



# **AGENDA**

## **REGULAR MEETING**



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**March 19, 2020**

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# FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

March 11, 2020

Board of Supervisors  
Flow Way Community Development District

Dear Board Members:

The Regular Meeting of the Board of Supervisors of the Flow Way Community Development District will be held on **Thursday, March 19, 2020 at 1:00 p.m.** at the offices of **Coleman, Yovanovich & Koester, P.A., 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103.**

1. Call to Order & Roll Call.
2. Public Comments. (Full procedure follows the Agenda Index)
  - I. The Public comment period is for items NOT listed on the Agenda, and individuals are limited to three (3) minutes per person, assignment of speaking time is not permitted, however the Presiding Officer may extend or reduce the time for the public comment period consistent with Section 286.0114, Florida Statutes.
  - II. Individuals are permitted to speak on items on the Agenda in accordance with the procedure in I above.
3. Consideration of Resolution 2020-2 Re-Designating the Officers and consideration of Replacement Member for Seat 3.
  - I. Consideration of Replacement Member for Seat 3
  - II. Oath of Office (to be administered during the meeting)
  - III. Guide to the Sunshine Amendment and Code of Ethics for Public Officers and Employees
  - IV. Form 1 – Statement of Financial Interest
4. Consideration of Minutes.
  - I. February 20, 2020 Regular Meeting Minutes
5. Consideration of Resolution 2020-3 of The Board of Supervisors of Flow Way Community Development District approving a proposed Budget for Fiscal Year 2021 and setting a Public Hearing Thereon pursuant to Florida Law.
6. Consideration of Resolution 2020-4 of the Board of Supervisors of Flow Way Community Development District Authorizing the District Manager to Notify Esplanade Golf and Country Club of Naples, Inc. of the Termination of that certain agreement between Flow Way Community Development District and the Esplanade Golf and Country Club, Inc.
7. Staff Reports
  - I. District Attorney
  - II. District Engineer
  - III. District Manager
    - a) Financial Statements January 31, 2020 (Unaudited)

b) Financial Statements February 29, 2020 (Unaudited)

8. Supervisor's Requests

I. Supervisor Ron Miller:

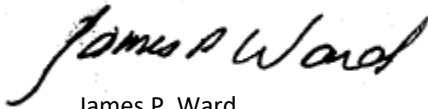
a) Palmer Letter dated March 3, 2020

9. Adjournment

*Items 5 & 6 are companion items and deal with the Proposed Budget for the District for Fiscal Year 2021. My office and the office of the District Engineer are currently working on completing a draft of the Proposed Budget which will include programs and estimates for all facilities of the District that are now being maintained by Agreement with the Master HOA. The largest portion of those assets are related to the Water Management system for the District, including, but not limited to, the lakes, lake banks, and littoral plantings. Additionally, the District owns landscaping along the perimeter of the Community and the residential irrigation system. I appreciate the Boards understanding while we undertake this process, and the proposed budget will be sent to you under separate cover as soon as completed.*

The Agenda is standard in nature and I look forward to seeing you at the meeting, and if you have any questions and/or comments, please do not hesitate to contact me directly at (954) 658-4900.

Your Sincerely,  
Flow Way Community Development District



James P. Ward  
District Manager

**The Fiscal Year 2020 schedule is as follows**

October 17, 2019	November 21, 2019
December 19, 2019	January 16, 2020
February 20, 2020	March 19, 2020
April 16, 2020	May 21, 2020
June 18, 2020	July 16, 2020
August 20, 2020	September 17, 2020

Flow Way Community Development District  
Opportunity to be Heard for Board Meetings

**PUBLIC COMMENT PERIODS.** The Chair, his or her designee, or such other person conducting a District Meeting ("Presiding Officer"), shall ensure that there is at least one period of time ("Public Comment Period") in the meeting agenda whereby the public has an opportunity to be heard on propositions before the Board, as follows:

a. The Public Comment Period shall be provided at the start of each District Meeting before consideration of items scheduled on the Agenda for consideration. In the event there is an item that comes before the Board that is not listed on the agenda, the Presiding Officer shall announce a Public Comment Period on such item prior to voting on the proposition.

b. Speakers shall be permitted to address any agenda item or non-agenda matter(s) of concern to the District, during the Public Comment Period.

c. To the extent the agenda for the District Meeting includes a specific public hearing that is required by Florida law, all public comments on the agenda item that is the subject to the public hearing will be taken following the opening of the public hearing for said agenda item.

d. Individuals wishing to make a public comment are limited to three (3) minutes per person. A potential speaker may not assign his/her three (3) minutes to extend another speaker's time.

e. The Presiding Officer may extend or reduce the time periods set forth herein in order to facilitate orderly and efficient District business; provided, however, that a reasonable opportunity for public comment shall be provided consistent with the requirements of Section 286.0114, Florida Statutes. The Presiding Officer may also elect to set and announce additional Public Comment Periods if he or she deems it appropriate.

**DESIGNATING A PROCEDURE TO IDENTIFY INDIVIDUALS SEEKING TO BE HEARD.** Unless otherwise directed and declared by the Presiding Officer, individuals seeking to be heard on propositions before the Board at a District Meeting shall identify themselves at the beginning of each Public Comment Period in the manner announced by the Presiding Officer. In the event that public attendance is high and/or if otherwise deemed necessary in order to facilitate efficient and orderly District business, the Presiding Officer may require individuals to complete speaker cards which will request the following information: (a) the individual's name, address and telephone number; (b) the proposition on which the person desires to be heard; (c) the individual's position on the proposition (i.e., "for," "against," or "undecided"); and (d) if appropriate, to indicate the designation of a representative to speak for the individual or the individual's group. In the event large groups of individuals desire to speak, the Presiding Officer may require each group to designate a representative to speak on behalf of such group.

**PUBLIC DECORUM.** The following policies govern public decorum at District Meetings:

a. Each person addressing the Board shall proceed to the place designated assigned for speaking, if any, and should state his or her name and address in an audible tone of voice for the public record.

b. All remarks shall be addressed to the Board as a body and not to any member thereof or to any staff member. No person other than a member of the Board or a District staff member shall be

Flow Way Community Development District  
Opportunity to be Heard for Board Meetings

permitted to enter into any discussion with an individual speaker while he or she has the floor, without the permission of the Presiding Officer.

c. Nothing herein shall be construed to prohibit the Presiding Officer from maintaining orderly conduct and proper decorum in a public meeting. Speakers shall refrain from disruptive behavior, and from making vulgar or threatening remarks. Speakers shall refrain from launching personal attacks against any member of the Board, District staff member, or member of the public. The Presiding Officer shall have the discretion to remove any speaker who disregards these policies from the meeting.

d. In the case that any person is declared out of order by the Presiding Officer and ordered expelled, and does not immediately leave the meeting facilities, the following steps may be taken:

1. The Presiding Officer may declare a recess.
2. The Presiding Officer may contact the local law enforcement authority.
3. In the event a person does not remove himself or herself from the meeting, the Presiding Officer may request that he or she be placed under arrest by local law enforcement authorities for violation of Section 871.01, Florida Statutes, or other applicable law.

**EXCEPTIONS.**

a. The Board recognizes, and the Board or may apply, all applicable exceptions to Section 286.0114, including those set forth in Section 286.0114(3), Florida Statutes and other applicable law. Additionally, the Presiding Officer may alter the procedures set forth in this Public Comment Policy for public hearings and other special proceedings that may require a different procedure under Florida law.

b. This Resolution is being adopted in accordance with Section 286.0114, Florida Statutes existing as of the date of this Resolution. After this Resolution becomes effective, it may be repealed or amended only by subsequent resolution of the Board. Notwithstanding the foregoing, the District may immediately suspend the application of this Resolution, in whole or in part, if the District determines that the Resolution conflicts with Florida law. In the event that the Resolution conflicts with Florida law and its application has not been suspended by the District, this Resolution should be interpreted in the manner that best effectuates the intent of the Resolution while also complying with Florida law. If the intent of the Resolution absolutely cannot be effectuated while complying with Florida law, the Resolution shall be automatically suspended.

**RESOLUTION 2020-2**

**A RESOLUTION RE-DESIGNATING THE OFFICERS OF THE FLOW WAY COMMUNITY DEVELOPMENT DISTRICT; PROVIDING FOR SEVERABILITY AND INVALID PROVISIONS; PROVIDING FOR CONFLICT AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the Board of Supervisors of the Flow Way Community Development District desire to appoint the below recited person(s) to the offices specified.

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

**SECTION 1: DESIGNATION OF OFFICER'S OF THE DISTRICT.** The following persons are appointed to the offices shown:

Chairman	<u>Andrew Miller</u>
Vice Chairman	<u>John Wollard</u>
Secretary	<u>James P. Ward</u>
Treasurer	<u>James P. Ward</u>
Assistant Secretary	<u>Ronald Miller</u>
Assistant Secretary	_____
Assistant Secretary	<u>Tom Kleck</u>

**SECTION 2: SEVERABILITY AND INVALID PROVISIONS.** If any one of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contract to the policy of express law, but not expressly prohibited or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way effect the validity of the other provisions hereof.

**RESOLUTION 2020-2**

**A RESOLUTION RE-DESIGNATING THE OFFICERS OF THE FLOW WAY COMMUNITY DEVELOPMENT DISTRICT; PROVIDING FOR SEVERABILITY AND INVALID PROVISIONS; PROVIDING FOR CONFLICT AND PROVIDING FOR AN EFFECTIVE DATE.**

**SECTION 3: CONFLICT.** That all Sections or parts of Sections of any Resolutions, Agreements or actions of the Board of Supervisor's in conflict are hereby repealed to the extent of such conflict.

**SECTION 4: PROVIDING FOR AN EFFECTIVE DATE.** This Resolution shall become effective immediately upon passage.

**PASSED AND ADOPTED** this 19<sup>th</sup> day of March, 2020

**ATTEST:**

**FLOW WAY  
COMMUNITY DEVELOPMENT DISTRICT**

\_\_\_\_\_  
James P. Ward, Secretary

\_\_\_\_\_  
Andrew Miller, Chairman

**OATH OR AFFIRMATION OF OFFICE**

I, \_\_\_\_\_, a citizen of the State of Florida and of the United States of America, and being an officer of the **Flow Way Community Development District** and a recipient of public funds as such officer, do hereby solemnly swear or affirm that I will support the Constitution of the United States and of the State of Florida, and will faithfully, honestly and impartially discharge the duties devolving upon me as a member of the Board of Supervisors of the **Flow Way Community Development District**, Collier County, Florida.

\_\_\_\_\_  
Signature

Printed Name: \_\_\_\_\_

STATE OF FLORIDA  
COUNTY OF COLLIER

Sworn to (or affirmed) before me this \_\_\_\_ day of \_\_\_\_\_, 2020, by \_\_\_\_\_, whose signature appears hereinabove, who is personally known to me or who produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
NOTARY PUBLIC  
STATE OF FLORIDA

Print Name: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_



# FLORIDA COMMISSION ON ETHICS



GUIDE  
to the  
SUNSHINE AMENDMENT  
and  
CODE of ETHICS  
for Public Officers and Employees

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**2018**

State of Florida  
COMMISSION ON ETHICS

**Michelle Anchors, Chair**  
Ft. Walton Beach

**Michael Cox, Vice Chair**  
Trinity

**Jason David Berger**  
Palm City

**Daniel Brady, PH.D.**  
Miami Shores

**Matthew J. Carson**  
Tallahassee

**Guy W. Norris**  
Lake City

**Kimberly Bonder Rezanka**  
Cocoa

**Virindia Doss**  
*Executive Director*  
P.O. Drawer 15709  
Tallahassee, FL 32317-5709  
[www.ethics.state.fl.us](http://www.ethics.state.fl.us)  
(850) 488-7864\*

\*Please direct all requests for information to this number.

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## **I. HISTORY OF FLORIDA'S ETHICS LAWS**

Florida has been a leader among the states in establishing ethics standards for public officials and recognizing the right of citizens to protect the public trust against abuse. Our state Constitution was revised in 1968 to require a code of ethics, prescribed by law, for all state employees and non-judicial officers prohibiting conflict between public duty and private interests.

Florida's first successful constitutional initiative resulted in the adoption of the Sunshine Amendment in 1976, providing additional constitutional guarantees concerning ethics in government. In the area of enforcement, the Sunshine Amendment requires that there be an independent commission (the Commission on Ethics) to investigate complaints concerning breaches of public trust by public officers and employees other than judges.

The Code of Ethics for Public Officers and Employees is found in Chapter 112 (Part III) of the Florida Statutes. Foremost among the goals of the Code is to promote the public interest and maintain the respect of the people for their government. The Code is also intended to ensure that public officials conduct themselves independently and impartially, not using their offices for private gain other than compensation provided by law. While seeking to protect the integrity of government, the Code also seeks to avoid the creation of unnecessary barriers to public service.

Criminal penalties, which initially applied to violations of the Code, were eliminated in 1974 in favor of administrative enforcement. The Legislature created the Commission on Ethics that year "to serve as guardian of the standards of conduct" for public officials, state and local. Five of the Commission's nine members are appointed by the Governor, and two each are appointed by the President of the Senate and Speaker of the House of Representatives. No more than five Commission members may be members of the same political party, and none may be lobbyists, or hold any public employment during their two-year terms of office. A chair is selected from among the members to serve a one-year term and may not succeed himself or herself.

## **II. ROLE OF THE COMMISSION ON ETHICS**

In addition to its constitutional duties regarding the investigation of complaints, the Commission:

- Renders advisory opinions to public officials;
- Prescribes forms for public disclosure;
- Prepares mailing lists of public officials subject to financial disclosure for use by Supervisors of Elections and the Commission in distributing forms and notifying delinquent filers;
- Makes recommendations to disciplinary officials when appropriate for violations of ethics and disclosure laws, since it does not impose penalties;

- Administers the Executive Branch Lobbyist Registration and Reporting Law;
- Maintains financial disclosure filings of constitutional officers and state officers and employees; and,
- Administers automatic fines for public officers and employees who fail to timely file required annual financial disclosure.

### III. THE ETHICS LAWS

The ethics laws generally consist of two types of provisions, those prohibiting certain actions or conduct and those requiring that certain disclosures be made to the public. The following descriptions of these laws have been simplified in an effort to provide notice of their requirements. Therefore, we suggest that you also review the wording of the actual law. Citations to the appropriate laws are in brackets.

The laws summarized below apply generally to all public officers and employees, state and local, including members of advisory bodies. The principal exception to this broad coverage is the exclusion of judges, as they fall within the jurisdiction of the Judicial Qualifications Commission.

Public Service Commission (PSC) members and employees, as well as members of the PSC Nominating Council, are subject to additional ethics standards that are enforced by the Commission on Ethics under Chapter 350, Florida Statutes. Further, members of the governing boards of charter schools are subject to some of the provisions of the Code of Ethics [Sec. 1002.33(26), Fla. Stat.], as are the officers, directors, chief executive officers and some employees of business entities that serve as the chief administrative or executive officer or employee of a political subdivision. [Sec. 112.3136, Fla. Stat.].

#### A. PROHIBITED ACTIONS OR CONDUCT

##### 1. *Solicitation and Acceptance of Gifts*

Public officers, employees, local government attorneys, and candidates are prohibited from soliciting or accepting anything of value, such as a gift, loan, reward, promise of future employment, favor, or service that is based on an understanding that their vote, official action, or judgment would be influenced by such gift. [Sec. 112.313(2), Fla. Stat.]

Persons required to file financial disclosure FORM 1 or FORM 6 (see Part III F of this brochure), and state procurement employees, are prohibited from **soliciting** any gift from a political committee, lobbyist who has lobbied the official or his or her agency within the past 12 months, or the partner, firm, employer, or principal of such a lobbyist or from a vendor doing business with the official's agency. [Sec. 112.3148, Fla. Stat.]

Persons required to file FORM 1 or FORM 6, and state procurement employees are prohibited from directly or indirectly **accepting** a gift worth more than \$100 from such a lobbyist, from a partner, firm, employer, or principal of the lobbyist, or from a political committee or vendor doing business with their agency. [Sec.112.3148, Fla. Stat.]

**However**, effective in 2006 and notwithstanding Sec. 112.3148, Fla. Stat., no Executive Branch lobbyist or principal shall make, directly or indirectly, and no Executive Branch agency official who files FORM 1 or FORM 6 shall knowingly accept, directly or indirectly, **any expenditure** made for the purpose of lobbying. [Sec. 112.3215, Fla. Stat.] Typically, this would include gifts valued at less than \$100 that formerly were permitted under Section 112.3148, Fla. Stat. Similar rules apply to members and employees of the Legislature. However, these laws are not administered by the Commission on Ethics. [Sec. 11.045, Fla. Stat.]

Also, effective May 1, 2013, persons required to file Form 1 or Form 6, and state procurement employees and members of their immediate families, are prohibited from accepting any gift from a political committee. [Sec. 112.31485, Fla. Stat.]

## *2. Unauthorized Compensation*

Public officers or employees, local government attorneys, and their spouses and minor children are prohibited from accepting any compensation, payment, or thing of value when they know, or with the exercise of reasonable care should know, that it is given to influence a vote or other official action. [Sec. 112.313(4), Fla. Stat.]

## *3. Misuse of Public Position*

Public officers and employees, and local government attorneys are prohibited from corruptly using or attempting to use their official positions or the resources thereof to obtain a special privilege or benefit for themselves or others. [Sec. 112.313(6), Fla. Stat.]

## *4. Disclosure or Use of Certain Information*

Public officers and employees and local government attorneys are prohibited from disclosing or using information not available to the public and obtained by reason of their public position, for the personal benefit of themselves or others. [Sec. 112.313(8), Fla. Stat.]

## 5. *Solicitation or Acceptance of Honoraria*

Persons required to file financial disclosure FORM 1 or FORM 6 (see Part III F of this brochure), and state procurement employees, are prohibited from **soliciting** honoraria related to their public offices or duties. [Sec. 112.3149, Fla. Stat.]

Persons required to file FORM 1 or FORM 6, and state procurement employees, are prohibited from knowingly **accepting** an honorarium from a political committee, lobbyist who has lobbied the person's agency within the past 12 months, or the partner, firm, employer, or principal of such a lobbyist, or from a vendor doing business with the official's agency. However, they may accept the payment of expenses related to an honorarium event from such individuals or entities, provided that the expenses are disclosed. See Part III F of this brochure. [Sec. 112.3149, Fla. Stat.]

