person present at the meeting. If the chair is a landowner or proxy holder of a landowner, he or she may nominate candidates and make and second motions. The District Manager may also facilitate the landowner election.

(C) At such meeting, each and every acre of assessable land in the District shall represent one share, and each owner shall be entitled to one vote in person or by proxy in writing duly signed, for every acre of assessable land owned by him or her in the District. For landowners owning more than one parcel, acres for each parcel are counted separately (for instance, a landowner owning ten separate half acres parcels would be entitled to ten votes, not five).

(D) Landowners owning less than one assessable acre in the aggregate shall be entitled to one vote. Landowners with more than one assessable acre are entitled to one additional vote for any fraction of an acre greater than one-half acre, when all of the landowners' acreage has been aggregated for purposes of voting. Landowners owning one or more single family lots shall be entitled to a single vote for each lot.

SECTION 6. NOTICE OF LANDOWNER MEETING.

(A) Notice of a landowner meeting shall be given by publication once a week for two consecutive weeks in a newspaper of general circulation in the City of

Kissimmee, the last publication to be not less than ten nor more than fifteen days before the date of the meeting. Public notice shall state:

- (1) The date, time, and place of the meeting.
- (2) A brief description of the subject and purpose of the meeting.
- (3) Information regarding how landowners may obtain a proxy.

(4) The notice shall state that if a person decides to seek review of any official decision made at the meeting, a record of the proceedings will be required and the person intending to appeal will need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence necessary for the appeal.

(B) When a previously noticed meeting is canceled, notice of cancellation shall be given in substantially the same manner as notice for the meeting or in any manner that will give adequate notice of cancellation.

SECTION 7. VOTE BY PROXY. A landowner may vote in person or by proxy in writing. 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 must be notarized. The proxy shall be in substantially the form attached hereto as Appendix A and incorporated herein.

SECTION 8. OATH OF OFFICE. Upon entering office, elected supervisors shall take and subscribe to the oath of office as prescribed by Section 876.05, Florida Statutes.

SECTION 9. VACANCIES. As provided in the District Charter, the then-existing Board shall fill vacant supervisor seats through appointment and appointees shall serve until the expiration of the term for which they were appointed. Landowner representatives may vacate their seat by written notice of resignation addressed to the District Manager which may be provided by email or other written means; provided, however, that in the event a Board member is absent from two consecutive Board meetings and has not communicated with the District Manager regarding such absence, then the Board may fill the landowner seat on an interim basis

which may become permanent if the unexplained absence continues for a period of six months from the date of the first missed Board meeting. Vacancies resulting from death may be filled at any time. In the event the absence or resignation involves an authorized representative of a landowner, the Board shall fill the seat by interim appointment until such time as the landowner designates an alternate representative to serve on the Board on behalf of the landowner through written notice to the District Manager submitted by email or other written means.

SECTION 10. AMENDMENT AND RESTATEMENT OF RESOLUTION NO. 2007-05. District Resolution No. 2007-05 is hereby amended and restated in its entirety by this Resolution.

SECTION 11. EFFECTIVE DATE. This Resolution shall take effect immediately.

DULY ADOPTED this 14th day of August, 2019.

**BOARD OF SUPERVISORS OF THE
FLORA RIDGE EDUCATIONAL
FACILITIES BENEFIT DISTRICT**

By: _____
Chair

(SEAL)

ATTEST:

Vice Chair

**APPENDIX A
 LANDOWNER PROXY
 FLORA RIDGE EDUCATIONAL FACILITIES BENEFIT DISTRICT
 LANDOWNERS MEETING – [DATE]**

NOW ALL MEN BY THESE PRESENT, that the undersigned, the fee simple owner of the lands described herein, hereby constitutes and appoints _____ ("Proxy Holder") for an on behalf of the undersigned, to vote as proxy at the meeting of the landowners of the Flora Ridge Educational Facilities Benefit District to be held at [TIME/DATE/PLACE], and at any adjournments or continuances thereof, according to the number of acres of unplatted land and/or platted lots owned by the undersigned landowner which the undersigned would be entitled to vote if then personally present, upon any question, proposition, or resolution or any other matter or thing which 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 their discretion on all matters not known or determined at this 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 landowner meeting and any adjournment or adjournments or continuances thereof, but may be revoked at any time by written notice of such revocation presented at the annual meeting prior to the Proxy Holder exercising the voting rights conferred herein.

 Printed Name of Legal Owner

 Signature of Legal Owner

 Date

<u>Parcel Description</u>	<u>Acreage</u>	<u>Authorized Votes*</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

Total Number of 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.]

*A fraction of an acre is treated as one (1) acre entitling the landowner to one vote with respect thereto.

If the Legal Owner 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.).

[NOTARY BLOCK]

Flora Ridge Educational Facilities Benefit District

August 14, 2019

Board Matters Agenda Item 6

Audited Financial Statements for Fiscal Year Ending 9/30/2018

Executive Summary:

Audited Financial Statement for the Fiscal Year Ending 9/30/2018

**FLORA RIDGE
EDUCATIONAL FACILITIES
BENEFIT DISTRICT**

**Financial Statements
and
Supplemental Information**

September 30, 2018

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INDEPENDENT AUDITORS' REPORT

Partners

W. Ed Moss, Jr.
Joe M. Krusick
Cori G. Cameron
Bob P. Marchewka
Ric Perez
James R. Dexter
Thomas F. Regan
Ernie R. Janvrin
Paul F. Smyth
Darby M. Hauck

To the Board of Supervisors
Flora Ridge Educational Facilities Benefit District
Kissimmee, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Flora Ridge Educational Facilities Benefit District (the "District"), a component unit of the School District of Osceola County, Florida, as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Flora Ridge Educational Facilities Benefit District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Flora Ridge Educational Facilities Benefit District, as of September 30, 2018, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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American Institute of
Certified Public
Accountants

Florida Institute of
Certified Public
Accountants

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 8 and 23 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 6, 2019, on our consideration of the Flora Ridge Educational Facilities Benefit District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Flora Ridge Educational Facilities Benefit District's internal control over financial reporting and compliance.

Moss, Krusick & Associates, LLC

Winter Park, Florida
February 6, 2019

MANAGEMENT’S DISCUSSION AND ANALYSIS

As management of Flora Ridge Educational Facilities Benefit District (the “District”), a component of the School District of Osceola County, Florida, we offer readers of the District’s financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended September 30, 2018, to (a) assist the reader in focusing on significant financial issues, (b) provide an overview and analysis of the District’s financial activities, (c) identify changes in the District’s financial position, (d) identify material deviations from the approved budget, and (e) highlight significant issues in individual funds.

Because the information contained in the Management’s Discussion and Analysis (MD&A) is intended to highlight significant transactions, events and conditions, it should be considered in conjunction with the basic financial statements found on pages 9 – 14.

Financial Highlights

- The liabilities of the District exceeded its assets at the close of the most recent fiscal year by \$6,317,791 (net deficit).
- As of the close of the current fiscal year, the District’s governmental funds reported combined ending fund balances of \$331,326.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$213,982.
- During the current fiscal year, total long-term debt obligations decreased by \$205,000.

Overview of the Financial Statements

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

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 on the change in the District’s net position 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 (e.g., uncollected funding).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by assessment collections and interest earnings. The governmental activities of the District include, but are not limited to, principal and interest payments on outstanding debt issues and operating expenses of the Board.

The government-wide financial statements include only the District itself.

The government-wide financial statements can be found on pages 9 and 10 of this report.

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. All of the operations of the District are presented in governmental funds only.

Government funds

Government 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 government'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 in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and debt service fund, both of which are considered to be major funds.

The District adopts an annual appropriated budget. A budgetary comparison statement has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 11 – 14 of this report.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found starting on page 15 of this report.

Educational Facilities Act

The District is the first educational facilities benefit district to be created under Section 1013.355 *et seq.*, Florida Statutes, as amended (the "Educational Facilities Act"), which was enacted in 2002 to assist in financing the construction and maintenance of educational facilities through public/private cooperation and to provide alternative mechanisms and incentives to allow for sharing costs of educational facilities necessary to accommodate new growth and development among public agencies and benefited private development interests. The Educational Facilities Act, among other things, permits the exercise of the following powers (i) the formation of an educational facilities benefit district to finance and construct educational facilities within the district's boundaries; (ii) the leasing as lessor or lessee to or from any person, firm, corporation, association, or body, public or private, any projects of the type that the district is authorized to undertake and facilities or property of any nature for use of the district to carry out the purposes of the Educational Facilities Act; (iii) the levy of non-ad valorem assessments to finance such educational facilities; and (iv) the borrowing of money and issuance of bonds or other evidence of indebtedness for periods not longer than 30 years guaranteed by such non-ad valorem assessments and other legally available sources of funds. Creation of an educational facilities benefit district is conditioned upon the consent of the district school board, all local general purpose governments within whose jurisdiction any portion of the educational facilities benefit district is located, and all landowners within the district.

The Educational Facilities Act provides for the following funds to be provided to an educational facilities benefit district annually: (i) educational facilities impact fee revenue collected for new development within the educational facilities benefit district; and (ii) for construction and capital maintenance costs not covered by the funds provided pursuant to clause (i), an annual amount contributed by the district school board equal to one-half of the remaining costs of construction and capital maintenance of the educational facility; provided that construction costs in excess of the cost-per-student criteria established for the School Infrastructure Thrift ("SIT") Program in Section 1013.72(2), Florida Statutes, shall be funded exclusively by the district.

The District

In accordance with the Act, the District was created as a dependent special district by Ordinance No. 2447 enacted by the City Commission of the City of Kissimmee on January 27, 2003, as amended by Ordinance No. 2478, enacted by the City Commission of the City of Kissimmee on July 29, 2003, and by an Amended and Restated Interlocal Agreement dated as of July 29, 2003, between the City and The School Board of Osceola County, Florida, the governing body of the School District of Osceola County, Florida.