Lobbyists and their partners, firms, employers, and principals, as well as political committees and vendors, are prohibited from **giving** an honorarium to persons required to file FORM 1 or FORM 6 and to state procurement employees. Violations of this law may result in fines of up to \$5,000 and prohibitions against lobbying for up to two years. [Sec. 112.3149, Fla. Stat.]

However, notwithstanding Sec. 112.3149, Fla. Stat., no Executive Branch or legislative lobbyist or principal shall make, directly or indirectly, and no Executive Branch agency official who files FORM 1 or FORM 6 shall knowingly accept, directly or indirectly, **any expenditure** made for the purpose of lobbying. [Sec. 112.3215, Fla. Stat.] This may include honorarium event related expenses that formerly were permitted under Sec. 112.3149, Fla. Stat. Similar rules apply to members and employees of the Legislature. However, these laws are not administered by the Commission on Ethics. [Sec. 11.045, Fla. Stat.]

## **B. PROHIBITED EMPLOYMENT AND BUSINESS RELATIONSHIPS**

### 1. *Doing Business With One's Agency*

(a) A public employee acting as a purchasing agent, or public officer acting in an official capacity, is prohibited from purchasing, renting, or leasing any realty, goods, or services for his or her agency from a business entity in which the officer or employee or his or her spouse or child owns more than a 5% interest. [Sec. 112.313(3), Fla. Stat.]

(b) A public officer or employee, acting in a private capacity, also is prohibited from renting, leasing, or selling any realty, goods, or services to his or her own agency if the officer or employee is a state officer or employee, or, if he or she is an officer or employee of a political subdivision, to that subdivision or any of its agencies. [Sec. 112.313(3), Fla. Stat.]



## 2. *Conflicting Employment or Contractual Relationship*

(a) A public officer or employee is prohibited from holding any employment or contract with any business entity or agency regulated by or doing business with his or her public agency. [Sec. 112.313(7), Fla. Stat.]

(b) A public officer or employee also is prohibited from holding any employment or having a contractual relationship which will pose a frequently recurring conflict between the official's private interests and public duties or which will impede the full and faithful discharge of the official's public duties. [Sec. 112.313(7), Fla. Stat.]

(c) Limited exceptions to this prohibition have been created in the law for legislative bodies, certain special tax districts, drainage districts, and persons whose professions or occupations qualify them to hold their public positions. [Sec. 112.313(7)(a) and (b), Fla. Stat.]

3. *Exemptions—Pursuant to Sec. 112.313(12), Fla. Stat., the prohibitions against doing business with one's agency and having conflicting employment may not apply:*

(a) When the business is rotated among all qualified suppliers in a city or county.

(b) When the business is awarded by sealed, competitive bidding and neither the official nor his or her spouse or child have attempted to persuade agency personnel to enter the contract. NOTE: Disclosure of the interest of the official, spouse, or child and the nature of the business must be filed prior to or at the time of submission of the bid on Commission FORM 3A with the Commission on Ethics or Supervisor of Elections, depending on whether the official serves at the state or local level.

(c) When the purchase or sale is for legal advertising, utilities service, or for passage on a common carrier.

(d) When an emergency purchase must be made to protect the public health, safety, or welfare.

(e) When the business entity is the only source of supply within the political subdivision and there is full disclosure of the official's interest to the governing body on Commission FORM 4A.

(f) When the aggregate of any such transactions does not exceed \$500 in a calendar year.

(g) When the business transacted is the deposit of agency funds in a bank of which a county, city, or district official is an officer, director, or stockholder, so long as agency records show that the governing body has determined that the member did not favor his or her bank over other qualified banks.

(h) When the prohibitions are waived in the case of ADVISORY BOARD MEMBERS by the appointing person or by a two-thirds vote of the appointing body (after disclosure on Commission FORM 4A).

(i) When the public officer or employee purchases in a private capacity goods or services, at a price and upon terms available to similarly situated members of the general public, from a business entity which is doing business with his or her agency.

(j) When the public officer or employee in a private capacity purchases goods or services from a business entity which is subject to the regulation of his or her agency where the price and terms of the transaction are available to similarly situated members of the general public and the officer or employee makes full disclosure of the relationship to the agency head or governing body prior to the transaction.

#### *4. Additional Exemptions*

No elected public officer is in violation of the conflicting employment prohibition when employed by a tax exempt organization contracting with his or her agency so long as the officer is not directly or indirectly compensated as a result of the contract, does not participate in any way in the decision to enter into the contract, abstains from voting on any matter involving the employer, and makes certain disclosures. [Sec. 112.313(15), Fla. Stat.] A qualified blind trust established pursuant to Sec. 112.31425, Fla. Stat., may afford an official protection from conflicts of interest arising from assets placed in the trust.

#### *5. Legislators Lobbying State Agencies*

A member of the Legislature is prohibited from representing another person or entity for compensation during his or her term of office before any state agency other than judicial tribunals. [Art. II, Sec. 8(e), Fla. Const., and Sec. 112.313(9), Fla. Stat.]

#### *6. Employees Holding Office*

A public employee is prohibited from being a member of the governing body which serves as his or her employer. [Sec. 112.313(10), Fla. Stat.]

#### *7. Professional and Occupational Licensing Board Members*

An officer, director, or administrator of a state, county, or regional professional or occupational organization or association, while holding such position, may not serve as a member of a state examining or licensing board for the profession or occupation. [Sec. 112.313(11), Fla. Stat.]

## 8. *Contractual Services: Prohibited Employment*

A state employee of the executive or judicial branch who participates in the decision-making process involving a purchase request, who influences the content of any specification or procurement standard, or who renders advice, investigation, or auditing, regarding his or her agency's contract for services, is prohibited from being employed with a person holding such a contract with his or her agency. [Sec. 112.3185(2), Fla. Stat.]

## 9. *Local Government Attorneys*

Local government attorneys, such as the city attorney or county attorney, and their law firms are prohibited from representing private individuals and entities before the unit of local government which they serve. A local government attorney cannot recommend or otherwise refer to his or her firm legal work involving the local government unit unless the attorney's contract authorizes or mandates the use of that firm. [Sec. 112.313(16), Fla. Stat.]

## 10. *Dual Public Employment*

Candidates and elected officers are prohibited from accepting public employment if they know or should know it is being offered for the purpose of influence. Further, public employment may not be accepted unless the position was already in existence or was created without the anticipation of the official's interest, was publicly advertised, and the officer had to meet the same qualifications and go through the same hiring process as other applicants. For elected public officers already holding public employment, no promotion given for the purpose of influence may be accepted, nor may promotions that are inconsistent with those given other similarly situated employees. [Sec. 112.3125, Fla. Stat.]

# **C. RESTRICTIONS ON APPOINTING, EMPLOYING, AND CONTRACTING WITH RELATIVES**

## 1. *Anti-Nepotism Law*

A public official is prohibited from seeking for a relative any appointment, employment, promotion, or advancement in the agency in which he or she is serving or over which the official exercises jurisdiction or control. No person may be appointed, employed, promoted, or advanced in or to a position in an agency if such action has been advocated by a related public official who is serving in or exercising jurisdiction or control over the agency; this includes relatives of members of collegial government bodies. NOTE: This prohibition does not apply to school districts (except as provided in Sec. 1012.23, Fla. Stat.), community colleges and state universities, or to appointments of boards, other than those with land-planning or zoning responsibilities, in municipalities of fewer than 35,000 residents. Also, the approval of budgets does not constitute "jurisdiction or control" for the purposes

of this prohibition. This provision does not apply to volunteer emergency medical, firefighting, or police service providers. [Sec. 112.3135, Fla. Stat.]

## *2. Additional Restrictions*

A state employee of the executive or judicial branch or the PSC is prohibited from directly or indirectly procuring contractual services for his or her agency from a business entity of which a relative is an officer, partner, director, or proprietor, or in which the employee, or his or her spouse, or children own more than a 5% interest. [Sec. 112.3185(6), Fla. Stat.]

## **D. POST OFFICE HOLDING AND EMPLOYMENT (REVOLVING DOOR) RESTRICTIONS**

### *1. Lobbying by Former Legislators, Statewide Elected Officers, and Appointed State Officers*

A member of the Legislature or a statewide elected or appointed state official is prohibited for two years following vacation of office from representing another person or entity for compensation before the government body or agency of which the individual was an officer or member. Former members of the Legislature are also prohibited for two years from lobbying the executive branch. [Art. II, Sec. 8(e), Fla. Const. and Sec. 112.313(9), Fla. Stat.]

### *2. Lobbying by Former State Employees*

Certain employees of the executive and legislative branches of state government are prohibited from personally representing another person or entity for compensation before the agency with which they were employed for a period of two years after leaving their positions, unless employed by another agency of state government. [Sec. 112.313(9), Fla. Stat.] These employees include the following:

(a) Executive and legislative branch employees serving in the Senior Management Service and Selected Exempt Service, as well as any person employed by the Department of the Lottery having authority over policy or procurement.

(b) Persons serving in the following position classifications: the Auditor General; the director of the Office of Program Policy Analysis and Government Accountability (OPPAGA); the Sergeant at Arms and Secretary of the Senate; the Sergeant at Arms and Clerk of the House of Representatives; the executive director and deputy executive director of the Commission on Ethics; an executive director, staff director, or deputy staff director of each joint committee, standing committee, or select committee of the Legislature; an executive director, staff director, executive assistant, legislative analyst, or attorney serving in the Office of the President of the Senate, the Office of the Speaker of the House of Representatives, the Senate Majority Party Office, the Senate Minority Party Office, the

House Majority Party Office, or the House Minority Party Office; the Chancellor and Vice-Chancellors of the State University System; the general counsel to the Board of Regents; the president, vice presidents, and deans of each state university; any person hired on a contractual basis and having the power normally conferred upon such persons, by whatever title; and any person having the power normally conferred upon the above positions.

This prohibition does not apply to a person who was employed by the Legislature or other agency prior to July 1, 1989; who was a defined employee of the State University System or the Public Service Commission who held such employment on December 31, 1994; or who reached normal retirement age and retired by July 1, 1991. It does apply to OPS employees.

PENALTIES: Persons found in violation of this section are subject to the penalties contained in the Code (see PENALTIES, Part V) as well as a civil penalty in an amount equal to the compensation which the person received for the prohibited conduct. [Sec. 112.313(9)(a)5, Fla. Stat.]

### *3. Additional Restrictions on Former State Employees*

A former executive or judicial branch employee or PSC employee is prohibited from having employment or a contractual relationship, at any time after retirement or termination of employment, with any business entity (other than a public agency) in connection with a contract in which the employee participated personally and substantially by recommendation or decision while a public employee. [Sec. 112.3185(3), Fla. Stat.]

A former executive or judicial branch employee or PSC employee who has retired or terminated employment is prohibited from having any employment or contractual relationship for two years with any business entity (other than a public agency) in connection with a contract for services which was within his or her responsibility while serving as a state employee. [Sec.112.3185(4), Fla. Stat.]

Unless waived by the agency head, a former executive or judicial branch employee or PSC employee may not be paid more for contractual services provided by him or her to the former agency during the first year after leaving the agency than his or her annual salary before leaving. [Sec. 112.3185(5), Fla. Stat.]

These prohibitions do not apply to PSC employees who were so employed on or before Dec. 31, 1994.

### *4. Lobbying by Former Local Government Officers and Employees*

A person elected to county, municipal, school district, or special district office is prohibited from representing another person or entity for compensation before the government body or agency of

which he or she was an officer for two years after leaving office. Appointed officers and employees of counties, municipalities, school districts, and special districts may be subject to a similar restriction by local ordinance or resolution. [Sec. 112.313(13) and (14), Fla. Stat.]

#### **E. VOTING CONFLICTS OF INTEREST**

State public officers are prohibited from voting in an official capacity on any measure which they know would inure to their own special private gain or loss. A state public officer who abstains, or who votes on a measure which the officer knows would inure to the special private gain or loss of any principal by whom he or she is retained, of the parent organization or subsidiary or sibling of a corporate principal by which he or she is retained, of a relative, or of a business associate, must make every reasonable effort to file a memorandum of voting conflict with the recording secretary in advance of the vote. If that is not possible, it must be filed within 15 days after the vote occurs. The memorandum must disclose the nature of the officer's interest in the matter.

No county, municipal, or other local public officer shall vote in an official capacity upon any measure which would inure to his or her special private gain or loss, or which the officer knows would inure to the special private gain or loss of any principal by whom he or she is retained, of the parent organization or subsidiary or sibling of a corporate principal by which he or she is retained, of a relative, or of a business associate. The officer must publicly announce the nature of his or her interest before the vote and must file a memorandum of voting conflict on Commission Form 8B with the meeting's recording officer within 15 days after the vote occurs disclosing the nature of his or her interest in the matter. However, members of community redevelopment agencies and district officers elected on a one-acre, one-vote basis are not required to abstain when voting in that capacity.

No appointed state or local officer shall participate in any matter which would inure to the officer's special private gain or loss, the special private gain or loss of any principal by whom he or she is retained, of the parent organization or subsidiary or sibling of a corporate principal by which he or she is retained, of a relative, or of a business associate, without first disclosing the nature of his or her interest in the matter. The memorandum of voting conflict (Commission Form 8A or 8B) must be filed with the meeting's recording officer, be provided to the other members of the agency, and be read publicly at the next meeting.

If the conflict is unknown or not disclosed prior to the meeting, the appointed official must orally disclose the conflict at the meeting when the conflict becomes known. Also, a written memorandum of voting conflict must be filed with the meeting's recording officer within 15 days of the disclosure being made and must be provided to the other members of the agency, with the disclosure being read publicly at the next scheduled meeting. [Sec. 112.3143, Fla. Stat.]

A qualified blind trust established pursuant to Sec. 112.31425, Fla. Stat., may afford an official protection from voting conflicts of interest arising from assets placed in the trust.

## **F. DISCLOSURES**

Conflicts of interest may occur when public officials are in a position to make decisions that affect their personal financial interests. This is why public officers and employees, as well as candidates who run for public office, are required to publicly disclose their financial interests. The disclosure process serves to remind officials of their obligation to put the public interest above personal considerations. It also helps citizens to monitor the considerations of those who spend their tax dollars and participate in public policy decisions or administration.

All public officials and candidates do not file the same degree of disclosure; nor do they all file at the same time or place. Thus, care must be taken to determine which disclosure forms a particular official or candidate is required to file.

The following forms are described below to set forth the requirements of the various disclosures and the steps for correctly providing the information in a timely manner.

### **1. FORM 1 - Limited Financial Disclosure**

#### **Who Must File:**

Persons required to file FORM 1 include all state officers, local officers, candidates for local elective office, and specified state employees as defined below (other than those officers who are required by law to file FORM 6).

#### **STATE OFFICERS include:**

- 1) Elected public officials not serving in a political subdivision of the state and any person appointed to fill a vacancy in such office, unless required to file full disclosure on Form 6.
  
- 2) Appointed members of each board, commission, authority, or council having statewide jurisdiction, excluding members of solely advisory bodies; but including judicial nominating commission members; directors of Enterprise Florida, Scripps Florida Funding Corporation, and CareerSource Florida, and members of the Council on the Social Status of Black Men and Boys; the Executive Director, governors, and senior managers of Citizens Property Insurance Corporation; governors and senior managers of Florida Workers' Compensation Joint Underwriting Association, board members of the Northeast Florida Regional Transportation Commission, and members of the board of Triumph Gulf Coast, Inc.;

members of the board of Florida is for Veterans, Inc.; and members of the Technology Advisory Council within the Agency for State Technology.

3) The Commissioner of Education, members of the State Board of Education, the Board of Governors, local boards of trustees and presidents of state universities, and members of the Florida Prepaid College Board.

LOCAL OFFICERS include:

1) Persons elected to office in any political subdivision (such as municipalities, counties, and special districts) and any person appointed to fill a vacancy in such office, unless required to file full disclosure on Form 6.

2) Appointed members of the following boards, councils, commissions, authorities, or other bodies of any county, municipality, school district, independent special district, or other political subdivision: the governing body of the subdivision; a community college or junior college district board of trustees; a board having the power to enforce local code provisions; a planning or zoning board, board of adjustments or appeals, community redevelopment agency board, or other board having the power to recommend, create, or modify land planning or zoning within the political subdivision, except for citizen advisory committees, technical coordinating committees, and similar groups who only have the power to make recommendations to planning or zoning boards, except for representatives of a military installation acting on behalf of all military installations within that jurisdiction; a pension board or retirement board empowered to invest pension or retirement funds or to determine entitlement to or amount of a pension or other retirement benefit.

3) Any other appointed member of a local government board who is required to file a statement of financial interests by the appointing authority or the enabling legislation, ordinance, or resolution creating the board.

4) Persons holding any of these positions in local government: mayor; county or city manager; chief administrative employee or finance director of a county, municipality, or other political subdivision; county or municipal attorney; chief county or municipal building inspector; county or municipal water resources coordinator; county or municipal pollution control director; county or municipal environmental control director; county or municipal administrator with power to grant or deny a land development permit; chief of police; fire chief; municipal clerk; appointed district school superintendent; community college president; district medical examiner; purchasing agent (regardless of title) having the authority to make any purchase exceeding \$20,000 for the local governmental unit.

5) Members of governing boards of charter schools operated by a city or other public entity.



6) The officers, directors, and chief executive officer of a corporation, partnership, or other business entity that is serving as the chief administrative or executive officer or employee of a political subdivision, and any business entity employee who is acting as the chief administrative or executive officer or employee of the political subdivision. [Sec. 112.3136, Fla. Stat.]

SPECIFIED STATE EMPLOYEE includes:

1) Employees in the Office of the Governor or of a Cabinet member who are exempt from the Career Service System, excluding secretarial, clerical, and similar positions.

2) The following positions in each state department, commission, board, or council: secretary or state surgeon general, assistant or deputy secretary, executive director, assistant or deputy executive director, and anyone having the power normally conferred upon such persons, regardless of title.

3) The following positions in each state department or division: director, assistant or deputy director, bureau chief, assistant bureau chief, and any person having the power normally conferred upon such persons, regardless of title.

4) Assistant state attorneys, assistant public defenders, criminal conflict and civil regional counsel, assistant criminal conflict and civil regional counsel, public counsel, full-time state employees serving as counsel or assistant counsel to a state agency, judges of compensation claims, administrative law judges, and hearing officers.

5) The superintendent or director of a state mental health institute established for training and research in the mental health field, or any major state institution or facility established for corrections, training, treatment, or rehabilitation.

6) State agency business managers, finance and accounting directors, personnel officers, grant coordinators, and purchasing agents (regardless of title) with power to make a purchase exceeding \$20,000.

7) The following positions in legislative branch agencies: each employee (other than those employed in maintenance, clerical, secretarial, or similar positions and legislative assistants exempted by the presiding officer of their house); and each employee of the Commission on Ethics.

What Must Be Disclosed:

FORM 1 requirements are set forth fully on the form. In general, this includes the reporting person's sources and types of financial interests, such as the names of employers and addresses of real property holdings. NO DOLLAR VALUES ARE REQUIRED TO BE LISTED. In addition, the form requires the

disclosure of certain relationships with, and ownership interests in, specified types of businesses such as banks, savings and loans, insurance companies, and utility companies.

When to File:

CANDIDATES for elected local office must file FORM 1 together with and at the same time they file their qualifying papers.

STATE and LOCAL OFFICERS and SPECIFIED STATE EMPLOYEES are required to file disclosure by July 1 of each year. They also must file within thirty days from the date of appointment or the beginning of employment. Those appointees requiring Senate confirmation must file prior to confirmation.

Where to File:

Each LOCAL OFFICER files FORM 1 with the Supervisor of Elections in the county in which he or she permanently resides.

A STATE OFFICER or SPECIFIED STATE EMPLOYEE files with the Commission on Ethics. [Sec. 112.3145, Fla. Stat.]

## 2. *FORM 1F - Final Form 1 Limited Financial Disclosure*

FORM 1F is the disclosure form required to be filed within 60 days after a public officer or employee required to file FORM 1 leaves his or her public position. The form covers the disclosure period between January 1 and the last day of office or employment within that year.

## 3. *FORM 2 - Quarterly Client Disclosure*

The state officers, local officers, and specified state employees listed above, as well as elected constitutional officers, must file a FORM 2 if they or a partner or associate of their professional firm represent a client for compensation before an agency at their level of government.

A FORM 2 disclosure includes the names of clients represented by the reporting person or by any partner or associate of his or her professional firm for a fee or commission before agencies at the reporting person's level of government. Such representations do not include appearances in ministerial matters, appearances before judges of compensation claims, or representations on behalf of one's agency in one's official capacity. Nor does the term include the preparation and filing of forms and applications merely for the purpose of obtaining or transferring a license, so long as the issuance of the license does not require a variance, special consideration, or a certificate of public convenience and necessity.

#### When to File:

This disclosure should be filed quarterly, by the end of the calendar quarter following the calendar quarter during which a reportable representation was made. FORM 2 need not be filed merely to indicate that no reportable representations occurred during the preceding quarter; it should be filed ONLY when reportable representations were made during the quarter.

#### Where To File:

LOCAL OFFICERS file with the Supervisor of Elections of the county in which they permanently reside.

STATE OFFICERS and SPECIFIED STATE EMPLOYEES file with the Commission on Ethics. [Sec. 112.3145(4), Fla. Stat.]

#### 4. *FORM 6 - Full and Public Disclosure*

#### Who Must File:

Persons required by law to file FORM 6 include all elected constitutional officers and candidates for such office; the mayor and members of the city council and candidates for these offices in Jacksonville; the Duval County Superintendent of Schools; judges of compensation claims (pursuant to Sec. 440.442, Fla. Stat.); members of the Florida Housing Finance Corporation Board and members of expressway authorities, transportation authorities (except the Jacksonville Transportation Authority), bridge authority, or toll authorities created pursuant to Ch. 348 or 343, or 349, or other general law.

#### What Must be Disclosed:

FORM 6 is a detailed disclosure of assets, liabilities, and sources of income over \$1,000 and their values, as well as net worth. Officials may opt to file their most recent income tax return in lieu of listing sources of income but still must disclose their assets, liabilities, and net worth. In addition, the form requires the disclosure of certain relationships with, and ownership interests in, specified types of businesses such as banks, savings and loans, insurance companies, and utility companies.

#### When and Where To File:

Incumbent officials must file FORM 6 annually by July 1 with the Commission on Ethics. CANDIDATES must file with the officer before whom they qualify at the time of qualifying. [Art. II, Sec. 8(a) and (i), Fla. Const., and Sec. 112.3144, Fla. Stat.]

5. *FORM 6F - Final Form 6 Full and Public Disclosure*

This is the disclosure form required to be filed within 60 days after a public officer or employee required to file FORM 6 leaves his or her public position. The form covers the disclosure period between January 1 and the last day of office or employment within that year.

6. *FORM 9 - Quarterly Gift Disclosure*

Each person required to file FORM 1 or FORM 6, and each state procurement employee, must file a FORM 9, Quarterly Gift Disclosure, with the Commission on Ethics on the last day of any calendar quarter following the calendar quarter in which he or she received a gift worth more than \$100, other than gifts from relatives, gifts prohibited from being accepted, gifts primarily associated with his or her business or employment, and gifts otherwise required to be disclosed. FORM 9 NEED NOT BE FILED if no such gift was received during the calendar quarter.

Information to be disclosed includes a description of the gift and its value, the name and address of the donor, the date of the gift, and a copy of any receipt for the gift provided by the donor. [Sec. 112.3148, Fla. Stat.]

7. *FORM 10 - Annual Disclosure of Gifts from Government Agencies and Direct-Support Organizations and Honorarium Event Related Expenses*

State government entities, airport authorities, counties, municipalities, school boards, water management districts, and the South Florida Regional Transportation Authority, may give a gift worth more than \$100 to a person required to file FORM 1 or FORM 6, and to state procurement employees, if a public purpose can be shown for the gift. Also, a direct-support organization for a governmental entity may give such a gift to a person who is an officer or employee of that entity. These gifts are to be reported on FORM 10, to be filed by July 1.

The governmental entity or direct-support organization giving the gift must provide the officer or employee with a statement about the gift no later than March 1 of the following year. The officer or employee then must disclose this information by filing a statement by July 1 with his or her annual financial disclosure that describes the gift and lists the donor, the date of the gift, and the value of the total gifts provided during the calendar year. State procurement employees file their statements with the Commission on Ethics. [Sec. 112.3148, Fla. Stat.]

In addition, a person required to file FORM 1 or FORM 6, or a state procurement employee, who receives expenses or payment of expenses related to an honorarium event from someone who is prohibited from giving him or her an honorarium, must disclose annually the name, address, and affiliation of the donor, the amount of the expenses, the date of the event, a description of the

expenses paid or provided, and the total value of the expenses on FORM 10. The donor paying the expenses must provide the officer or employee with a statement about the expenses within 60 days of the honorarium event.

The disclosure must be filed by July 1, for expenses received during the previous calendar year, with the officer's or employee's FORM 1 or FORM 6. State procurement employees file their statements with the Commission on Ethics. [Sec. 112.3149, Fla. Stat.]

However, notwithstanding Sec. 112.3149, Fla. Stat., no executive branch or legislative lobbyist or principal shall make, directly or indirectly, and no executive branch agency official or employee who files FORM 1 or FORM 6 shall knowingly accept, directly or indirectly, **any expenditure** made for the purpose of lobbying. This may include gifts or honorarium event related expenses that formerly were permitted under Sections 112.3148 and 112.3149. [Sec. 112.3215, Fla. Stat.] Similar prohibitions apply to legislative officials and employees. However, these laws are not administered by the Commission on Ethics. [Sec. 11.045, Fla. Stat.] In addition, gifts, which include anything not primarily related to political activities authorized under ch. 106, are prohibited from political committees. [Sec. 112.31485 Fla. Stat.]

#### 8. *FORM 30 - Donor's Quarterly Gift Disclosure*

As mentioned above, the following persons and entities generally are prohibited from giving a gift worth more than \$100 to a reporting individual (a person required to file FORM 1 or FORM 6) or to a state procurement employee: a political committee; a lobbyist who lobbies the reporting individual's or procurement employee's agency, and the partner, firm, employer, or principal of such a lobbyist; and vendors. If such person or entity makes a gift worth between \$25 and \$100 to a reporting individual or state procurement employee (that is not accepted in behalf of a governmental entity or charitable organization), the gift should be reported on FORM 30. The donor also must notify the recipient at the time the gift is made that it will be reported.

The FORM 30 should be filed by the last day of the calendar quarter following the calendar quarter in which the gift was made. If the gift was made to an individual in the legislative branch, FORM 30 should be filed with the Lobbyist Registrar. [See page 35 for address.] If the gift was to any other reporting individual or state procurement employee, FORM 30 should be filed with the Commission on Ethics.

However, notwithstanding Section 112.3148, Fla. Stat., no executive branch lobbyist or principal shall make, directly or indirectly, and no executive branch agency official or employee who files FORM 1 or FORM 6 shall knowingly accept, directly or indirectly, **any expenditure** made for the purpose of lobbying. This may include gifts that formerly were permitted under Section 112.3148. [Sec. 112.3215, Fla. Stat.] Similar prohibitions apply to legislative officials and employees. However, these laws are not administered

by the Commission on Ethics. [Sec. 11.045, Fla. Stat.] In addition, gifts from political committees are prohibited. [Sec. 112.31485, Fla. Stat.]

9. *FORM 1X AND FORM 6X - Amendments to Form 1 and Form 6*

These forms are provided for officers or employees to amend their previously filed Form 1 or Form 6.

#### **IV. AVAILABILITY OF FORMS**

LOCAL OFFICERS and EMPLOYEES who must file FORM 1 annually will be sent the form by mail from the Supervisor of Elections in the county in which they permanently reside not later than JUNE 1 of each year. Newly elected and appointed officials or employees should contact the heads of their agencies for copies of the form or download it from [www.ethics.state.fl.us](http://www.ethics.state.fl.us), as should those persons who are required to file their final disclosure statements within 60 days of leaving office or employment.

ELECTED CONSTITUTIONAL OFFICERS, OTHER STATE OFFICERS, and SPECIFIED STATE EMPLOYEES who must file annually FORM 1 or 6 will be sent these forms by mail from the Commission on Ethics by JUNE 1 of each year. Newly elected and appointed officers and employees should contact the heads of their agencies or the Commission on Ethics for copies of the form or download it from [www.ethics.state.fl.us](http://www.ethics.state.fl.us), as should those persons who are required to file their final disclosure statements within 60 days of leaving office or employment.

Any person needing one or more of the other forms described here may also obtain them from a Supervisor of Elections or from the Commission on Ethics, P.O. Drawer 15709, Tallahassee, Florida 32317-5709. They are also available on the Commission's website: [www.ethics.state.fl.us](http://www.ethics.state.fl.us).

#### **V. PENALTIES**

*A. Non-criminal Penalties for Violation of the Sunshine Amendment and the Code of Ethics*

There are no criminal penalties for violation of the Sunshine Amendment and the Code of Ethics. Penalties for violation of these laws may include: impeachment, removal from office or employment, suspension, public censure, reprimand, demotion, reduction in salary level, forfeiture of no more than one-third salary per month for no more than twelve months, a civil penalty not to exceed \$10,000, and restitution of any pecuniary benefits received, and triple the value of a gift from a political committee.

*B. Penalties for Candidates*

CANDIDATES for public office who are found in violation of the Sunshine Amendment or the Code of Ethics may be subject to one or more of the following penalties: disqualification from being on the

ballot, public censure, reprimand, or a civil penalty not to exceed \$10,000, and triple the value of a gift received from a political committee.

*C. Penalties for Former Officers and Employees*

FORMER PUBLIC OFFICERS or EMPLOYEES who are found in violation of a provision applicable to former officers or employees or whose violation occurred prior to such officer's or employee's leaving public office or employment may be subject to one or more of the following penalties: public censure and reprimand, a civil penalty not to exceed \$10,000, and restitution of any pecuniary benefits received, and triple the value of a gift received from a political committee.

*D. Penalties for Lobbyists and Others*

An executive branch lobbyist who has failed to comply with the Executive Branch Lobbying Registration law (see Part VIII) may be fined up to \$5,000, reprimanded, censured, or prohibited from lobbying executive branch agencies for up to two years. Lobbyists, their employers, principals, partners, and firms, and political committees and committees of continuous existence who give a prohibited gift or honorarium or fail to comply with the gift reporting requirements for gifts worth between \$25 and \$100, may be penalized by a fine of not more than \$5,000 and a prohibition on lobbying, or employing a lobbyist to lobby, before the agency of the public officer or employee to whom the gift was given for up to two years. Any agent or person acting on behalf of a political committee giving a prohibited gift is personally liable for a civil penalty of up to triple the value of the gift.

Executive Branch lobbying firms that fail to timely file their quarterly compensation reports may be fined \$50 per day per principal for each day the report is late, up to a maximum fine of \$5,000 per report.

*E. Felony Convictions: Forfeiture of Retirement Benefits*

Public officers and employees are subject to forfeiture of all rights and benefits under the retirement system to which they belong if convicted of certain offenses. The offenses include embezzlement or theft of public funds; bribery; felonies specified in Chapter 838, Florida Statutes; impeachable offenses; and felonies committed with intent to defraud the public or their public agency. [Sec. 112.3173, Fla. Stat.]

*F. Automatic Penalties for Failure to File Annual Disclosure*

Public officers and employees required to file either Form 1 or Form 6 annual financial disclosure are subject to automatic fines of \$25 for each day late the form is filed after September 1, up to a maximum penalty of \$1,500. [Sec. 112.3144 and 112.3145, Fla. Stat.]

## **VI. ADVISORY OPINIONS**

Conflicts of interest may be avoided by greater awareness of the ethics laws on the part of public officials and employees through advisory assistance from the Commission on Ethics.

*A. Who Can Request an Opinion*

Any public officer, candidate for public office, or public employee in Florida who is in doubt about the applicability of the standards of conduct or disclosure laws to himself or herself, or anyone who has the power to hire or terminate another public employee, may seek an advisory opinion from the Commission about himself or herself or that employee.

*B. How to Request an Opinion*

Opinions may be requested by letter presenting a question based on a real situation and including a detailed description of the situation. Opinions are issued by the Commission and are binding on the conduct of the person who is the subject of the opinion, unless material facts were omitted or misstated in the request for the opinion. Published opinions will not bear the name of the persons involved unless they consent to the use of their names; however, the request and all information pertaining to it is a public record, made available to the Commission and to members of the public in advance of the Commission's consideration of the question.

*C. How to Obtain Published Opinions*

All of the Commission's opinions are available for viewing or download at its website:  
[www.ethics.state.fl.us](http://www.ethics.state.fl.us).

## **VII. COMPLAINTS**

*A. Citizen Involvement*

The Commission on Ethics cannot conduct investigations of alleged violations of the Sunshine Amendment or the Code of Ethics unless a person files a sworn complaint with the Commission alleging such violation has occurred, or a referral is received, as discussed below.



If you have knowledge that a person in government has violated the standards of conduct or disclosure laws described above, you may report these violations to the Commission by filing a sworn complaint on the form prescribed by the Commission and available for download at [www.ethics.state.fl.us](http://www.ethics.state.fl.us). The Commission is unable to take action based on learning of such misdeeds through newspaper reports, telephone calls, or letters.

You can obtain a complaint form (FORM 50), by contacting the Commission office at the address or phone number shown on the inside front cover of this booklet, or you can download it from the Commission's website:  
[www.ethics.state.fl.us](http://www.ethics.state.fl.us).

### *B. Referrals*

The Commission may accept referrals from: the Governor, the Florida Department of Law Enforcement, a State Attorney, or a U.S. Attorney. A vote of six of the Commission's nine members is required to proceed on such a referral.

### *C. Confidentiality*

The complaint or referral, as well as all proceedings and records relating thereto, is confidential until the accused requests that such records be made public or until the matter reaches a stage in the Commission's proceedings where it becomes public. This means that unless the Commission receives a written waiver of confidentiality from the accused, the Commission is not free to release any documents or to comment on a complaint or referral to members of the public or press, so long as the complaint or referral remains in a confidential stage.

A COMPLAINT OR REFERRAL MAY NOT BE FILED WITH RESPECT TO A CANDIDATE ON THE DAY OF THE ELECTION, OR WITHIN THE 30 CALENDAR DAYS PRECEDING THE ELECTION DATE, UNLESS IT IS BASED ON PERSONAL INFORMATION OR INFORMATION OTHER THAN HEARSAY.

### *D. How the Complaint Process Works*

Complaints which allege a matter within the Commission's jurisdiction are assigned a tracking number and Commission staff forwards a copy of the original sworn complaint to the accused within five working days of its receipt. Any subsequent sworn amendments to the complaint also are transmitted within five working days of their receipt.

Once a complaint is filed, it goes through three procedural stages under the Commission's rules. The first stage is a determination of whether the allegations of the complaint are legally sufficient: that is, whether they indicate a possible violation of any law over which the Commission has jurisdiction. If the

complaint is found not to be legally sufficient, the Commission will order that the complaint be dismissed without investigation, and all records relating to the complaint will become public at that time.

In cases of very minor financial disclosure violations, the official will be allowed an opportunity to correct or amend his or her disclosure form. Otherwise, if the complaint is found to be legally sufficient, a preliminary investigation will be undertaken by the investigative staff of the Commission. The second stage of the Commission's proceedings involves this preliminary investigation and a decision by the Commission as to whether there is probable cause to believe that there has been a violation of any of the ethics laws. If the Commission finds no probable cause to believe there has been a violation of the ethics laws, the complaint will be dismissed and will become a matter of public record. If the Commission finds probable cause to believe there has been a violation of the ethics laws, the complaint becomes public and usually enters the third stage of proceedings. This stage requires the Commission to decide whether the law was actually violated and, if so, whether a penalty should be recommended. At this stage, the accused has the right to request a public hearing (trial) at which evidence is presented, or the Commission may order that such a hearing be held. Public hearings usually are held in or near the area where the alleged violation occurred.

When the Commission concludes that a violation has been committed, it issues a public report of its findings and may recommend one or more penalties to the appropriate disciplinary body or official.

When the Commission determines that a person has filed a complaint with knowledge that the complaint contains one or more false allegations or with reckless disregard for whether the complaint contains false allegations, the complainant will be liable for costs plus reasonable attorney's fees incurred by the person complained against. The Department of Legal Affairs may bring a civil action to recover such fees and costs, if they are not paid voluntarily within 30 days.

#### *E. Dismissal of Complaints At Any Stage of Disposition*

The Commission may, at its discretion, dismiss any complaint at any stage of disposition should it determine that the public interest would not be served by proceeding further, in which case the Commission will issue a public report stating with particularity its reasons for the dismissal. [Sec. 112.324(12), Fla. Stat.]