The District initially included approximately 400 acres of land located in the City of Kissimmee. During fiscal year ended September 30, 2014, the District annexed an additional 568.2 acres of a certain adjacent parcels ("Bronson Parcel"). There are currently three major landowners within the District: ICI Orlando Residential Holdings, Flora Ridge Property Holdings and Beazer Homes Corporation (collectively, the "Landowners"). The District lies within the boundaries of a 1,134 acre planned community being developed by Flora Ridge Development, (the "Developer"). The Developer, Landowners, and individual landowners have consented, for themselves, their successors and assigns, to the formation of the District and to the imposition of assessments on the District lands. As currently planned, the District will include approximately 3,605 single-family units and 350 multi-family units. The District issued Capital Improvement Revenue Bonds, Series 2007, primarily to finance a portion of the construction of Flora Ridge Elementary School. The special assessments that secured the District's Series 2007 bonds were levied on the land currently within the boundaries of the District, excluding the special assessments levied on the Bronson Parcel. Likewise, special assessments securing the District's Series 2017 bonds will be levied on the land currently within the boundaries of the District, excluding the special assessments levied on the Bronson Parcel. The special assessments levy on the Bronson Parcel will be used to reimburse the School District of Osceola County for its portion of the cost to construct Flora Ridge Elementary School.

Board of Supervisors

The Educational Facilities Act provides that the governing board of an educational facilities benefit district shall include representation of the district school board, each cooperating local general purpose government, and the landowners within the district. The governing body of the District is its Board of Supervisors (the "Board"), which is composed of five Supervisors (the "Supervisors"). Pursuant to the Educational Facilities Act, the Ordinance, and the Interlocal Agreement, the County has appointed one member of the Board of Supervisors, the School Board has appointed one member and the Developer has appointed the remaining three members. Pursuant to the Ordinance, following the initial appointments, landowner representatives shall be elected on a one-acre/one-vote basis with each acre or fraction thereof subject to Special Assessments representing one vote.

Government-wide financial analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, liabilities exceeded assets by \$6,317,791 and \$5,945,853 at September 30, 2018 and 2017, respectively.

Changes in the District's net position for the years ended September 30, 2018 and 2017 were as follows:

	2018	2017	Change
Current assets	\$ 461,703	\$ 1,204,588	\$ (742,885)
Total assets	461,703	1,204,588	(742,885)
Deferred outflows	73,408	-	73,408
Current liabilities	130,377	174,583	(44,206)
Long-term liabilities outstanding	6,722,525	6,975,858	(253,333)
Total liabilities	6,852,902	7,150,441	(297,539)
Net position	\$ (6,317,791)	\$ (5,945,853)	\$ (371,938)
Net position (deficit) consisted of:			
Unrestricted	\$ (6,317,791)	\$ (5,945,853)	\$ (371,938)
Total net position (deficit)	\$ (6,317,791)	\$ (5,945,853)	\$ (371,938)

Net deficit increased as expenses exceeded revenues by \$371,938 during the year. A 2003 school funding agreement provided that ownership of the District's property would be transferred to The School District of Osceola County upon completion. It was completed during the year ended September 30, 2008, and the school building and land, which had a combined value of \$18,101,123, was transferred to the School District of Osceola County. The underlying debt incurred to develop and construct the property remained with the District and is reported in these financial statements as unrestricted net assets, as the debt is no longer capital related.

Changes in the District's revenues for the years ended September 30, 2018 and 2017 were as follows:

	<u>2018</u>	<u>2017</u>	<u>Change</u>
Revenues:			
Assessment income	\$ 570,666	\$ 664,077	\$ (93,411)
Interest income	6,219	4,046	2,173
Total revenue	<u>\$ 576,885</u>	<u>\$ 668,123</u>	<u>\$ (91,238)</u>

Changes in the District's expenses were as follows:

	<u>2018</u>	<u>2017</u>	<u>Change</u>
Expenses:			
Board expenses	\$ 40,574	\$ 38,241	\$ 2,333
Administrative expenses	7,334	15,337	(8,003)
Fiscal agent fee	317,601	38,534	279,067
Amortization of bond discount	3,151	1,243	1,908
Bond refinancing fees	344,125	-	344,125
Interest expense	236,038	374,092	(138,054)
Total expenses	<u>\$ 948,823</u>	<u>\$ 467,447</u>	<u>\$ 481,376</u>

The increase in expenses in fiscal year 2018 resulted primarily from the refinancing of bonds payable. See Note C.

Financial Analysis of the Government's Funds

As noted earlier, Flora Ridge Educational Facilities Benefit District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. The 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.

As of the end of the current fiscal year, the District's governmental funds reported a combined ending fund surplus of \$331,326.