#### *F. Statute of Limitations*

All sworn complaints alleging a violation of the Sunshine Amendment or the Code of Ethics must be filed with the Commission within five years of the alleged violation or other breach of the public trust. Time starts to run on the day AFTER the violation or breach of public trust is committed. The statute of limitations

is tolled on the day a sworn complaint is filed with the Commission. If a complaint is filed and the statute of limitations has run, the complaint will be dismissed. [Sec. 112.3231, Fla. Stat.]

## **VIII. EXECUTIVE BRANCH LOBBYING**

Any person who, for compensation and on behalf of another, lobbies an agency of the executive branch of state government with respect to a decision in the area of policy or procurement may be required to register as an executive branch lobbyist. Registration is required before lobbying an agency and is renewable annually. In addition, each lobbying firm must file a compensation report with the Commission for each calendar quarter during any portion of which one or more of the firm's lobbyists were registered to represent a principal. As noted above, no executive branch lobbyist or principal can make, directly or indirectly, and no executive branch agency official or employee who files FORM 1 or FORM 6 can knowingly accept, directly or indirectly, **any expenditure** made for the purpose of lobbying. [Sec. 112.3215, Fla. Stat.]

Paying an executive branch lobbyist a contingency fee based upon the outcome of any specific executive branch action, and receiving such a fee, is prohibited. A violation of this prohibition is a first degree misdemeanor, and the amount received is subject to forfeiture. This does not prohibit sales people from receiving a commission. [Sec. 112.3217, Fla. Stat.]

Executive branch departments, state universities, community colleges, and water management districts are prohibited from using public funds to retain an executive branch (or legislative branch) lobbyist, although these agencies may use full-time employees as lobbyists. [Sec. 11.062, Fla. Stat.]

Online registration and filing is available at [www.floridalobbyist.gov](http://www.floridalobbyist.gov). Additional information about the executive branch lobbyist registration system may be obtained by contacting the Lobbyist Registrar at the following address:

Executive Branch Lobbyist Registration  
Room G-68, Claude Pepper Building  
111 W. Madison Street  
Tallahassee, FL 32399-1425  
Phone: 850/922-4987

## **IX. WHISTLE-BLOWER'S ACT**

In 1986, the Legislature enacted a "Whistle-blower's Act" to protect employees of agencies and government contractors from adverse personnel actions in retaliation for disclosing information in a sworn complaint alleging certain types of improper activities. Since then, the Legislature has revised this law to afford greater protection to these employees.

While this language is contained within the Code of Ethics, the Commission has no jurisdiction or authority to proceed against persons who violate this Act. Therefore, a person who has disclosed information alleging improper conduct governed by this law and who may suffer adverse consequences as a result should contact one or more of the following: the Office of the Chief Inspector General in the Executive Office of the Governor; the Department of Legal Affairs; the Florida Commission on Human Relations; or a private attorney. [Sec. 112.3187 - 112.31895, Fla. Stat.]

## **X. ADDITIONAL INFORMATION**

As mentioned above, we suggest that you review the language used in each law for a more detailed understanding of Florida's ethics laws. The "Sunshine Amendment" is Article II, Section 8, of the Florida Constitution. The Code of Ethics for Public Officers and Employees is contained in Part III of Chapter 112, Florida Statutes.

Additional information about the Commission's functions and interpretations of these laws may be found in Chapter 34 of the Florida Administrative Code, where the Commission's rules are published, and in The Florida Administrative Law Reports, which until 2005 published many of the Commission's final orders. The Commission's rules, orders, and opinions also are available at [www.ethics.state.fl.us](http://www.ethics.state.fl.us).

If you are a public officer or employee concerned about your obligations under these laws, the staff of the Commission will be happy to respond to oral and written inquiries by providing information about the law, the Commission's interpretations of the law, and the Commission's procedures.

## **XI. TRAINING**

Constitutional officers and elected municipal officers are required to receive a total of four hours training, per calendar year, in the area of ethics, public records, and open meetings. The Commission on Ethics does not track compliance or certify providers.

Visit the training page on the Commission's website for up-to-date rules, opinions, audio/video training, and opportunities for live training conducted by Commission staff. A comprehensive online training course addressing Florida's Code of Ethics, as well as Sunshine Law, and Public Records Act is available via a link on the Commission's homepage.

# FORM 1

# STATEMENT OF FINANCIAL INTERESTS

# 2019

Please print or type your name, mailing address, agency name, and position below:

**FOR OFFICE USE ONLY:**

LAST NAME -- FIRST NAME -- MIDDLE NAME :

MAILING ADDRESS :

CITY : ZIP : COUNTY :

NAME OF AGENCY :

NAME OF OFFICE OR POSITION HELD OR SOUGHT :

CHECK ONLY IF  CANDIDATE OR  NEW EMPLOYEE OR APPOINTEE

**\*\*\*\* THIS SECTION MUST BE COMPLETED \*\*\*\***

**DISCLOSURE PERIOD:**

THIS STATEMENT REFLECTS YOUR FINANCIAL INTERESTS FOR CALENDAR YEAR ENDING DECEMBER 31, 2019.

**MANNER OF CALCULATING REPORTABLE INTERESTS:**

FILERS HAVE THE OPTION OF USING REPORTING THRESHOLDS THAT ARE ABSOLUTE DOLLAR VALUES, WHICH REQUIRES FEWER CALCULATIONS, OR USING COMPARATIVE THRESHOLDS, WHICH ARE USUALLY BASED ON PERCENTAGE VALUES (see instructions for further details). CHECK THE ONE YOU ARE USING (**must check one**):

**COMPARATIVE (PERCENTAGE) THRESHOLDS** OR  **DOLLAR VALUE THRESHOLDS**

**PART A -- PRIMARY SOURCES OF INCOME** [Major sources of income to the reporting person - See instructions]  
(If you have nothing to report, write "none" or "n/a")

NAME OF SOURCE OF INCOME	SOURCE'S ADDRESS	DESCRIPTION OF THE SOURCE'S PRINCIPAL BUSINESS ACTIVITY

**PART B -- SECONDARY SOURCES OF INCOME**  
[Major customers, clients, and other sources of income to businesses owned by the reporting person - See instructions]  
(If you have nothing to report, write "none" or "n/a")

NAME OF BUSINESS ENTITY	NAME OF MAJOR SOURCES OF BUSINESS' INCOME	ADDRESS OF SOURCE	PRINCIPAL BUSINESS ACTIVITY OF SOURCE

**PART C -- REAL PROPERTY** [Land, buildings owned by the reporting person - See instructions]  
(If you have nothing to report, write "none" or "n/a")


**You are not limited to the space on the lines on this form. Attach additional sheets, if necessary.**

**FILING INSTRUCTIONS** for when and where to file this form are located at the bottom of page 2.

**INSTRUCTIONS** on who must file this form and how to fill it out begin on page 3.

**PART D — INTANGIBLE PERSONAL PROPERTY** [Stocks, bonds, certificates of deposit, etc. - See instructions]  
 (If you have nothing to report, write "none" or "n/a")

TYPE OF INTANGIBLE	BUSINESS ENTITY TO WHICH THE PROPERTY RELATES

**PART E — LIABILITIES** [Major debts - See instructions]  
 (If you have nothing to report, write "none" or "n/a")

NAME OF CREDITOR	ADDRESS OF CREDITOR

**PART F — INTERESTS IN SPECIFIED BUSINESSES** [Ownership or positions in certain types of businesses - See instructions]  
 (If you have nothing to report, write "none" or "n/a")

	BUSINESS ENTITY # 1	BUSINESS ENTITY # 2
NAME OF BUSINESS ENTITY		
ADDRESS OF BUSINESS ENTITY		
PRINCIPAL BUSINESS ACTIVITY		
POSITION HELD WITH ENTITY		
I OWN MORE THAN A 5% INTEREST IN THE BUSINESS		
NATURE OF MY OWNERSHIP INTEREST		

**PART G — TRAINING**

For **elected municipal officers** required to complete annual ethics training pursuant to section 112.3142, F.S.

**I CERTIFY THAT I HAVE COMPLETED THE REQUIRED TRAINING.**

**IF ANY OF PARTS A THROUGH G ARE CONTINUED ON A SEPARATE SHEET, PLEASE CHECK HERE**

**SIGNATURE OF FILER:**

**Signature:**

\_\_\_\_\_

**Date Signed:**

\_\_\_\_\_

**CPA or ATTORNEY SIGNATURE ONLY**

If a certified public accountant licensed under Chapter 473, or attorney in good standing with the Florida Bar prepared this form for you, he or she must complete the following statement:

I, \_\_\_\_\_, prepared the CE Form 1 in accordance with Section 112.3145, Florida Statutes, and the instructions to the form. Upon my reasonable knowledge and belief, the disclosure herein is true and correct.

CPA/Attorney Signature: \_\_\_\_\_

Date Signed: \_\_\_\_\_

**FILING INSTRUCTIONS:**

If you were mailed the form by the Commission on Ethics or a County Supervisor of Elections for your annual disclosure filing, return the form to that location. To determine what category your position falls under, see page 3 of instructions.

**Local officers/employees** file with the Supervisor of Elections of the county in which they permanently reside. (If you do not permanently reside in Florida, file with the Supervisor of the county where your agency has its headquarters.) Form 1 filers who file with the Supervisor of Elections may file by mail or email. Contact your Supervisor of Elections for the mailing address or email address to use. Do not email your form to the Commission on Ethics, it will be returned.

**State officers or specified state employees** who file with the Commission on Ethics may file by mail or email. To file by mail, send the completed form to P.O. Drawer 15709, Tallahassee, FL 32317-5709; physical address: 325 John Knox Rd, Bldg E, Ste 200, Tallahassee, FL 32303. To file with the Commission by email, scan your completed form and any attachments as a pdf (do not use any other format), send it to [CEForm1@leg.state.fl.us](mailto:CEForm1@leg.state.fl.us) and retain a copy for your records. Do not file by both mail and email. Choose only one filing method. Form 6s will not be accepted via email.

**Candidates** file this form together with their filing papers.

**MULTIPLE FILING UNNECESSARY:** A candidate who files a Form 1 with a qualifying officer is not required to file with the Commission or Supervisor of Elections.

**WHEN TO FILE: Initially,** each local officer/employee, state officer, and specified state employee must file **within 30 days** of the date of his or her appointment or of the beginning of employment. Appointees who must be confirmed by the Senate must file prior to confirmation, even if that is less than 30 days from the date of their appointment.

**Candidates** must file at the same time they file their qualifying papers.

**Thereafter,** file by July 1 following each calendar year in which they hold their positions.

**Finally,** file a final disclosure form (Form 1F) within 60 days of leaving office or employment. Filing a CE Form 1F (Final Statement of Financial Interests) does not relieve the filer of filing a CE Form 1 if the filer was in his or her position on December 31, 2019.

## NOTICE

**Annual Statements of Financial Interests are due July 1. If the annual form is not filed or postmarked by September 1, an automatic fine of \$25 for each day late will be imposed, up to a maximum penalty of \$1,500. Failure to file also can result in removal from public office or employment. [s. 112.3145, F.S.]**

**In addition, failure to make any required disclosure constitutes grounds for and may be punished by one or more of the following: disqualification from being on the ballot, impeachment, removal or suspension from office or employment, demotion, reduction in salary, reprimand, or a civil penalty not exceeding \$10,000. [s. 112.317, F.S.]**

## **WHO MUST FILE FORM 1:**

1) Elected public officials not serving in a political subdivision of the state and any person appointed to fill a vacancy in such office, unless required to file full disclosure on Form 6.

2) Appointed members of each board, commission, authority, or council having statewide jurisdiction, excluding members of solely advisory bodies, but including judicial nominating commission members; Directors of Enterprise Florida, Scripps Florida Funding Corporation, and Career Source Florida; and members of the Council on the Social Status of Black Men and Boys; the Executive Director, Governors, and senior managers of Citizens Property Insurance Corporation; Governors and senior managers of Florida Workers' Compensation Joint Underwriting Association; board members of the Northeast Fla. Regional Transportation Commission; board members of Triumph Gulf Coast, Inc; board members of Florida Is For Veterans, Inc.; and members of the Technology Advisory Council within the Agency for State Technology.

3) The Commissioner of Education, members of the State Board of Education, the Board of Governors, the local Boards of Trustees and Presidents of state universities, and the Florida Prepaid College Board.

4) Persons elected to office in any political subdivision (such as municipalities, counties, and special districts) and any person appointed to fill a vacancy in such office, unless required to file Form 6.

5) Appointed members of the following boards, councils, commissions, authorities, or other bodies of county, municipality, school district, independent special district, or other political subdivision: the governing body of the subdivision; community college or junior college district boards of trustees; boards having the power to enforce local code provisions; boards of adjustment; community redevelopment agencies; planning or zoning boards having the power to recommend, create, or modify land planning or zoning within a political subdivision, except for citizen advisory committees, technical coordinating committees, and similar groups who only have the power to make recommendations to planning or zoning boards, and except for representatives of a military installation acting on behalf of all military installations within that jurisdiction; pension or retirement boards empowered to invest pension or retirement funds or determine entitlement to or amount of pensions or other retirement benefits, and the Pinellas County Construction Licensing Board.

6) Any appointed member of a local government board who is required to file a statement of financial interests by the appointing authority or the enabling legislation, ordinance, or resolution creating the board.

7) Persons holding any of these positions in local government: mayor; county or city manager; chief administrative employee or finance

director of a county, municipality, or other political subdivision; county or municipal attorney; chief county or municipal building inspector; county or municipal water resources coordinator; county or municipal pollution control director; county or municipal environmental control director; county or municipal administrator with power to grant or deny a land development permit; chief of police; fire chief; municipal clerk; appointed district school superintendent; community college president; district medical examiner; purchasing agent (regardless of title) having the authority to make any purchase exceeding \$35,000 for the local governmental unit.

8) Officers and employees of entities serving as chief administrative officer of a political subdivision.

9) Members of governing boards of charter schools operated by a city or other public entity.

10) Employees in the office of the Governor or of a Cabinet member who are exempt from the Career Service System, excluding secretarial, clerical, and similar positions.

11) The following positions in each state department, commission, board, or council: Secretary, Assistant or Deputy Secretary, Executive Director, Assistant or Deputy Executive Director, and anyone having the power normally conferred upon such persons, regardless of title.

12) The following positions in each state department or division: Director, Assistant or Deputy Director, Bureau Chief, and any person having the power normally conferred upon such persons, regardless of title.

13) Assistant State Attorneys, Assistant Public Defenders, criminal conflict and civil regional counsel, and assistant criminal conflict and civil regional counsel, Public Counsel, full-time state employees serving as counsel or assistant counsel to a state agency, administrative law judges, and hearing officers.

14) The Superintendent or Director of a state mental health institute established for training and research in the mental health field, or any major state institution or facility established for corrections, training, treatment, or rehabilitation.

15) State agency Business Managers, Finance and Accounting Directors, Personnel Officers, Grant Coordinators, and purchasing agents (regardless of title) with power to make a purchase exceeding \$35,000.

16) The following positions in legislative branch agencies: each employee (other than those employed in maintenance, clerical, secretarial, or similar positions and legislative assistants exempted by the presiding officer of their house); and each employee of the Commission on Ethics.

## **INSTRUCTIONS FOR COMPLETING FORM 1:**

**INTRODUCTORY INFORMATION** (Top of Form): If your name, mailing address, public agency, and position are already printed on the form, you do not need to provide this information unless it should be changed. To change any of this information, write the correct information on the form, and contact your agency's financial disclosure coordinator. You can find your coordinator on the Commission on Ethics website: [www.ethics.state.fl.us](http://www.ethics.state.fl.us).

**NAME OF AGENCY:** The name of the governmental unit which you serve or served, by which you are or were employed, or for which you are a candidate.

**DISCLOSURE PERIOD:** The "disclosure period" for your report is the calendar year ending December 31, 2019.

**OFFICE OR POSITION HELD OR SOUGHT:** The title of the office or position you hold, are seeking, or held during the disclosure period even if you have since left that position. If you are a candidate for office or are a new employee or appointee, check the appropriate box.

**PUBLIC RECORD:** The disclosure form and everything attached to it is a public record. Your Social Security Number is not required and you should redact it from any documents you file. If you are an active or former officer or employee listed in Section 119.071, F.S., whose home address is exempt from disclosure, the Commission will maintain that confidentiality if you submit a written request.

## **MANNER OF CALCULATING REPORTABLE INTEREST**

Filers have the option of reporting based on either thresholds that are comparative (usually, based on percentage values) or thresholds that are based on absolute dollar values. The instructions on the following pages specifically describe the different thresholds. Check the box that reflects the choice you have made. You must use the type of threshold you have chosen for each part of the form. In other words, if you choose to report based on absolute dollar value thresholds, you cannot use a percentage threshold on any part of the form.

### **IF YOU HAVE CHOSEN DOLLAR VALUE THRESHOLDS THE FOLLOWING INSTRUCTIONS APPLY**

#### **PART A — PRIMARY SOURCES OF INCOME**

[Required by s. 112.3145(3)(b)1, F.S.]

Part A is intended to require the disclosure of your principal sources of income during the disclosure period. You do not have to disclose any public salary or public position(s). The income of your spouse need not be disclosed; however, if there is joint income to you and your spouse from property you own jointly (such as interest or dividends from a bank account or stocks), you should disclose the source of that income if it exceeded the threshold.

Please list in this part of the form the name, address, and principal business activity of each source of your income which exceeded \$2,500 of gross income received by you in your own name or by any other person for your use or benefit.

"Gross income" means the same as it does for income tax purposes, even if the income is not actually taxable, such as interest on tax-free bonds. Examples include: compensation for services, income from business, gains from property dealings, interest, rents, dividends, pensions, IRA distributions, social security, distributive share of partnership gross income, and alimony, but not child support.

Examples:

— If you were employed by a company that manufactures computers and received more than \$2,500, list the name of the company, its address, and its principal business activity (computer manufacturing).

— If you were a partner in a law firm and your distributive share of partnership gross income exceeded \$2,500, list the name of the firm, its address, and its principal business activity (practice of law).

— If you were the sole proprietor of a retail gift business and your gross income from the business exceeded \$2,500, list the name of the business, its address, and its principal business activity (retail gift sales).

— If you received income from investments in stocks and bonds, list each individual company from which you derived more than \$2,500. Do not aggregate all of your investment income.

— If more than \$2,500 of your gross income was gain from the sale of property (not just the selling price), list as a source of income the purchaser's name, address and principal business activity. If the purchaser's identity is unknown, such as where securities listed on an exchange are sold through a brokerage firm, the source of income should be listed as "sale of (name of company) stock," for example.

— If more than \$2,500 of your gross income was in the form of interest from one particular financial institution (aggregating interest from all CD's, accounts, etc., at that institution), list the name of the institution, its address, and its principal business activity.

#### **PART B — SECONDARY SOURCES OF INCOME**

[Required by s. 112.3145(3)(b)2, F.S.]

This part is intended to require the disclosure of major customers, clients, and other sources of income to businesses in which you own an interest. It is not for reporting income from second jobs. That kind of income should be reported in Part A "Primary Sources of Income," if it meets the reporting threshold. You will not have anything to report unless, during the disclosure period:

(1) You owned (either directly or indirectly in the form of an equitable or beneficial interest) more than 5% of the total assets or capital stock of a business entity (a corporation, partnership, LLC, limited partnership, proprietorship, joint venture, trust, firm, etc., doing business in Florida); **and,**

(2) You received more than \$5,000 of your gross income during the disclosure period from that business entity.

If your interests and gross income exceeded these thresholds, then for that business entity you must list every source of income to the business entity which exceeded 10% of the business entity's gross income (computed on the basis of the business entity's most recently completed fiscal year), the source's address, and the source's principal business activity.

Examples:

— You are the sole proprietor of a dry cleaning business, from which you received more than \$5,000. If only one customer, a uniform rental company, provided more than 10% of your dry cleaning business, you must list the name of the uniform rental company, its address, and its principal business activity (uniform rentals).

— You are a 20% partner in a partnership that owns a shopping mall and your partnership income exceeded the above thresholds. List each tenant of the mall that provided more than 10% of the partnership's gross income and the tenant's address and principal business activity.

#### **PART C — REAL PROPERTY**

[Required by s. 112.3145(3)(b)3, F.S.]

In this part, list the location or description of all real property in Florida in which you owned directly or indirectly at any time during the disclosure period in excess of 5% of the property's value. You are not required to list your residences. You should list any vacation homes if you derive income from them.

Indirect ownership includes situations where you are a beneficiary of a trust that owns the property, as well as situations where you own more than 5% of a partnership or corporation that owns the property. The value of the property may be determined by the most recently assessed value for tax purposes, in the absence of a more current appraisal.

The location or description of the property should be sufficient to enable anyone who looks at the form to identify the property. A street address should be used, if one exists.

#### **PART D — INTANGIBLE PERSONAL PROPERTY**

[Required by s. 112.3145(3)(b)3, F.S.]

Describe any intangible personal property that, at any time during the disclosure period, was worth more than \$10,000 and state the business entity to which the property related. Intangible personal property includes things such as cash on hand, stocks, bonds, certificates of deposit, vehicle leases, interests in businesses, beneficial interests in trusts, money owed you, Deferred Retirement Option Program (DROP) accounts, the Florida Prepaid College Plan, and bank accounts. Intangible personal property also includes investment products held in IRAs, brokerage accounts, and the Florida College Investment Plan. Note that the product contained in a brokerage account, IRA, or the Florida College Investment Plan is your asset—not the account or plan itself. Things like automobiles and houses you own, jewelry, and paintings are not intangible property. Intangibles relating to the same business entity may be aggregated; for example, CDs and savings accounts with the same bank. Property owned as tenants by the entirety or as joint tenants with right of survivorship should be valued at 100%. The value of a leased vehicle is the vehicle's present value minus the lease residual (a number found on the lease document).



## PART E — LIABILITIES

[Required by s. 112.3145(3)(b)4, F.S.]

List the name and address of each creditor to whom you owed more than \$10,000 at any time during the disclosure period. The amount of the liability of a vehicle lease is the sum of any past-due payments and all unpaid prospective lease payments. You are not required to list the amount of any debt. You do not have to disclose credit card and retail installment accounts, taxes owed (unless reduced to a judgment), indebtedness on a life insurance policy owed to the company of issuance, or contingent liabilities. A "contingent liability" is one that will become an actual liability only when one or more future events occur or fail to occur, such as where you are liable only as a guarantor, surety, or endorser on a promissory note. If you are a "co-maker" and are jointly liable or jointly and severally liable, then it is not a contingent liability.

## PART F — INTERESTS IN SPECIFIED BUSINESSES

[Required by s. 112.3145(6), F.S.]

The types of businesses covered in this disclosure include: state and federally chartered banks; state and federal savings and loan associations; cemetery companies; insurance companies; mortgage companies; credit unions; small loan companies; alcoholic beverage licensees; pari-mutuel wagering companies, utility companies, entities controlled by the Public Service Commission; and entities granted a franchise to operate by either a city or a county government.

Disclose in this part the fact that you owned during the disclosure period an interest in, or held any of certain positions with the types of businesses listed above. You must make this disclosure if you own or owned (either directly or indirectly in the form of an equitable or beneficial interest) at any time during the disclosure period more than 5% of the total assets or capital stock of one of the types of business entities listed above. You also must complete this part of the form for each of these types of businesses for which you are, or were at any time during the disclosure period, an officer, director, partner, proprietor, or agent (other than a resident agent solely for service of process).

If you have or held such a position or ownership interest in one of these types of businesses, list the name of the business, its address and principal business activity, and the position held with the business (if any). If you own(ed) more than a 5% interest in the business, indicate that fact and describe the nature of your interest.

## PART G — TRAINING CERTIFICATION

[Required by s. 112.3142, F.S.]

If you are a Constitutional or elected municipal officer whose service began before March 31 of the year for which you are filing, you are required to complete four hours of ethics training which addresses Article II, Section 8 of the Florida Constitution, the Code of Ethics for Public Officers and Employees, and the public records and open meetings laws of the state. You are required to certify on this form that you have taken such training.

**(End of Dollar Value Thresholds Instructions.)**

# IF YOU HAVE CHOSEN COMPARATIVE (PERCENTAGE) THRESHOLDS THE FOLLOWING INSTRUCTIONS APPLY

## PART A — PRIMARY SOURCES OF INCOME

[Required by s. 112.3145(3)(a)1, F.S.]

Part A is intended to require the disclosure of your principal sources of income during the disclosure period. You do not have to disclose any public salary or public position(s), but income from these public sources should be included when calculating your gross income for the disclosure period. The income of your spouse need not be disclosed; however, if there is joint income to you and your spouse from property you own jointly (such as interest or dividends from a bank account or stocks), you should include all of that income when calculating your gross income and disclose the source of that income if it exceeded the threshold.

Please list in this part of the form the name, address, and principal business activity of each source of your income which exceeded 5% of the gross income received by you in your own name or by any other person for your benefit or use during the disclosure period.

"Gross income" means the same as it does for income tax purposes, even if the income is not actually taxable, such as interest on tax-free bonds. Examples include: compensation for services, income from business, gains from property dealings, interest, rents, dividends, pensions, IRA distributions, social security, distributive share of partnership gross income, and alimony, but not child support.

Examples:

— If you were employed by a company that manufactures computers and received more than 5% of your gross income from the company, list the name of the company, its address, and its principal business activity (computer manufacturing).

— If you were a partner in a law firm and your distributive share of partnership gross income exceeded 5% of your gross income, then list the name of the firm, its address, and its principal business activity (practice of law).

— If you were the sole proprietor of a retail gift business and your gross income from the business exceeded 5% of your total gross income, list the name of the business, its address, and its principal business activity (retail gift sales).

— If you received income from investments in stocks and bonds, list each individual company from which you derived

more than 5% of your gross income. Do not aggregate all of your investment income.

— If more than 5% of your gross income was gain from the sale of property (not just the selling price), list as a source of income the purchaser's name, address, and principal business activity. If the purchaser's identity is unknown, such as where securities listed on an exchange are sold through a brokerage firm, the source of income should be listed as "sale of (name of company) stock," for example.

— If more than 5% of your gross income was in the form of interest from one particular financial institution (aggregating interest from all CD's, accounts, etc., at that institution), list the name of the institution, its address, and its principal business activity.

## PART B — SECONDARY SOURCES OF INCOME

[Required by s. 112.3145(3)(a)2, F.S.]

This part is intended to require the disclosure of major customers, clients, and other sources of income to businesses in which you own an interest. It is not for reporting income from second jobs. That kind of income should be reported in Part A, "Primary Sources of Income," if it meets the reporting threshold. You will **not** have anything to report **unless** during the disclosure period:

(1) You owned (either directly or indirectly in the form of an equitable or beneficial interest) more than 5% of the total assets or capital stock of a business entity (a corporation, partnership, LLC, limited partnership, proprietorship, joint venture, trust, firm, etc., doing business in Florida); **and,**

(2) You received more than 10% of your gross income from that business entity; **and,**

(3) You received more than \$1,500 in gross income from that business entity.

If your interests and gross income exceeded these thresholds, then for that business entity you must list every source of income to the business entity which exceeded 10% of the business entity's gross income (computed on the basis of the business entity's most recently completed fiscal year), the source's address, and the source's principal business activity.

Examples:

— You are the sole proprietor of a dry cleaning business, from which you received more than 10% of your gross income—an amount that was more than \$1,500. If only one customer, a uniform rental company, provided more than 10% of your dry cleaning business, you must list the name of the uniform rental company, its address, and its principal business activity (uniform rentals).

— You are a 20% partner in a partnership that owns a shopping mall and your partnership income exceeded the thresholds listed above. You should list each tenant of the mall that provided more than 10% of the partnership's gross income, and the tenant's address and principal business activity.

### PART C — REAL PROPERTY

[Required by s. 112.3145(3)(a)3, F.S.]

In this part, list the location or description of all real property in Florida in which you owned directly or indirectly at any time during the disclosure period in excess of 5% of the property's value. You are not required to list your residences. You should list any vacation homes, if you derive income from them.

Indirect ownership includes situations where you are a beneficiary of a trust that owns the property, as well as situations where you own more than 5% of a partnership or corporation that owns the property. The value of the property may be determined by the most recently assessed value for tax purposes, in the absence of a more current appraisal.

The location or description of the property should be sufficient to enable anyone who looks at the form to identify the property. A street address should be used, if one exists.

### PART D — INTANGIBLE PERSONAL PROPERTY

[Required by s. 112.3145(3)(a)3, F.S.]

Describe any intangible personal property that, at any time during the disclosure period, was worth more than 10% of your total assets, and state the business entity to which the property related. Intangible personal property includes things such as cash on hand, stocks, bonds, certificates of deposit, vehicle leases, interests in businesses, beneficial interests in trusts, money owed you, Deferred Retirement Option Program (DROP) accounts, the Florida Prepaid College Plan, and bank accounts. Intangible personal property also includes investment products held in IRAs, brokerage accounts, and the Florida College Investment Plan. Note that the product contained in a brokerage account, IRA, or the Florida College Investment Plan is your asset—not the account or plan itself. Things like automobiles and houses you own, jewelry, and paintings are not intangible property. Intangibles relating to the same business entity may be aggregated; for example, CD's and savings accounts with the same bank.

Calculations: To determine whether the intangible property exceeds 10% of your total assets, total the fair market value of all of your assets (including real property, intangible property, and tangible personal property such as jewelry, furniture, etc.). When making this calculation, do not subtract any liabilities (debts) that may relate to the property. Multiply the total figure by 10% to arrive at the disclosure threshold. List only the intangibles that exceed this threshold amount. The value of a leased vehicle is the vehicle's present value minus the lease residual (a number which can be found on the lease document). Property that is only jointly owned property should be valued according to the percentage of your joint ownership. Property owned as tenants by the entirety or as joint tenants with right of survivorship should be valued at 100%. None of your calculations or the value of the property have to be disclosed on the form.

Example: You own 50% of the stock of a small corporation that is worth \$100,000, the estimated fair market value of your home and other property (bank accounts, automobile, furniture, etc.) is \$200,000. As your total assets are worth \$250,000, you must disclose intangibles worth over \$25,000. Since the value of the stock exceeds this threshold, you should list "stock" and the name of the corporation. If your accounts with a particular bank exceed \$25,000, you should list "bank accounts" and bank's name.

### PART E — LIABILITIES

[Required by s. 112.3145(3)(b)4, F.S.]

List the name and address of each creditor to whom you owed any amount that, at any time during the disclosure period, exceeded your net worth. You are not required to list the amount of any debt or your net worth. You do not have to disclose: credit card and retail installment accounts, taxes owed (unless reduced to a judgment), indebtedness on a life insurance policy owed to the company of issuance, or contingent liabilities. A "contingent liability" is one that will become an actual liability only when one or more future events occur or fail to occur, such as where you are liable only as a guarantor, surety, or endorser on a promissory note. If you are a "co-maker" and are jointly liable or jointly and severally liable, it is not a contingent liability.

Calculations: To determine whether the debt exceeds your net worth, total all of your liabilities (including promissory notes, mortgages, credit card debts, judgments against you, etc.). The amount of the liability of a vehicle lease is the sum of any past-due payments and all unpaid prospective lease payments. Subtract the sum total of your liabilities from the value of all your assets as calculated above for Part D. This is your "net worth." List each creditor to whom your debt exceeded this amount unless it is one of the types of indebtedness listed in the paragraph above (credit card and retail installment accounts, etc.). Joint liabilities with others for which you are "jointly and severally liable," meaning that you may be liable for either your part or the whole of the obligation, should be included in your calculations at 100% of the amount owed.

Example: You owe \$15,000 to a bank for student loans, \$5,000 for credit card debts, and \$60,000 (with spouse) to a savings and loan for a home mortgage. Your home (owned by you and your spouse) is worth \$80,000 and your other property is worth \$20,000. Since your net worth is \$20,000 (\$100,000 minus \$80,000), you must report only the name and address of the savings and loan.

### PART F — INTERESTS IN SPECIFIED BUSINESSES

[Required by s. 112.3145, F.S.]

The types of businesses covered in this disclosure include: state and federally chartered banks; state and federal savings and loan associations; cemetery companies; insurance companies; mortgage companies; credit unions; small loan companies; alcoholic beverage licensees; pari-mutuel wagering companies, utility companies, entities controlled by the Public Service Commission; and entities granted a franchise to operate by either a city or a county government.

Disclose in this part the fact that you owned during the disclosure period an interest in, or held any of certain positions with, the types of businesses listed above. You are required to make this disclosure if you own or owned (either directly or indirectly in the form of an equitable or beneficial interest) at any time during the disclosure period more than 5% of the total assets or capital stock of one of the types of business entities listed above. You also must complete this part of the form for each of these types of businesses for which you are, or were at any time during the disclosure period, an officer, director, partner, proprietor, or agent (other than a resident agent solely for service of process).

If you have or held such a position or ownership interest in one of these types of businesses, list the name of the business, its address and principal business activity, and the position held with the business (if any). If you own(ed) more than a 5% interest in the business, indicate that fact and describe the nature of your interest.

### PART G — TRAINING CERTIFICATION

[Required by s. 112.3142, F.S.]

If you are a Constitutional or elected municipal officer whose service began before March 31 of the year for which you are filing, you are required to complete four hours of ethics training which addresses Article II, Section 8 of the Florida Constitution, the Code of Ethics for Public Officers and Employees, and the public records and open meetings laws of the state. You are required to certify on this form that you have taken such training.

**(End of Percentage Thresholds Instructions.)**

**MINUTES OF MEETING  
FLOW WAY  
COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Board of Directors of the Flow Way Community Development District was held on Thursday, February 20, 2020 at 1:00 p.m. at the Esplanade Golf and Country Club Naples, 8918 Torre Vista Lane, Naples, Florida 34119.

**Present and constituting a quorum:**

Drew Miller	Chairperson
John Wollard	Vice Chairperson
Ronald Miller	Assistant Secretary
Tom Kleck	Assistant Secretary

**Also present were:**

James P. Ward	District Manager
Greg Urbancic	District Counsel
Jeremy Fireline	District Engineer

**Audience:**

Charles Cook	Taylor Morrison
Ed Staley	
Martin Winters	
David Boguslawski	
Tom Coffey	
Zack Stany	

All resident's names were not included with the minutes. If a resident did not identify themselves or the audio file did not pick up the name, the name was not recorded in these minutes.

**FIRST ORDER OF BUSINESS**

**Call to Order**

District Manager James P. Ward called the meeting to order at approximately 1:00 p.m. and all members of the Board were present at roll call.

**SECOND ORDER OF BUSINESS**

**Public Comments**

- I. The Public comment period is for items NOT listed on the Agenda, and individuals are limited to three (3) minutes per person, assignment of speaking time is not permitted, however the Presiding Officer may extend or reduce the time for the public comment period consistent with Section 286.0114, Florida Statutes.
- II. Individuals are permitted to speak on items on the Agenda in accordance with the procedure in I. above.

Mr. Ward stated a number of months ago the rules for participation were amended to include a Public Comment section to enable residents to ask questions and make comments on an item not on the Agenda. He noted the Board had no obligation to respond to the comments or to answer the questions asked but could choose to address questions or comments. He noted public questions or comments regarding Agenda Items could be made after Board discussion of, and prior to the vote for, said Item. He asked for comments to be limited to three minutes per person.

Mr. Ward asked if there were any Public Comments regarding Items not on today's Agenda. He asked those speaking to state their name for the record.