The general fund is the chief operating fund of the District. At the end of the current fiscal year, the unassigned fund balance of the general fund was \$213,982. During the current fiscal year, the fund balance of the District's general fund decreased by \$334,681 as assessments in prior and current years on the Bronson Parcel were refunded (reported as fiscal agent fee expenses) to the School District of Osceola County as the bonds are not secured by the Bronson Parcel assessments.

General Fund Budgetary Highlights

Actual revenues equaled budgeted revenues, and actual expenditures met budgeted expenditures.

Capital Asset and Debt Administration

Capital Assets. Capital assets including buildings and fixed equipment, furniture, fixtures, and computer software totaling \$18,101,123 were transferred to The School District of Osceola County during the year ended September 30, 2008.

Debt. On December 21, 2017, the District refunded the \$7,000,000, 5.3%, Series 2007 bonds with Capital Improvement Revenue Refunding Bonds, Series 2017 (Series 2017A-1 & 2017A-2), totaling \$7,000,000 and payable in annual installments of principal and semi-annual interest payments at 4%, through 2037.

At the end of the current fiscal year, the District had Series 2017 bonds payable – net of bond discount and accumulated amortization – in the amount of \$6,722,523. The required debt service payment for fiscal 2019 is \$436,900 including principal of \$180,000 and interest of \$256,900.

Economic Factors

Assessments are levied to homeowners within the boundaries of the District to support the debt obligations and operating expenses of the District. This assessment is fully disclosed to homeowners and is levied on the county's annual tax roll. For the fiscal year ended September 30, 2018, the District collected \$570,666 in 2017 assessments. The assessments levied on the 2018 tax roll are \$562,562.

Request for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Finance Director, Flora Ridge Educational Facilities Benefit District c/o The School District of Osceola County, FL, 817 Bill Beck Blvd., Kissimmee, FL 34744.

Flora Ridge Educational Facilities Benefit District

STATEMENT OF NET POSITION

September 30, 2018

	Governmental Activities
Assets	
Current assets:	
Cash and cash equivalents - restricted	\$ 456,973
Assessments receivable	4,730
Total current assets	461,703
Deferred outflows, related to debt refinancing	73,408
Liabilities and Net Position (Deficit)	
Current liabilities:	
Accounts payable	23,335
Accrued interest	107,042
Total current liabilities	130,377
Long-term liabilities:	
Bonds payable, due within one year	180,000
Bonds payable, due after one year	6,542,525
Total long-term liabilities	6,722,525
Total liabilities	6,852,902
Net position (deficit):	
Unrestricted	(6,317,791)
Total net position (deficit)	\$ (6,317,791)

The accompanying notes are an integral part of these financial statements.

Flora Ridge Educational Facilities Benefit District

STATEMENT OF ACTIVITIES

Year Ended September 30, 2018

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Interest expense	\$ 236,038	\$ -	\$ -	\$ -	\$ (236,038)
Board expenses	40,574	-	-	-	(40,574)
Administrative expenses	7,334	-	-	-	(7,334)
Fiscal agent fee	317,601	-	-	-	(317,601)
Bond refinancing fees	344,125	-	-	-	(344,125)
Amortization of bond discount	3,151	-	-	-	(3,151)
Total governmental activities	\$ 948,823	\$ -	\$ -	\$ -	(948,823)
General revenues:					
			Assessment income		570,666
			Interest income		<u>6,219</u>
			Total general revenues		<u>576,885</u>
			Change in net position		(371,938)
			Net position (deficit) at September 30, 2017		<u>(5,945,853)</u>
			Net position (deficit) at September 30, 2018		<u>\$ (6,317,791)</u>

The accompanying notes are an integral part of these financial statements.

Flora Ridge Educational Facilities Benefit District

BALANCE SHEET – GOVERNMENTAL FUNDS

September 30, 2018

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents - restricted	\$ 232,587	\$ 224,386	\$ 456,973
Assessments receivable	4,730	-	4,730
Total assets	<u>\$ 237,317</u>	<u>\$ 224,386</u>	<u>\$ 461,703</u>
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 23,335	\$ -	\$ 23,335
Accrued interest	-	107,042	107,042
Total liabilities	<u>23,335</u>	<u>107,042</u>	<u>130,377</u>
Fund balances:			
Restricted for:			
Debt service	-	117,344	117,344
Unassigned:	213,982	-	213,982
Total fund balances	<u>213,982</u>	<u>117,344</u>	<u>331,326</u>
Total liabilities and fund balances	<u>\$ 237,317</u>	<u>\$ 224,386</u>	<u>\$ 461,703</u>

The accompanying notes are an integral part of these financial statements.

Flora Ridge Educational Facilities Benefit District

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION**

September 30, 2018

Fund balances - total governmental funds		\$ 331,326
The net position reported for governmental activities in the statement of net position is different because:		
Long-term liabilities, including bonds payable, deferred inflows/outflows, and are not due and payable in the current period and therefore are not reported in the funds.		
Deferred outflows bond refinancing loss	73,408	
Bonds payable	(6,795,000)	
Bond discount, net of accumulated amortization	<u>72,475</u>	<u>(6,649,117)</u>
Total net position of governmental activities		<u>\$ (6,317,791)</u>

The accompanying notes are an integral part of these financial statements.