**PORTIONS OF THIS MEETING WERE TRANSCRIBED VERBATIM. ALL VERBATIM PORTIONS WERE TRANSCRIBED IN *ITALICS*.**

*Mr. Ed Staley: Pretty simple question. I would have thought with the passage of time that we haven't had a meeting that Tim Hall might be at this meeting to give us an update on the status of kind of where we are on various mitigation, monitoring, all those kinds of things, like where we are on the timeline and those kinds of ideas with the passage of time. Is that not appropriate or --?*

*Mr. Ward: He is not normally asked to be at our Board Meetings. Our District Engineer is. Tim is really just a consultant on the environmental side, but our District Engineer is usually at all the meetings. If the Board would like Mr. Hall at a future meeting it doesn't bother me one way or another. We certainly could ask him to do that if you would like.*

*Mr. Ed Staley: I just assumed he was part of the meeting process, but I am obviously wrong on that. Okay.*

*An Audience Member: Will there be an opportunity later in the meeting for public comment and questions or is this the only opportunity?*

*An Audience Member: Just to clarify, we can do comments this way. Technically our resolution is public comment on things on the Agenda and then if we were to add anything we would add additional public comment periods, but we certainly can do it the way you have structured on the Agenda, but the initial period is, we usually do it for Agenda Items, but we can definitely do it the way you have it structured today. It's fine.*

*Mr. Ward: Okay. So, to answer his question, are we going to do it twice: at the beginning of the meeting and the end of the meeting?*

*An Audience Member: I don't think you have another period for that.*

*Mr. Ward: I didn't because I put it at the beginning of the meeting.*

*An Board Member: Then I would do it now for anything that's not on the Agenda if there is a public comment reasonably related to our business. I would do it now.*

*An Audience Member: Well, I don't know if this is on the Agenda, but I just want to make a comment about Director Indemnification. My understanding of Director Indemnification, and we have lawyers in the room who can correct me if I'm wrong, is that Director Indemnification applies when the*

*Directors are behaving in a fiduciary capacity and in my view this Board has acted in a fashion that is not representing the fiduciary interests of the residents of Esplanade, that Taylor Morrison is not in compliance with it's court order or the settlement agreement, that premature transfer was alluded to in the outside legal opinion that was obtained, that the success criteria has not been met, that 90% turnover hasn't been met. The Army Corp of Engineers states that Taylor Morrison is not in compliance with the success criteria that the outside reserves were supposed to be transferred to a land management agency like CREW with perpetual escrow fund, and the responsibilities of Taylor Morrison have been transferred to the CDD and the Esplanade homeowners with complicity of the CDD Board acting in Taylor Morrison's interest and not in the homeowners interest; thus, I believe this Board is not acting in a fiduciary capacity and the case can be made that Director Indemnity does not apply and there is personal liability amongst these Directors.*

*Mr. Ward: Any other questions or comments from the audience? Okay, we will move on to the next Item.*

### **THIRD ORDER OF BUSINESS**

### **Acceptance of Resignation**

#### **Acceptance of Resignation of Tim Martin from Seat 3 and consideration of Replacement Member for Seat 3.**

##### **I. Acceptance of Resignation of Mr. Martin.**

Mr. Ward indicated Mr. Tim Martin resigned from his position as a member of the Board of Supervisors. He called for a motion to accept the resignation for inclusion in the record. He noted the resignation became a matter of law as of the date of resignation which was January 29, 2020.

**On MOTION made by Mr. Ron Miller, seconded by Mr. Tom Kleck, and with all in favor, the Resignation of Mr. Tim Martin was accepted for purposes of inclusion in the record.**

##### **II. Consideration of Replacement Member for Seat 3**

Mr. Ward reported Statute indicated the Board had the ability to appoint an individual to fill the unexpired term for Seat 3 (Mr. Martin's vacated seat) by a simple motion and second. He stated the term for Seat 3 would expire in November 2020. He stated Supervisors were required to be a Citizen of the United States, a resident of the State of Florida and not a convicted felon who had their civil rights removed.

Mr. Ron Miller nominated Mr. Martin Winters to fill Seat 3. He indicated he believed Mr. Winters fulfilled the necessary criteria.

Mr. Drew Miller asked if all nominations should be made now or if the current nomination needed to be voted upon prior to an additional nomination being made. Mr. Ward responded all nominations could be made now. Mr. Drew Miller nominated Charles Cook to fill Seat 3. He reported Mr. Cook was assisting with the permitting, was knowledgeable about the upcoming Hatcher annexation and would be a good fit for the Board.

**On MOTION made by Mr. Ron Miller, seconded by Mr. Tom Kleck, with two in favor (Ron Miller, Tom Kleck) and two opposed (Drew Miller, John Wollard), the nomination of Mr. Martin Winters to fill Seat 3 on the Board of Supervisors failed.**

**On MOTION made by Mr. Drew Miller, seconded by Mr. John Wollard, with two in favor (Drew Miller, John Wollard) and two opposed (Ron Miller, Tom Kleck), the nomination of Mr. Charles Cook to fill Seat 3 on the Board of Supervisors failed.**

Mr. Ward noted the Board could continue to nominate candidates or could choose to move on to the next Agenda Item. The Board decided to move on to the next Agenda Item for today.

### **III. Oath of Office (to be administered during the meeting)**

- a. **Guide to the Sunshine Amendment and Code of Ethics for Public Officers and Employees**
- b. **Form 1 – Statement of Financial Interest**

## **FOURTH ORDER OF BUSINESS**

### **Consideration of Minutes**

#### **August 22, 2019 Regular Meeting Minutes**

Mr. Ward asked if there were any additions, corrections or deletions for the August 22, 2019 Regular Meeting Minutes. Hearing none, he called for a motion.

**On MOTION made by Mr. Drew Miller, seconded by Mr. John Wollard, and with all in favor, the August 22, 2019 Regular Meeting Minutes were approved.**

## **FIFTH ORDER OF BUSINESS**

### **Consideration of Resolution 2020-1**

**Consideration of Resolution 2020-1 of The Board Of Supervisors Of Flow Way Community Development District Authorizing The Filing Of A Petition With The Board Of County Commissioners Of Collier County For A Modification Of The District's Boundaries And The Jurisdiction Of The District Through Expansion; Providing For Certain Requirements Implementing Section 190.046(1) in agreement with Taylor Morrison Esplanade, LLC to fund the expansion (commonly known as the Hatcher expansion)**

#### **I. Boundary Amendment Funding Agreement**

Mr. Ward reported Resolution 2020-1 authorized the filing of a petition to modify the District's boundaries to include what was commonly known as the Hatcher piece. He stated when the District issued its last series of bonds in 2019 there were funds put into a construction account, just over \$1 million dollars, to build the infrastructure required for the Hatcher piece pending annexation of the land into the CDD and completion of land assessment for the bond issue. He explained Section 190.46(1) labeled the Board of Supervisors as the petitioner for the amendment to the boundaries of

the CDD; therefore, resolution by the Board was required. He stated the CDD had an agreement with the property owner to pay the cost of the annexation through Collier County. He noted processing of the annexation through Collier County could cost \$25,000 dollars to over \$30,000 dollars.

*An Audience Member: Does the CDD currently hold \$1 million dollars cash?*

*Mr. Ward: Yes, we hold it in what we call a reserve construction account, or a sub-construction account I think it might be termed.*

*An Audience Member: And that money would ultimately be used for --?*

*Mr. Ward: Infrastructure, construction in the Hatcher area; utilities –*

*An Audience Member: Well, I didn't know the CDD actually did construction.*

*Mr. Ward: Well, or acquisition from Taylor Morrison, whichever the case may be.*

*An Audience Member \_: And who provided the million?*

*Mr. Ward: The bond series, when we issue bonds, the District obviously borrowed that money, large investors buy that, whoever that may be. They are generally large mutual funds that you see around the country.*

*An Audience Member: Just help me understand. How did this motion or this Agenda Item actually arrive in today's meeting? Who put it there and how did it get --?*

*Mr. Ward: It came to my attention actually when I was doing the audit this year and remembered that we had this Item out there and that money expires on a certain date. January of 2021 sticks in my head. After which it then reverts to a bondholder. It goes to redeem bonds I should say is the way the process works. The process to get through a petition and go through a special assessment process is at least 6 months or so, so in order to meet that deadline date I just basically had it to clear in my file to include it on an Agenda for you in case we could proceed forward.*

*An Audience Member: Okay. Thank you for that. I've got a distinct thought on this. This is perhaps jumping ahead to some things I wish to get into which I think is at the end of the Agenda, but I think that one thing the Board Members here can agree on is that we have some pretty big disagreements over the preserves and Taylor Morrison's obligations. I think we would agree that we disagree on that. To me those are some huge issues out there and those issues at this point are no where near resolution. To do anything further with the CDD at this point I think would only exacerbate those issues. I think this whole thing should be tabled until such time as the bigger issues are resolved because this will exacerbate it. So, I would suggest that this thing be tabled or if somebody wants to have a motion on it, I would just tell you I'm going to vote no. I do not wish to expand the boundaries of the CDD.*

*Mr. Drew Miller: I would like to just let you guys know that will exacerbate the issue for sure because timing wise if Taylor Morrison is not able to sell the infrastructure to the CDD all of the other initiatives that we talked about, everything that was discussed as far as going in when we decided to bring the Hatcher piece into the property, all those conversations will come back up. The other side of this is, if Hatcher doesn't get annexed and we don't move forward with this, the existing costs and every it of*

*cost will just sit on the existing homeowners and those homeowners will have every benefit of Esplanade but without being a part of the CDD because those homes are going to come in and whether they are part of the CDD or not, especially if we have to make up additional funds, so I think we can continue having the conversation of the CDD and the preserves, but I don't think kind like poking TM in the eye so to speak is probably the right move on this particular issue. And I don't think it serves you guys the best interest in the long run either. At the end of the day there is additional 34 homes that are going to share whatever costs because there are costs associated with the CDD and associated with maintaining this community that you are going to not bring them in. They are not going to have to share that cost.*

*Mr. \_\_\_\_\_ 14:31: I think you are confusing the HOA with the CDD and this is the CDD Board. It is not an HOA Board. If Taylor Morrison brings those homes into the community, if they can do that with Collier County, that's one issue. And how they will share in the cost of the HOA which is not the business of this Board, is that issue.*

*Mr. Drew Miller: But you pay a CDD fee now, both the ONM and the debt so the ONM will only be shared by the homeowners in the existing community. They will not be shared with these 34 homeowners.*

*An Audience Member: The CDD residents pay their share distinctly for the bonds that have been issued for their debt portion and the operating and maintenance expenses on the overall CDD, the difference between 1,184 homes and 1,150 is totally insignificant as compared to the major issue that we have which can be – we can throw out numbers of 5, 10, 12 million with respect to the preserves. Totally insignificant. I do not think it is in the interest of the CDD to exacerbate that issue by expanding the boundaries and bringing in other people and other homes into it. I'm standing on, sitting on it I guess, that this item should be tabled until the bigger issues get resolved or if we wish to have a motion on it, I'll just tell you I'm voting no.*

*An Audience Member: I've also got concerns about the compounding of the problem like Mr. Winters brought up, is who is going to be responsible for this when CREW originally was offering to take over that expense and now we are kind of sloughing it off onto the homeowners and the HOA and the CDD combined. So, I don't think we need to compound it any further.*

*Mr. Drew Miller: So, CREW has voted unanimously not to accept the preserves just so you know. Both their board –*

*An Audience Member: May I ask a question? You may not know the answer to this because this is a CDD meeting. It's not a Taylor Morrison meeting. Has Taylor Morrison made an offer?*

*Mr. Drew Miller: It was presented and voted that they don't want it. They are trying to get rid of existing properties.*

*An Audience Member: I was at that meeting when they had a presentation. There was no offer made by Taylor Morrison.*

*Mr. Drew Miller: Okay. But anyway, the – I believe it's my opinion, and it will be proven that the Army Corp does see us in compliance and that we have been fiduciarily responsible. The CDD Board had the opportunity to sell additional bond to finance any of this stuff. There are many ways that it could have*



*financed this. The CDD is in place to do so. Again, I'll just reiterate that I still feel like it's to the best benefit of the community that the preserves stay within the control of the community. I would like to end with a motion to approve resolution 2020-1.*

*Mr. John Wollard: Wollard, second.*

*Mr. Ward: All those in favor?*

*Mr. Greg Urbancic: Public comment?*

*Mr. Ward: Okay, any public comment on this particular item? Sorry about that. Could you put your name on record?*

*Mr. Tom Coffey: I disagree it's in the best interest to keep the preserves in the community. The economic issue relative to perpetual maintenance is one issue which, and due respect to Ron, we don't know what that number is. Usually it's in the number of 7, 8, 12 million. I have no idea what that number could be. Tim Hall has a report that says long term maintenance plan is to do periodic burns and that's the way you control all these in the future. We don't know what the controlled burn will be, how much Collier County will assist in that, the Army Corp will assist in that, Fish and Wildlife will assist in that, could be very expensive. I bet you they don't let 1,000 acres burn at one time. That would be an ongoing thing and we just don't know what that cost is. We have no professional guidance yet. We would like to see that professional guidance. Over and above the economic aspect of it there is a significant liability aspect of it in my opinion. Because right now we have two separate legal entities. There is the CDD and the HOA. They have different, under different statutes of the Florida code, so they have different requirements. Right now, the way Taylor Morrison has it there is a contract that the HOA is responsible for everything on that CDD property. Compliance, maintenance, everything else, so they assume that liability. I mean somebody might argue it is the alter ego of the CDD now. And because of that I believe there is significant liability that goes along with that piece of property. We already heard several meetings ago people entering that property from the other end on 4 wheelers, kids and everything else, and having a couple of them go in and get severely injured or something even worse like death occurs. What happens if there is a forest fire in there that burns down some structures on adjoining community or even our own community? Our HOA could be held significantly liability. The HOA I think is only liable for up to \$200,000 dollars because it's a government entity, so it sort of skirts that liability. I'm not sure about that.*

*Mr. Ward: The HOA?*

*Mr. Tom Coffey: No, the CDD. So, if the CDD is separate and we don't have any linkage. I'm afraid there is a linkage. To me, when it's just with an outside agency, completely a land conservation agency, and their entire purpose in the world is to do these types of things, it protects the homeowners. So, with all due respect, I disagree with your statement.*

*Mr. Ward: Any other public comment? Mr. Ward asked those present to please state their names for the record.*

*Mr. Martin Winters: As a homeowner I view this not as an amenity. I don't view it as a good thing, I view it as a liability and I think there are many, many homeowners who agree with that. Taylor*

*Morrison has dumped its liability on the homeowners of Esplanade through this CDD Board with the complicity of this CDD Board.*

Mr. Ward asked if there were any other comments; hearing none he called for a vote. He noted the motion was to approve Resolution 2020-1 which authorized the petition to annex the Hatcher piece.

**On MOTION made by Mr. Drew Miller, seconded by Mr. John Wollard, and with two in favor (Drew Miller, John Wollard) and two opposed (Ron Miller, Tom Kleck), to approve Resolution 2020-1 failed.**

## SIXTH ORDER OF BUSINESS

## Staff Reports

### Staff Reports

#### a) District Attorney

No report.

#### b) District Engineer

Mr. Ward indicated a couple of months ago he was asked to put together maps of the District's assets and preserves. He stated a very preliminary map of the assets of the District was prepared by Jeremy Fireline. He asked Mr. Fireline to review the map.

District Engineer Jeremy Fireline displayed and discussed the preliminary map of the District's assets which included preserve areas owned by the District, preserve areas to be transferred to the District, drainage access easements, future drainage easements and open space. He noted the preserve areas owned by the District were in yellow.

Discussion ensued regarding where Collier Blvd. was located on the map, where the back entrance was located, the access easement, and who owned the properties along the boundaries to the CDD's property.

*Mr. Dave Boguslawski: A couple of meetings ago there was a neighbor to the north that came to this body and tried to get approval of supporting something to eliminate access because it was bothering them. Was that that open block up there?*

Discussion ensued regarding the location of the property in question on the map.

*Mr. Dave Boguslawski: What I heard in that meeting was a discussion around the width of various easements that sort of cut through to these holes if you will, or these other properties, and some of them were very narrow easements and some of them were incredibly wide easements. So, there are also some easements that run through here. Are they marked on the map?*

*Mr. Fireline: No.*

*Mr. Ward: They are on another map that Tim Hall is preparing for us.*

*Mr. Tom Coffey: If we could get the ownership so we know in case something happens. When somebody comes and complains to the CDD because you all won't be here too much – maybe – we need to at least know that I think. Is this just me?*

*Mr. Fireline: The survey would have that.*

*Mr. Tom Coffey: A pictorial would help. The map is good on the boundaries, but I'm confused also because of that – so, under that contract in 2014, the HOA is responsible to maintain all the assets, but there is no list of assets, so what is it exactly – for instance, this is the whole footprint. Some of this is owned by the HOA, some is technically owned by the CDD, but the HOA has assumed that liability to maintain. I would like two separate lists as to what are those specific things that the HOA is responsible for and under that contract responsible for making sure we stay in compliance with it. What are the things in the HOA budget? We are responsible for our own assets. I'm not trying to complicate things, and I don't need it right now, but at some point in time we need to have that clarity, I think.*

*Mr. Ward: That's on the list of things to do.*

*Mr. David Boguslawski: Were there any other lands that are not shown on this map, be it another county, another part of Collier County, that will become the obligation of either this CDD or this HOA as a result of this entire transaction?*

*Mr. Ward: I can't answer for an HOA, but the CDD, this is it.*

*Mr. David Boguslawski: So, there is no other preserves, like 25 acres 200 miles away that we need to pay for?*

*Mr. Ward: No. I'm not aware of any.*

Mr. Fireline summarized: The Board wished to know the easements, widths, and beneficial parties of each. Mr. Ward stated Mr. Tim Hall had started the process of mapping these out. He recommended Mr. Fireline collaborate with Mr. Hall. Mr. Fireline noted the Board also wished to learn who owned the adjoining properties with a map of the property lines. He noted this information was readily available on the Property Appraiser's website; however, he would be happy to collect this information for the Board.

*Mr. Boguslawski: If we could have something, either on this document or another document, that said that. I've been to several seminars recently about turnovers and there is a lot of homeowner's associations and CDDs that have been burned by remote properties without knowing, so an early representation of that would be helpful.*

*Mr. Ron Miller: If somebody would allow me, I would like to build on what Mr. Coffey just said because it actually was on my mind as well, my Agenda, this contract that we have with the HOA later on today if I'm allowed to. I forgot to ask you to put that on the Agenda today, but it's on my notes to cover today. But one of the things, and Jim you might look at me and say, "Well, you should know." But I really don't. I would like to get a specific list of the CDD assets, so that as a Board*

*Member I know what my responsibilities are for. I have generalities. I know we got the preserves, this, that, the lakes, ponds, whatever, but I don't know specifically what is ours, where we have governance and management responsibilities for. So, if we can just put that on kind of an agenda to followup in the future?*

*Mr. Ward: We will get that too. I know what he wants, so just add that to your list.*

*Mr. Fireline: Okay.*

*Mr. Tom Coffey: Let me give you a couple examples, because I think Jim and I talked a little with email. I know there are somethings in the documents that say something about the landscape area on the front of the development is part of the CDD, but I don't know where that boundaries end. Are the walls it or the guard house? And there was something in there, and I think Jim was surprised by it too, something about the homeowner's irrigation system. Does the HOA own that or the CDD? Because in one place it says it's the CDD and another place I think you thought it was HOA. I think it's going to matter in the future. We just need to know who owns what even for insurance purposes.*

### **c) District Manager**

#### **I. Financial Statements December 31, 2019 (Unaudited)**

Mr. Ward stated he had no report. He asked if there were questions regarding the financial statements. He noted the audits were approximately 98% finished and would be included on one of the next Agendas for acceptance.