Flora Ridge Educational Facilities Benefit District

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS**

Year Ended September 30, 2018

	General	Debt Service	Total Governmental Funds
Revenues			
Assessment income	\$ 570,666	\$ -	\$ 570,666
Interest income	3,234	2,985	6,219
Total revenues	<u>573,900</u>	<u>2,985</u>	<u>576,885</u>
Expenditures			
Current:			
Board expenses	40,574	-	40,574
Fiscal agent fee	317,601	-	317,601
Debt service:			
Interest expense	-	232,746	232,746
Dues, fees and issuance costs	7,334	-	7,334
Principal payment	-	205,000	205,000
Payment to refund bond escrow	-	7,052,558	7,052,558
Bond issuance costs	-	344,125	344,125
Bond discount	-	75,626	75,626
Total expenditures	<u>365,509</u>	<u>7,910,055</u>	<u>8,275,564</u>
Excess (deficit) of revenues over (under) expenditures	<u>208,391</u>	<u>(7,907,070)</u>	<u>(7,698,679)</u>
Other financing sources (uses):			
Transfers in	15,874	558,946	574,820
Transfers out	(558,946)	(15,874)	(574,820.00)
Debt proceeds from refunded debt	-	7,000,000	7,000,000
Total other financing sources (uses)	<u>(543,072)</u>	<u>7,543,072</u>	<u>7,000,000</u>
Net change in fund balances	<u>(334,681)</u>	<u>(363,998)</u>	<u>(698,679)</u>
Fund balances at September 30, 2017	<u>548,663</u>	<u>481,342</u>	<u>1,030,005</u>
Fund balances at September 30, 2018	<u>\$ 213,982</u>	<u>\$ 117,344</u>	<u>\$ 331,326</u>

The accompanying notes are an integral part of these financial statements.

Flora Ridge Educational Facilities Benefit District

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

Year Ended September 30, 2018

Net change in fund balances - total government funds \$ (698,679)
 The change in net position reported for governmental activities in the
 statement of activities is different because:

The issuance of long-term debt (e.g., bonds, notes payable) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Debt proceeds	(7,000,000)	
Payment for escrow agent for refunded debt	75,626	
Principal repayment on long term debt	205,000	
Principal repayment to redeem long-term debt	7,052,558	
Current year amortization of deferred outflows	(3,292)	
Current year amortization of bond discount	(3,151)	326,741

Change in net position of governmental activities \$ (371,938)

The accompanying notes are an integral part of these financial statements.

Flora Ridge Educational Facilities Benefit District

NOTES TO FINANCIAL STATEMENTS

September 30, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Reporting entity

Flora Ridge Educational Facilities Benefit District (the "District"), a component unit of the School District of Osceola County, Florida, is organized pursuant to Chapter 189 and 1013 of the Florida Statutes and was established under Ordinance No. 2447 on July 29, 2003. The purpose of the District is to provide for the timely construction and maintenance of school facilities. The District is an alternative mechanism that allows for the sharing of educational facilities costs that is necessary to accommodate new growth and development. The governing body of the District is the Board of Supervisors.

The District is considered a component unit of The School District of Osceola County, Florida. Criteria for determining if other entities are potential component units which should be reported within the District's basic financial statements are identified and described in the Governmental Accounting Standards Board's (GASB) *Statement 14 as amended by Statement 39* and further amended by *Statement 61, The Financial Reporting Entity: Omnibus*.

The application of these criteria provide for identification of any entities for which the District's elected officials are financially accountable with a financial benefits and burden relationship present, and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's basic financial statements to be misleading or incomplete. Based on these criteria, no component units are included within the reporting entity of the District.

2. Government-wide and fund financial statements

The government-wide financial statements consist of a statement of net position and a statement of activities. These statements report information on all of the nonfiduciary activities of the District. As part of the consolidation process, all interfund activities are eliminated from these statements. Both statements report only governmental activities as the District does not engage in any business type activities.

Net position, the difference between assets and liabilities, as presented in the statement of net position, are generally subdivided into three categories: amounts invested in capital assets, net of related debt; restricted net position; and unrestricted net position. Net position is reported as restricted when constraints are imposed on the use of the amounts either externally by creditors, grantors, contributors, laws or regulations of other governments, or enabling legislation.

The statement of activities presents a comparison between the direct and indirect expenses of a given function and its program revenues, and displays the extent to which each function contributes to the change in net position for the fiscal year. Direct expenses are those that are clearly identifiable to a specific function. Indirect expenses are costs the District has allocated to various functions. Program revenues consist of charges for services, operating grants and contributions, and capital grants and contributions. Charges for services refer to amounts received from those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment.

Flora Ridge Educational Facilities Benefit District

NOTES TO FINANCIAL STATEMENTS

September 30, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

2. Government-wide and fund financial statements – continued

Grants and contributions consist of revenues that are restricted to meeting the operational or capital requirements of a particular function. Revenues not classified as program revenues are reported as general revenues.

Separate fund financial statements report detailed information about the District's governmental funds. The focus of the governmental fund financial statements is on major funds. Therefore, major funds are reported in separate columns on the fund financial statements. The general and debt service funds were deemed major funds. A reconciliation is provided that converts the results of governmental fund accounting to the government-wide presentation.

3. 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 recognized in the period earned and expenses are recognized when a liability is incurred.

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues, except for certain grant revenues, are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be sixty days. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for federal, state, and other grant resources, revenue is recognized at the time the expenditure is made. Under the modified accrual basis of accounting, expenditures are generally recorded when the related fund liability is incurred. However, principal and interest on general long-term debt is recorded as expenditures only when payment is due.

The District's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board. Accordingly, the financial statements are organized on the basis of funds. A fund is an accounting entity having a self-balancing set of accounts for recording assets, liabilities, fund equity, revenues, expenditures, and other financing sources and uses.

Resources are allocated to and accounted for in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled. The District reports the following major governmental funds:

General Fund - the general operating fund of the District. It is used to account for all financial resources traditionally associated with the activities of the District which are not required to be accounted for in another fund.

Debt Service Fund - to account for the resources accumulated and payments made for principal and interest on the revenue bonds issued by the District.

Flora Ridge Educational Facilities Benefit District

NOTES TO FINANCIAL STATEMENTS

September 30, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

3. Measurement focus, basis of accounting, and financial statement presentation – continued

The governmental fund financial statements present fund balances based on the provisions of GASB Statement No. 54, Fund Balance and Governmental Fund Type Definitions. This Statement provides more clearly defined fund balance classifications and also sets a hierarchy which details how the District may spend funds based on certain constraints. The following are the fund balance classifications used in the governmental fund financial statements:

Nonspendable: This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

Restricted: This classification includes amounts that are restricted for specific purposes by external parties such as grantors and creditors or are imposed by law through constitutional or enabling legislation.

Committed: This classification includes amounts that can be used for specific purposes voted through formal action of the Board of Directors. The committed amount cannot be used for any other purpose unless the Board of Directors removes or changes the commitment through formal action.

Assigned: This classification includes amounts that the Board of Directors intends to use for a specific purpose but they are neither restricted nor committed.

Unassigned: This classification includes amounts that have not been restricted, committed or assigned for a specific purpose within the general fund.

The District would typically use restricted fund balances first, followed by committed funds, and then assigned funds, and finally unassigned funds, as they become available. The District reserves the right to selectively spend unassigned funds first to defer the use of other classified funds. The details of the fund balances are included in the Government Funds Balance Sheet on page 11.

4. Budgetary basis of accounting

Budgets are adopted on a basis consistent with the State of Florida budget laws which are consistent with generally accepted accounting principles (GAAP). An annual appropriated budget is adopted for the general fund.

5. Cash and cash equivalents

Cash and cash equivalents include amounts in demand deposits and in liquid, short-term government bond fund investments. Income from investments is recorded in the respective funds when earned.

Flora Ridge Educational Facilities Benefit District

NOTES TO FINANCIAL STATEMENTS

September 30, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

6. Capital assets

Capital assets, which include property, construction in progress, and equipment, are reported in the applicable governmental columns on the government-wide financial statements. Capital assets are defined by the District as assets with an estimated useful life of more than one year. Such assets are recorded at historical cost. Donated capital assets are recorded at their estimated fair market values at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized, but rather are expensed in the period incurred.

Interest expense incurred is capitalized during the construction period of the asset.

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

<u>Asset Class</u>	<u>Lives</u>
Buildings	50
Furniture, fixtures, and equipment	5 – 10
Land Improvements	20

During fiscal year ended September 30, 2008, the District transferred the school building and land, which had a combined value of \$18,101,123, to The School District of Osceola County.

7. Restricted net position

Certain proceeds of the District’s revenue bonds, as well as certain resources set aside for their repayment would be classified as restricted net position on the statement of net position because their use is limited by applicable bond covenants; however, such debt proceeds reported in these financial statements are classified as unrestricted as the debt is no longer capital related.

8. Deferred outflows/inflows of resources

In addition to assets and liabilities, the statement of financial net position reports separate sections for deferred outflows and deferred inflows of resources. 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 that time. 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 (revenues) until that time. The District has one item that qualifies for reporting in this category, which is the deferred amount on debt refunding. A deferred amount on debt refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

9. Revenue source

Revenues for operations will be received primarily from non-ad valorem assessments.

Flora Ridge Educational Facilities Benefit District

NOTES TO FINANCIAL STATEMENTS

September 30, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

10. 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, which approximates the effective interest method. Bonds payable are reported net of the applicable bond discount. Bond issuance costs are expensed as incurred.

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

11. Interfund transfers

During the year ended September 30, 2018, the general fund transferred \$543,072 to the debt service fund for payment of principal and interest expenses related to the 2007 revenue bonds.