## **SEVENTH ORDER OF BUSINESS**

## **Supervisor's Requests and Audience Comments**

Mr. Ward indicated Mr. Ron Miller had a list of discussion items.

### **Supervisor Ron Miller:**

- a) FY 2020 – Meeting Schedule**
- b) Preserve – Permit Obligations**
- c) Army Corps – Permit Modification for Preserves**
- d) District Expenses for Mitigation Maintenance**
- e) Request of Board to Approve request for Counsel to draft letter regarding various preserve items.**

Mr. Ron Miller indicated he had many items to discuss and this would take some time.

Mr. Drew Miller indicated his family had left for vacation and he was short on time. He noted he would gladly make himself available for in-depth discussion at a future date but asked for Mr. Ron Miller to be respectful of his time.

Mr. Ron Miller reported a great deal had happened since the last Board Meeting in August 2019. He stated there was a long history with respect to the preserves. He reviewed the history of the preserves beginning with the court case: *That court case succinctly talks about the CREW and turning the land over and the fund to go along with it; that's sunk into the court case. The reason I want to start there*

*as a history lesson is even if the Corp would have modified the permit at the request of Taylor Morrison, that still would not have changed that court case. There would still have been a huge issue for Taylor Morrison to deal with. Moving right along, in addition to that court case, there are, to my knowledge three significant permits out there: The Corp, US Fish and Wildlife, and South Florida Water Management District. All of which have this requirement in there. Biological things that we meet success criteria, about turning it over to CREW or some other land conservation agency, and there's timelines and all that. We know all that. But up to last August when we had those kinds of discussions. Essentially it was kind of a future tense, what's going to happen? We don't know what's going to happen. We heard I think in two separate board meetings Taylor Morrison intended to modify the permit language so that the CDD would become the permanent owner without funding. Now, a number of things have happened and maybe start with that because these now are factual past tense events which have not occurred at the last. Taylor Morrison did in fact apply for permit modification with the Corp and the Corp rejected it in totality and even their rejection letter specified sections that pertain to the success criteria and also to the funding. So, that's been rejected. That's a subsequent event. But in the lead up to that there were some interesting things as well because prior to that modification request being final, Mr. Kirby (ph) enforcement office of the Corp, had asked Tim Hall some questions and in Tim Hall's responses to those questions Tim Hall acknowledged that success criteria had not been met. That was an acknowledgement by Taylor Morrison's representative. Then in the actual application for the modification request, Tim Hall again acknowledged that the success criteria had not been made. Then further that, and if I need to Mr. Ed Staley is present here behind me, the two of us were given the opportunity to make a presentation to the Executive Committee of CREW in December. I made that presentation which was, I will categorize it as they understood that this was not a Board presentation by the CDD it was my presentation, but I will kind of summarize it by saying my presentation was an encouragement for them to consider taking ownership of the preserves with the fund at such time as Taylor Morrison could make that offer. There was significant discussion that went on for a while, and in that discussion process Tim Hall represented Taylor Morrison at that meeting, and Tim Hall also made a presentation. His was just an oral presentation. He had nothing to share, but in discussion questions came from the Executive Committee Members of CREW. Among them "Well, tell us about the success criteria" and some things like that, and Tim Hall mentioned in 2018 a portion of the preserves had met the success criteria, but it was a small portion, (I'm paraphrasing now), but the vast majority of the preserves have not yet met success criteria (this would be December of 2019, just a few months ago). When he made that statement, I asked him what has met the success criteria. What area? How much? I didn't really get a good answer to that. I didn't get an answer that may be fully understood. Maybe it was a good one and maybe I didn't understand it well, but I came away with a takeaway that the preserves which have met the success criteria in 2018 is a smaller wooded area over in this area here. That's my belief. I wouldn't take an oath on that because it is confusing, but if that's the case – we did not get into it at that meeting, but I would like to share it with Board Members – if that's the case, that particular section of the preserves was conveyed to the CDD in 2015 with a substantial \$400,000 dollar plus mitigation bill, and we have been paying maintenance on it ever since. And Mr. Hall stated that with the balance of the majority of the preserves, as of December, they still have not met the success criteria, yet those preserves were conveyed to the CDD in 2018 when Taylor Morrison had all five seats on the Board. These are factual subsequent events which have occurred. Another question that came out from one of the Executive Committee Member was "What do you think this fund would be? How much do you think it would be?" and Mr. Hall replied "Oh, I think it would be in the area of \$3 to \$4 million dollars." That came as kind of a surprise that Taylor Morrison would go in there and even acknowledge that there was a funding requirement of any amount. But many of that, with a further few questions of that \$3 to \$4 million dollar arena that he presented, he said was based upon his view of the future annual*

*maintenance cost and a 5% interest rate. Let me tell you 30-year treasury bills are at 2% and so even if his cost estimate is correct it is 2.5 times more than what he is suggesting based upon interest rates. So, we're talking about large sums of money here. But again, those are subsequent actual events that have occurred that are on the table with all this. Another matter, this will be somewhat repetitive, the permits require Taylor Morrison to receive approval for the transfer of ownership of the preserves. Whether it be to the CDD or CREW approval is required and transfer of them to the CDD has not had an approval. That was part of – I think that had discussion characteristics in the modification request.*

*So, when we think about the past, and then we think about these factual events that have occurred since we've last met, and the evidence is so clear that these things exist, and the Corp of Engineers has totally rejected the modification request, which incidentally brings a thought which I left out, is that if there was actually no problem with respect to these preserves and the funding of the preserves, why did Taylor Morrison even need a modification request. Why didn't Taylor Morrison simply say, "No. There's no obligation here." I think the fact that they even requested the modification is an acknowledgement that there is an issue. Having gone through all of that, I would like to repeat some motions I have made in the past based upon this new factual evidence. I take note of what Mr. Winters had said earlier that Board Members do have an obligation to vote fiduciarily in the best interests of the CDD. It has nothing to do with Taylor Morrison. That's something that maybe has some sympathy for because of the awkward position that the Taylor Morrison employees are in because the paycheck comes from Taylor Morrison, but they have a fiduciary obligation to vote in the best interests of the CDD which is not in the best interests of Taylor Morrison. It's an awful position to be in. I recognize that, but I didn't create it and I do think the Taylor Morrison folks here should think about that because their – get the time to look at some statutes. You might want to take a look at 190.007 and 112.311 in the Florida Statutes. That's pretty much on point. It's interesting in fact that the 190 Statute which deals specifically with CDDs has a section which addresses conflict of interest. The Statute is saying that there is a conflict of interest for a developer employee to be on the Board. We recognize that there is a conflict of interest, so therefore, in order for the CDD to operate, we are granting a waiver of conflict of interest. Otherwise, Taylor Morrison employees couldn't be on the Board to begin with. However, if you go to the Code of Ethics section, a totally non-CDD section, that does not forgive a Taylor Morrison employee from following the Florida Code of Ethics on conflicts of interest. It only allows you to be the Board where otherwise you couldn't be. So, having said all that, I am making a motion for the Board to seek reimbursement from Taylor Morrison for all past mitigation and maintenance expenses incurred by the CDD to date.*

*Mr. Ward: Any comments from the public?*

*Mr. Tom Coffey: I tend to agree with the comments that the CDD has a responsibility to evaluate all assets that are acquired or transferred to it. And in that they have to do their appropriate due diligence. Understand that. That goes along with any organization, corporate organization or otherwise. I would think that professional consultants and counsel should advise when they see something that is maybe not in accordance with proper business form, and in this case it was very specific that the mitigation wasn't completed, and that it didn't meet the success criteria. This should have been questioned by the Board and documented by the Board, why in their judgment they thought it was appropriate to acquire these preserves or accept transfer of the preserves. Secondly, the provision where it was mathematics were – I think it was around \$8 million dollars in that proposal when it was transferred over, and that was the fair value of the property, and that was supposed to be a consideration. That's bogus. I mean the whole property had to be acquired for Taylor Morrison to make a profit. They acquired that property knowing it was a liability. That was just the cost of*

*doing business. That was factored into their profitability model when they decided how many homes they were going to build. That land is a liability. It is not an asset to anybody other than the conservation groups and the general population of Collier County protected preserves. It is not an asset to anybody that is associated with that property. It is a liability. So, for somebody to put that mathematics on that piece of paper is to me, inappropriate, and it doesn't meet appropriate valuation methodologies. That's the end of my comments.*

*Mr. Ward: Are there any other comments?*

*Mr. Drew Miller: I wanted to respond to yours because you pointed out the fact that we went into amend this points to something, but I want to remind you the reason we went in was because you initially asked it and brought it up in the meeting and at that time we actually agreed –*

*Mr. Ron Miller: I did? I don't think so.*

*Mr. Drew Miller: You asked about, at that time, what it was and the risk. And I had described that we had done all of the initial – Taylor Morrison at that time had done all of the initial exotic removal, and that your concern at that time was if CREW or somebody else were to come and take the property from you guys and then ask for the money would you be liable for it. So, I agreed at that time that we would amend the permit so that it was 100% clear. So that is what triggered this. At that time Taylor Morrison believed, and still believes, that the CDD was the intended long term maintenance entity for this and that the reason we did was because we wanted to be perfectly clear when we left we left you guys in a good spot to where you felt comfortable with it. That was why we went to it. We disclosed it in the sales contract. We disclosed it when we had the meeting and the CDD took over the maintenance. I did a presentation at one of the meetings with all of the – like all the neighborhood meetings. There wasn't a big uprising at that point. It wasn't until you guys got on the Board, started looking at the permits, and had made some decisions along the way that you've kind of changed your mind. Even the attorney that the CDD hired – I mean, I voted for – to have the CDD give the opinion to the CDD Board of what the liability was on these permits, to make it sound like we are not following our fiduciary responsibility or we're not being transparent or working with you, I'm kind of offended by that. We hired the CDD attorney. They came back and said that it wasn't – forgive me – the attorney at that time stated that he did not see an issue. There wasn't an issue with that. I wanted to note that Tim Hall, and we can have him back at the next meeting, he also states that the CDD, and believes that the CDD, that the permit allows the CDD to own the property, or the property be transferred to the CDD prior to meeting success criteria, that the permit specifically states that. That's his belief. We can ask him certainly at the next meeting.*

*An Audience Member: Is he a lawyer?*

*Mr. Drew Miller: No, but he's not a financial guy either, a capitalist. So, you are going to rely on him to make the point that he should know how much money should be in an escrow fund. What he is, is the permitting entity. He is the environmentalist that did this, that knows this. So, if there were two things that he should be asked about, this would be the one thing. Not how much money in an escrow account would fund something. Now, he would be the guy to say how much money is it going to cost us every year to maintain. That's probably in his world of expertise, but not the financial and all that to it. I think that's kind of the thing. That's pretty much what it is. The asset and the liability comment. I agree if you're a CPA it's a liability, but if you're in the community most things – everything that you're benefiting from in that community is a liability. Most of what we enjoy is technically a liability, so I*

*still believe it's the right thing for the community to maintain and own this property. This was a big win with the environmentalist and with what it is I think it makes a big statement about this community and keeping that in the community says a lot about the people that live there and about the community itself. I think to that end, it's an asset.*

*An Audience Member: Can I ask a question? What is the reasoning, or the downfall, for CREW to do what we're doing? Why couldn't CREW do what we're doing?*

*Mr. Drew Miller: They don't have the same funding abilities as a CDD for one. They don't have the same – it's the same reason why I don't think, in my personal opinion, any of these entities are the right ones. I believe that in the long term, mark this, in the long-term maintenance entities, any of these nonprofits only survive if they have funding, and the CDD has a taxable benefit. If this preserve is truly something worth saving, which I feel like was should agree, a CDD is probably the best way, in my opinion the best way, to ensure that it does remain native preserve in perpetuity. It's the only one. Otherwise, you're trusting Wall Street, some finance guys, to figure it out, and a group of people that may not be interested in the long run in actually preserving that. What the CDD does it makes sure that preserve – it's the biggest thing that the CDD is going to manage. It ensures that will be maintained in perpetuity what is was intended to be.*

*Mr. Ron Miller: Lets get back to the basics. CDD gets it and wants the CDD to pay for it instead of Taylor Morrison paying for it. That's the basics. Are we ready to vote?*

Mr. Ward asked if there were any additional comments; hearing none he called for a vote

**The MOTION made by Mr. Ron Miller, seconded by Mr. Tom Kleck, with two in favor (Ron Miller, Tom Kleck) and two opposed (Drew Miller, John Wollard), for the Board to seek reimbursement from Taylor Morrison for all past mitigation and maintenance expenses incurred by the CDD to date failed.**

*Mr. Ron Miller: Move to have the CDD discontinue future funding of the preserves.*

Mr. Ward asked if there were any questions or comments; hearing none, he called for a vote.

**The MOTION made by Mr. Ron Miller, seconded by Mr. Tom Kleck, with two in favor (Ron Miller, Tom Kleck) and two opposed (Drew Miller, John Wollard), for the Board to discontinue future funding of the preserves failed.**

*Mr. Ron Miller: Third motion: That the Board take whatever action is necessary to return preserve ownership to Taylor Morrison.*

*Mr. Ward: That one I'll tell you you can't do. There is no legal authority for us to transfer this asset back to a private corporation. No government can do that. Correct?*

*An Audience Member: I mean to unwind it – it would be difficult to do and I'm not even sure that would be in compliance with the permit.*



*Mr. Ward: Governments in Florida generally can't just give back something to somebody, or transfer it to a private –*

*Mr. Ron Miller: Let me try to state this differently. Since Taylor Morrison has conveyed ownership prematurely and has no legal right to do that, it is in error, I make a motion that we take whatever action is necessary to correct that error and to return ownership to Taylor Morrison.*

*Mr. Drew Miller: We have been told by every profession that we have asked that question to that we were – the premature side, I don't believe is what anybody has indicated is the case, so Nay.*

*Mr. Ron Miller: Let me clarify that to taking legal action to void the transaction so that the transaction doesn't exist essentially. Whatever action is necessary to do so.*

**The MOTION made by Mr. Ron Miller, seconded by Mr. Tom Kleck, with two in favor (Ron Miller, Tom Kleck) and two opposed (Drew Miller, John Wollard), for the Board to take whatever action is necessary to void the transaction with Taylor Morrison regarding ownership of the preserves failed.**

*Mr. Ron Miller: I have one more item, and we have already pretty much beat it up for today, so I'll just get it on the table and maybe Jim can work on this. Just get back to the contract that the CDD has with the HOA. It does seem to be an odd contract. My concern, which I expressed some time ago, probably a year ago now, and really shame on me for not having followed up on it. It's an operational thing. In some respects, for the CDD to engage the HOA to do this maintenance makes some sense because maybe the HOA can get some economies of scale and it might be cheaper overall for the Esplanade residents. I'm not trying to draw a conclusion on that. I'm just tossing that out, but it seems to have some other issues surrounding it because as I mentioned a year ago or so, that just having this contract in place doesn't forgive the CDD from its governance. The CDD does have responsibility for the maintenance; it's just using the HOA as a subcontractor is all. And as I sit here on the CDD Board, I'm just going to be perfectly honest, I have no idea what maintenance is necessary. Personally speaking, I don't have any expertise to know what maintenance is necessary, and even if I did, I don't know what maintenance is actually being done. So that bothers me. We need to get to the bottom of it. The assets that the CDD owns and the maintenance that should be done, and the maintenance which is being done. We need to get into that. And so, I'm going to follow up on that in the following meeting, but just to put that on the table for now so that we know that's coming. And I guess that I would end that by saying that, and this is just getting feedback from people in the community, various feedback, I don't think that some people, particularly if you're on the other side of this, the HOA, the HOA people, are particularly happy with this contract and it would take Board approval on both ends probably in order to cancel the contract. So, just toss that out there, I think –*

*Mr. Drew Miller: If there is a way we can clarify a contract with the HOA, I don't hear anything that you guys have said about trying to make sure that we know where the lines are, and the contracts are in order. I think that's something, if it's reasonable, that the Board would be –*

*Mr. Ward: That's fine. The District does have the ability to unilaterally cancel that if it wants to. Actually, it would do that roughly in the next couple months because we have to do – actually I'm going to start budgets next month or April, so we would need to take action on that.*

*Mr. Drew Miller: I would say maybe if you guys don't mind working with Nathan a little bit, and Jim, and Waldrop can really help with that too as far as trying to identify maybe what should stay with the CDD and what maintenance items need to be held up, so that we can kind of firm that up and make it make sense to you guys going forward. So, if we are going to take the time to do it, lets just go ahead and take the time to do it right and get the agreements in place that the Board and HOA want.*

*An Audience Member: If I could see a list, and Ron could see a list, of things that we are responsible for.*

*An Audience Member: Yeah, we'll start that and work with Nathan to provide some of those things as well on the HOA end. And your input will be important for that.*

*Mr. Dave Boguslawski: I am on the HOA Board and it is unclear to me what value added there is putting somebody else in the middle of somebody's obligation. So, a discussion when this is all had later around this issue would be very helpful. I also am sitting here just confused to death as to why the HOA would ever want to be in the middle of this. We don't need an answer now, but it's a disaster waiting to happen and it seems to me that a separation of the CDD Board responsibilities including the oversight from the HOA responsibilities including their oversight should be based on the assets that each one holds at the time. That would be cleaner. It would be easier to manage. But with that said, I'm open to listening to whenever you all discuss it. But it does seem to be twisted all around and a backwards way of managing things.*

*Mr. Drew Miller: One point. I wasn't there, and I don't now where the lines are specifically on the – like on the landscape at the front entry – that's just one item that like if we start to put into a list might make more sense just to keep in the HOA, or have an agreement to maintain the entry landscaping just because you are already maintaining the rest of the community. There might be some of those things that you kind of look at, but I'm open to helping facilitate that, however you guys work through it. We will start with the list that we were all kind of staring at it. And then I think working with Nathan on the rest of that too would be helpful on how you guys want to go forward.*

## **EIGHTH ORDER OF BUSINESS**

## **Adjournment**

Mr. Ward adjourned the meeting at approximately 2:02 p.m.

**On MOTION made by Mr. Ron Miller, seconded by Mr. Tom Kleck, and with all in favor, the Meeting was adjourned.**

**Attest:**

**Flow Way Community Development District**

\_\_\_\_\_  
James P. Ward, Secretary

\_\_\_\_\_  
Drew Miller, Chairperson

**RESOLUTION 2020-3**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2021 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICT AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the District Manager has heretofore prepared and submitted to the Board of Supervisors of Flow Way Community Development District (the "Board"), a proposed Budget for Fiscal Year 2020 and

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

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

**SECTION 1.** That the foregoing whereas clauses are true and correct and incorporated herein as if written into this Section.