12. Use of estimates

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

13. New GASB pronouncements

In June 2017, the GASB issued Accounting Standards Update (ASU) No. 87, *Leases*, which will require lessees to put most leases on their balance sheets and recognize expenses on their income statements in a manner similar to today's capital lease accounting. The new guidance is effective for reporting periods beginning after December 15, 2019. Early adoption is permitted. The District is evaluating the potential effect ASU No. 87 will have on its financial statements.

14. Subsequent events

Management has evaluated the effect subsequent events would have on the financial statements through the time these statements were available to be issued on February 6, 2019.

Flora Ridge Educational Facilities Benefit District

NOTES TO FINANCIAL STATEMENTS

September 30, 2018

NOTE B – CASH, CASH EQUIVALENTS, INVESTMENTS

As of September 30, 2018, the District's cash and cash equivalents include cash deposits and money market funds of \$456,973. In accordance with GASB No. 40, the District's exposure to risk is disclosed as follows:

Custodial Credit Risk - Custodial credit risk for deposits is the risk that, in the event of a depository financial institution's failure, the Districts' deposits may not be returned. The District does not have a formal custodial credit risk policy. The District's financial instruments that are exposed to concentrations of custodial credit risk consist of government bond fund investments contained in brokerage accounts which are not FDIC insured. At September 30, 2018, the District exceeded FDIC insured limits by \$456,973. The District has not experienced any losses in such accounts.

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Board of Supervisors for the District has approved the following types of investments:

- The Local Government Surplus Trust Fund, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Section 163.01, Florida Statutes.
- Direct obligations of the U.S. Treasury.
- Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.
- Interest-bearing time deposits or savings accounts in qualified public depositories, as defined in Section 280.02, Florida Statutes.

Interest Rate Risk - Interest rate risk is the risk that changes in the interest rates will adversely affect the fair value of an investment. The District's policy to limit exposure to declines in fair values of its investment portfolio is to only invest in certain instruments approved by the Board of Supervisors.

Fair Value Measurements - The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 of the fair value hierarchy are inputs valued using quoted prices in active markets for identical assets; Level 2 inputs are valued using other significant observable inputs; Level 3 inputs are valued using significant unobservable inputs. As of September 30, 2018, the District has recurring fair value measurements in money market funds of \$456,973, valued using a matrix pricing model (Level 2 inputs).

Flora Ridge Educational Facilities Benefit District

NOTES TO FINANCIAL STATEMENTS

September 30, 2018

NOTE C – LONG-TERM DEBT

The following is a summary of changes in long-term debt obligations of the District at September 30, 2018:

Governmental Activities	September 30, <u>2017</u>	Additions	Deletions	September 30, <u>2018</u>
Revenue bonds:				
2007	\$ 7,000,000	\$ -	\$ 7,000,000	\$ -
2017A-1	-	4,230,000	135,000	4,095,000
2017A-2	-	2,770,000	70,000	2,700,000
Unamortized bond discount:				
2007	(24,142)	-	(24,142)	-
2017A-1	-	(62,414)	(2,600)	(59,814)
2017A-2	-	(13,212)	(551)	(12,661)
	<u>\$ 6,975,858</u>	<u>6,924,374</u>	<u>\$ 7,177,707</u>	<u>\$ 6,722,525</u>

During the year ended September 30, 2007, Series 2007 Revenue Bonds were issued in the amount of \$7,460,000. Beginning May 2010, annual installments of principal, and beginning May 2007, semi-annual interest payments at 5.3%, are due through 2037. The bonds are payable solely from and secured by revenues of the District, which include special assessments and other available sources of funds.

On December 21, 2017, the District refunded the Series 2007 Revenue bonds and refinanced them with Capital Improvement Revenue Refunding Bonds, Series 2017A-1 (Senior Bonds) and Series 2017A-2 (Subordinate Bonds), in the amount of \$4,230,000 and \$2,770,000, respectively. Beginning May 2018, annual installments of principal and semi-annual interest payments at 4%, are due through 2037.

The net proceeds from the Series 2017 bonds of \$6,924,374 (including discount of \$75,626) plus reserve funds were immediately used to redeem the Series 2007 bond and to pay \$344,125 in underwriting fees, legal fees, insurance, and other costs. As a result, \$7,000,000 of the Series 2007 bond was considered to be in-substance defeased and the liability for this certificate was removed from the government-wide financial statements. The Series 2017 bonds were issued to reduce the total debt service payments over the next 20 years by \$1,406,378, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$428,507.

The 2017 debt refinancing resulting in a loss on refunding of \$76,700 which is not recognized in the fund level statements but is deferred and included in the government-wide statement as deferred outflow. The deferred loss is amortized over the life of the debt through 2037. Amortization expense of the loss of \$3,292 for fiscal 2018 was charged against interest expense. Accumulated amortization totaled \$3,292 at September 30, 2018.

Flora Ridge Educational Facilities Benefit District

NOTES TO FINANCIAL STATEMENTS

September 30, 2018

NOTE C – LONG-TERM DEBT (continued)

The annual requirements to amortize all debt outstanding as of September 30, 2018 are as follows:

Year ending September 30	Principal	Interest	Total
2019	\$ 180,000	\$ 256,900	\$ 436,900
2020	195,000	252,131	447,131
2021	210,000	246,850	456,850
2022	220,000	241,056	461,056
2023	240,000	234,881	474,881
2024-2028	1,475,000	1,048,804	2,523,804
2029-2033	2,060,000	730,263	2,790,263
2034-2037	<u>2,215,000</u>	<u>239,665</u>	<u>2,454,665</u>
	6,795,000	3,250,550	10,045,550
Less: unamortized discount	<u>(72,475)</u>	<u>-</u>	<u>(72,475)</u>
	<u>\$ 6,722,525</u>	<u>\$ 3,250,550</u>	<u>\$ 9,973,075</u>

NOTE D – COMMITMENTS AND CONTINGENCIES

Legal issues

In the normal course of conducting its operations, the District may become party to various legal actions and proceedings. As of September 30, 2018, no legal actions or proceedings existed.

REQUIRED SUPPLEMENTAL INFORMATION

Flora Ridge Educational Facilities Benefit District

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE (BUDGET AND ACTUAL) – GENERAL FUND**

Year Ended September 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues	\$ 658,623	\$ 573,900	\$ 573,900	\$ -
Expenditures				
Current:				
Board expenses	41,532	40,574	40,574	-
Fiscal agent fee	20,000	317,601	317,601	-
Administrative expenses	10,020	7,334	7,334	-
Total expenditures	<u>71,552</u>	<u>365,509</u>	<u>365,509</u>	<u>-</u>
Excess of revenues over expenditures	<u>587,071</u>	<u>208,391</u>	<u>208,391</u>	<u>-</u>
Other financing sources (uses):				
Transfers in	-	-	15,874	15,874
Transfers out	<u>(463,928)</u>	<u>(558,946)</u>	<u>(558,946)</u>	<u>-</u>
Total other financing sources (uses)	<u>(463,928)</u>	<u>(558,946)</u>	<u>(543,072)</u>	<u>15,874</u>
Net change in fund balance	123,143	(350,555)	(334,681)	15,874
Fund balance at September 30, 2017	548,663	548,663	548,663	-
Fund balance at September 30, 2018	<u>\$ 671,806</u>	<u>\$ 198,108</u>	<u>\$ 213,982</u>	<u>\$ 15,874</u>

See Independent Auditors' Report



INDEPENDENT AUDITORS' 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.

Partners

- W. Ed Moss, Jr.
- Joe M. Krusick
- Cori G. Cameron
- Bob P. Marchewka
- Ric Perez
- James R. Dexter
- Thomas F. Regan
- Ernie R. Janvrin
- Paul F. Smyth
- Darby M. Hauck

To The Board of Supervisors
Flora Ridge Educational Facilities Benefit District
Kissimmee, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Flora Ridge Educational Facilities Benefit District (the "District"), a component unit of the School District of Osceola County, Florida, as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 6, 2019.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on

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compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Moss, Krusick & Associates, LLC

Winter Park, Florida
February 6, 2019



Partners

W. Ed Moss, Jr.
Joe M. Krusick
Cori G. Cameron
Bob P. Marchewka
Ric Perez
James R. Dexter
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MANAGEMENT LETTER

To the Board of Supervisors
Flora Ridge Educational Facilities Benefit District
Kissimmee, Florida

Report on the Financial Statements

We have audited the financial statements of Flora Ridge Educational Facilities Benefit District (the "District"), which is a component unit of the School District of Osceola County, Florida as of and for the fiscal year ended September 30, 2018, and have issued our report thereon dated February 6, 2019.

Auditors' 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 Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated February 6, 2019, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor general, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. Flora Ridge Educational Facilities Benefit District was organized pursuant to Chapter 189 and 1013 of the Florida Statutes and was established under Ordinance No. 2447.

Financial Condition and Management

Sections 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 condition described in Section 215.503(1), Florida Statutes.

Financial Condition and Management (continued)

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, and our financial condition assessment was based in part on representations made by management and 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.

Special District Component Units

Section 10.554(1)(i)5.c, Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Additional Matters

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

Purpose of This Letter

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

Moss, Krusick & Associates, LLC

Winter Park, Florida
February 6, 2019



INDEPENDENT ACCOUNTANTS' REPORT

Partners

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To the Board of Supervisors
Flora Ridge Educational Facilities Benefit District
Kissimmee, Florida

We have examined Flora Ridge Educational Facilities Benefit District's (the "District") compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2018. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting 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, 2018.

This report is intended solely for the information and use of the District and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

Moss, Krusick & Associates, LLC

Winter Park, Florida
February 6, 2019

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Current Year Comments and Recommendations

There were no items required to be reported in the current year.