**SECTION 2.** The proposed Budget submitted by the District Manager for Fiscal Year 2021 and attached hereto as **Exhibit A** is hereby approved as the basis for conducting a public hearing to adopt said budget.

**SECTION 3.** A public hearing on said approved budget is hereby declared and set for the following date, hour and location:

**DATE:** Thursday, June 18, 2020  
**HOUR:** 1:00 P.M.  
**LOCATION:** Esplanade Golf & Country Club Naples  
8918 Torre Vista Ln  
Naples, FL 34119

**SECTION 4.** The District Manager is hereby directed to submit a copy of the proposed budget to Collier County at least 60 days prior to the hearing set above.

**SECTION 5.** Notice of this public hearing on the budget shall be published in a newspaper of general circulation in the area of the district once a week for two (2) consecutive weeks, except that the first publication shall not be fewer than 15 days prior to the date of the hearing. The notice shall further contain a designation of the day, time, and place of the public hearing. At the time and place designated in the notice, the Board shall hear all objections to the budget as proposed and may make such changes as the board deems necessary.

**SECTION 6.** If any one of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contract to the policy of express law, but not expressly prohibited or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way effect the validity of the other provisions hereof.

**SECTION 7.** That all Sections or parts of Sections of any Resolutions, Agreements or actions of the Board of Supervisor's in conflict are hereby repealed to the extent of such conflict.

**RESOLUTION 2020-3**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2021 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICT AND PROVIDING FOR AN EFFECTIVE DATE.**

**SECTION 8.** This Resolution shall take effect immediately upon adoption.

**PASSED AND ADOPTED** this 19<sup>th</sup> day of March, 2020.

**ATTEST:**

**FLOW WAY COMMUNITY DEVELOPMENT DISTRICT**

\_\_\_\_\_  
James P. Ward, Secretary

\_\_\_\_\_  
Andrew Miller, Chairman

## RESOLUTION 2020-4

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING THE DISTRICT MANAGER TO NOTIFY ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES, INC. OF THE TERMINATION OF THAT CERTAIN AGREEMENT BETWEEN FLOW WAY COMMUNITY DEVELOPMENT DISTRICT AND THE ESPLANADE GOLF AND COUNTRY CLUB, INC. DATED AS OF AUGUST 19, 2014; PROVIDING FOR CONFLICT; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, Flow Way Community Development District (the "District") is a local unit of special purpose government created and existing pursuant to Chapter 190, Florida Statutes, and situated within Collier County, Florida; and

**WHEREAS**, Chapter 190, Florida Statutes, authorizes the District to construct, install, operate, finance and/or maintain systems and facilities for certain basic infrastructure including, but not limited to, district roads, sanitary sewer collection system, potable water distribution system, reclaimed water distribution system, stormwater/floodplain management, off-site improvements, landscape and hardscape, irrigation system, street lighting and other public improvements; and

**WHEREAS**, the District and Esplanade Golf and Country Club of Naples, Inc., a Florida not-for-profit corporation (the "Association") are parties to that certain Agreement Between Flow Way Community Development District and The Esplanade Golf And Country Club, Inc. for Inspection and Maintenance Services dated as of August 19, 2014 (the "Agreement") relating to the maintenance by the Association of certain assets of the District, a copy of which is attached hereto as Exhibit "A"; and

**WHEREAS**, Section 6 of the Agreement provides that the District may terminate the Agreement upon thirty (30) days' written notice to the Association; and

**WHEREAS**, the Board of Supervisors of the District (the "Board") desires to terminate the Agreement as of \_\_\_\_\_, 2020 (the "Termination Date").

**NOW THEREFORE BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT:**

**SECTION 1. INCORPORATION OF RECITALS.** The foregoing recitals are true and correct and incorporated herein by reference.

**SECTION 2. DELEGATION OF AUTHORITY.** The Board desires to terminate the Agreement as of the Termination Date. The District Manager is hereby authorized and directed to provide written notice to the Association of the District's termination of the Agreement as of the Termination Date.

**SECTION 3. SEVERABILITY.** Should any sentence, section, clause, part or provision of this Resolution be declared by a court of competent jurisdiction to be invalid, the same shall not affect the validity of this Resolution as a whole, or any part thereof, other than the part declared invalid.

**SECTION 4. CONFLICT.** All Sections or parts of Sections of any Resolutions or actions of the Board in conflict are hereby repealed to the extent of such conflict.

**SECTION 5. EFFECTIVE DATE.** This Resolution shall take effect upon its passage and shall remain in effect unless rescinded or repealed.

**PASSED AND ADOPTED** this 19<sup>th</sup> day of March, 2020.

**FLOW WAY COMMUNITY DEVELOPMENT  
DISTRICT**

ATTEST:

\_\_\_\_\_  
James P. Ward, Secretary

\_\_\_\_\_  
Andrew Miller, Chairman

Exhibit "A"  
Agreement

**AGREEMENT BETWEEN FLOW WAY COMMUNITY DEVELOPMENT DISTRICT AND THE  
ESPLANADE GOLF AND COUNTRY CLUB, INC.  
FOR INSPECTION AND MAINTENANCE SERVICES**

This agreement (the "Agreement") is entered into to be effective as of the 19 day of August, 2014 by and between:

**Flow Way Community Development District**, an independent special district established pursuant to Chapter 190, Florida Statutes ("District"), having its place of business at 513 Northeast 13<sup>th</sup> Avenue, Fort Lauderdale, Florida 33301; and

**Esplanade Golf and Country Club of Naples, Inc.**, a Florida not-for-profit corporation, ("Association"), having its place of business at 551 North Cattlemen Road, Suite 200, Sarasota, Florida 34232.

**RECITALS**

A. The Association is a private not-for-profit corporation formed pursuant to Chapter 720, Florida Statutes to serve as an association of the homeowners within the District; its purpose is to manage private common areas and amenities.

B. The District is a local unit of special-purpose government established by ordinance adopted by the Board of County Commissioners of Collier County, Florida, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and is validly existing under the Constitution and laws of the State of Florida. The District has the authority to, among other things, plan, finance, construct, operate, and maintain certain community infrastructure, including, but not limited to, stormwater management improvements; roadways; entrance, landscape and irrigation improvements; water and sewer improvements; and wetland mitigation within or without the boundaries of the District (the "District Improvements").

C. For ease of administration, potential cost savings to property owners and residents and the benefits of full time on-site inspection, operation and maintenance personnel, the District desires to contract with the Association to conduct the routine inspection, maintenance and repair of District Improvements.

D. The residents within the community that is served by both the Association and the District benefit from the District Improvements and may be required to pay for the cost of maintaining such improvements, regardless whether such maintenance is conducted by the Association or the District.



E. The Association is able and willing to perform the daily routine maintenance of the District Improvements for the District as provided herein and provide the certification specified herein.

**NOW, THEREFORE**, in consideration of the recitals, agreements and mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the District and Association (collectively, the “Parties”), the Parties agree as follows:

1. The foregoing recitals are incorporated herein by reference and made a material and dispositive part of this Agreement.

2. The Association shall provide the day-to-day maintenance of the District Improvements in accordance with the scope of services set forth expressly in Exhibit “A” attached hereto and incorporated herein (the “Scope of Services”). All such maintenance shall be performed by the Association in full compliance with all applicable laws, statutes, ordinances, administrative rules and regulations, District rules, and applicable permit requirements. The Scope of Services may be modified from time to time in writing upon the mutual agreement of the Parties. The District shall be responsible for capital renewal and replacement of the components of the District Improvements which shall be subject to the approval of the District Manager (as defined below). Also, under the supervision of the District Manager and using forms and procedures provided by or agreed to by the District Manager, the Association shall certify, in writing, annually, to the District Manager with copies to the Chair of the Board of Supervisors of the District (the “Board”) and the District counsel, its compliance specifically with its duties under this Agreement.

3. The District shall designate in writing a person to act as the District’s representative with respect to the services to be performed under this Agreement. The District’s representative shall have complete authority to transmit instructions, receive information, interpret and define the District’s policies and decisions with respect to materials, equipment, elements, and systems pertinent to the Association’s services. The District hereby designates James P. Ward (“District Manager”), to act as its representative. The Association agrees to meet with the District’s representative no less than one (1) time per month to walk the property to discuss conditions, schedules, and items of concern regarding this Agreement.

4. As directed under the supervision of the District Manager, the Association shall perform regular on-site inspections of the District Improvements to determine their condition as well as perform the maintenance of such District Improvements as outlined in the Scope of Services . Such inspections and maintenance shall be in compliance with all applicable federal, state, regional, local and district charter rules and regulations, and permits and other approvals, and the Association shall make a representative available to provide reporting at the regular meetings of the District’s Board.

5. To the extent required by law, the District shall let all contracts necessary for the services and that exceed the limits established by law for public bidding in order to comply with the competitive procurement requirements of Florida law; otherwise, the Association shall let all such contracts in order to provide the services contemplated hereunder.

6. This Agreement shall automatically renew on an annual basis unless terminated by either party as provided for herein. The District may terminate the Agreement for any or no reason upon thirty (30) days written notice to the Association. The Association may terminate the Agreement on September 30<sup>th</sup> of each calendar year provided the Association provides the District written notice of termination no later than May 30<sup>th</sup> of each calendar year. If written notice of termination is provided by the Association after May 30<sup>th</sup> of each year, then the effective date of termination shall be September 30<sup>th</sup> of the following calendar year.

7. In all matters relating to this Agreement, the Association shall be acting as an independent contractor. Neither the Association nor employees of the Association, if there are any, are employees of the District under the meaning or application of any Federal or State Unemployment or Insurance Laws or Old Age Laws or otherwise. The Association agrees to assume all liabilities or obligations imposed by any one or more of such laws with respect to employees of the Association, if there are any, in the performance of this Agreement. The Association shall not have any authority to assume or create any obligation, express or implied, on behalf of the District and the Association shall have no authority to represent the District as an agent, employee, or in any other capacity.

8. Association agrees to indemnify, defend and hold harmless the District and its Board members, officers, agents, staff and employees from any and all liability, claims, actions, suits or demands by any person, corporation or other entity for injuries, death, property damage or harm of any nature, arising out of, or in connection with, the acts or omissions of the Association, or its officers, employees, representatives, contractors, or subcontractors including litigation or any appellate proceedings with respect thereto. Association further agrees to require by written contract any contractor or subcontractors hired in connection with this Agreement to indemnify, defend and hold harmless the District and its officers, agents, staff and employees from any and all liability, claims, actions, suits or demands by any person, corporation or other entity for injuries, death, property damage or harm of any nature, arising out of, or in connection with, the acts or omissions of such contractors or subcontractors, including litigation or any appellate proceedings with respect thereto. Obligations under this section shall include the payment of all settlements, judgments, damages, liquidated damages, penalties, forfeitures, back pay awards, court costs, arbitration and/or mediation costs, litigation expenses, fines, penalties, attorney fees, and paralegal fees (incurred in court, out of court, on appeal, or in bankruptcy proceedings) as ordered.

9. The Association shall procure appropriate replacement property insurance, general and automobile liability insurance, and such other coverage as may be necessary or desirable to carry out its duties under this Agreement regarding the District Improvements, at minimum levels of coverage of \$1,000,000.00 per person and \$2,000,000.00 per occurrence. A

certificate of insurance will be provided to the District annually. No certificate shall be acceptable to the District unless it provides that any change or termination within the policy periods of the insurance coverage, as certified, shall not be effective within thirty (30) days of prior written notice to the District. Insurance coverage shall be from a reputable insurance carrier, licensed to conduct business in the State of Florida, and such carrier shall have a Best's Insurance Reports rating of at least A-VII.

10. The District shall pay Association the sum of Ten Dollars (\$10.00) per year for the provision of management and maintenance services pursuant to the terms of this Agreement. The Association shall not be entitled, for any reason, to reimbursement or refund from the District of any funds expended in the performance of the Association's obligations and responsibilities under this Agreement. The Association shall be solely responsible for staffing, budgeting, financing, billing and collection of fees, service charges, etc., necessary to perform the Association's obligations and responsibilities set forth in this Agreement.

11. This Agreement shall be governed under the laws of the State of Florida, including expressly the charter of the District in Chapter 190, Florida Statutes. If any party hereto is required to enforce its rights hereunder the successful party shall be entitled to recover from the other party costs incurred, including reasonable attorney's fees.

12. The Association recognizes, acknowledges and agrees that any records and materials associated with the provisions of the services under this Agreement may constitute public records under the laws of the State of Florida and the Association agrees to maintain such records in accordance with the provisions of the law governing public records.

13. A waiver by either party of any provision of this Agreement shall not act as a waiver of any other provision of this Agreement. If any provision of this Agreement is for any reason declared invalid, illegal, or unenforceable, that declaration shall not affect the remainder of the provisions of this Agreement.

14. Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by both the District and the Association.

15. This Agreement embraced the entire Agreement between the parties. No oral Agreement or representation concerning this Agreement shall be binding.

16. This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida. Venue for any dispute shall be in a court of appropriate jurisdiction in Collier County, Florida.

17. The Association agrees that nothing contained in this Agreement shall constitute or be construed as a waiver of the District's limitations on liability set forth in Section 768.28, Florida Statutes, and other law.

18. This Agreement may not be assigned by the Association without the prior written specific consent of the District, which consent may be withheld in the District's sole and absolute discretion.

19. Any notice, demand, consent, authorization, request, approval or other communication that any party is required, or may desire, to give to or make upon the other parties pursuant to this Agreement shall be effective and valid only if in writing, signed by the party giving notice and either (i) delivered personally to the other parties; (ii) sent by commercial overnight courier or delivery service; (iii) certified mail of the United States Postal Service, postage prepaid and return receipt requested; or (iv) email, addressed to the other parties at the addresses set forth below (or to such other place as any party may by notice to the others specify). Notice shall be deemed given when received, except that if delivery is not accepted, notice shall be deemed given on the date of such non-acceptance. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving notice would otherwise expire on a non-business day, the notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Counsel may deliver notice on behalf of the party represented. Initial addresses for the Parties include:

**Flow Way Community Development District**

2041 NE 6<sup>th</sup> Terrace

Wilton Manors, Florida 33305

Attention: James P. Ward, District Manager

[Ward9490@comcast.net](mailto:Ward9490@comcast.net)

With a copy to:

Coleman, Yovanovich & Koester

4001 Tamiami Trail North, Suite 300

Naples, Florida 34103

Attention: Greg Urbancic

[gurbancic@cyklawfirm.com](mailto:gurbancic@cyklawfirm.com)

**Esplanade Golf and Country Club of Naples, Inc.**

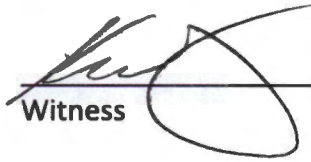
551 North Cattlemen Road, Suite 200, Sarasota, Florida 34232

Attention: John Asher, President

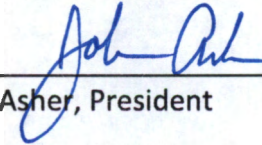
[JAsher@taylormorrison.com](mailto:JAsher@taylormorrison.com)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

ATTEST:

  
\_\_\_\_\_  
Witness

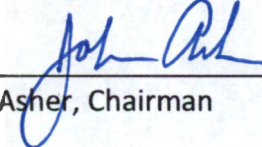
**Esplanade Golf and Country Club of  
Naples, Inc.**

  
\_\_\_\_\_  
John Asher, President

ATTEST:

  
\_\_\_\_\_  
James P. Ward, Secretary

**Flow Way Community  
Development District**

  
\_\_\_\_\_  
John Asher, Chairman



Flow Way CDD  
Facility Maintenance

**Surface Water Management System**

The project's surface water management system shall be maintained in accordance with the requirements outlined in SFWMD ERP No. 11-02031-P.

**Lakes** – Per ERP No. 11-02031-P, Exhibit 2.2- Construction Pollution Prevention Plan, Lakes shall be inspected annually. During each annual inspection, the following items will be reviewed and corrected as necessary:

- A. Inspect the outfall structure and orifices to ensure free-flowing conditions and overall engineering stability of the outfall structure.
- B. Review the banks of the lakes to ensure proposed side slope stabilization and inspect for signs of excessive seepage that may indicate areas of excessive groundwater flow and possible subsurface channeling.
- C. Physically evaluate each lake for evidence of excessing sediment accumulation or erosion.
- D. Inspect the planted aquatic vegetation in the littoral zone to ensure that the desired vegetation species, percent coverage, and density maintained.

At the completion of the inspection, a written inspection report will be prepared, listing any deficiencies that need to be addressed or corrected by the owner. The owner will then fix each deficiency.

**Dry Detention** – Per ERP No. 11-02031-P, Exhibit 2.2 – Construction Pollution Prevention Plan, dry detention areas (aka, grassed storage areas)

- A. Regularly mowed.
- B. Visually inspected annually for erosion, sedimentation and debris. Erosion repairs and sediment/debris removal should be completed as needed.
- C. Healthy vegetation should be maintained on side slopes and bottom.
- D. Inspect the outfall structure and orifices to ensure free-flowing conditions and overall engineering stability of the outfall structure.

**Irrigation Pump Station and Irrigation Mains**

**Pump Station** – Perform inspections on mechanical components as recommend by the manufacturer.

**Irrigation Mains** – Irrigation mains are subsurface systems that have a service life of 30 or more years. It is recommended that visual observations be made in areas where mains exist for the presence of excessive moisture that may indicate pipe leaks.

**Mitigation Areas**

**Mitigation Areas** – Mitigation areas (also called preserves or conservation areas) must be maintained per the approved USACE (SAJ-2000-01929) and SFWMD ERP (11-02031-P). This generally requires a minimum of two exotic and nuisance plant removal events per year. However, based on the large size

of these mitigation areas the exotic and nuisance plant maintenance may need to occur on a continuous basis to cover all the areas.

The USACE permit requires annual monitoring reports that outline the conditions within the mitigation areas to be prepared. Specific requirements of the report are outlined under the Reporting Format section of the permit. These reports are required until a mitigation release is obtained. The requirements for mitigation release are also outlined within the permit.

The SFWMD permit requirements for the mitigation area are described within Exhibit Nos. 3.5 and 3.6 of the approved permit. Maintenance will be conducted in perpetuity to ensure conservation areas are maintained free from Category 1 and 2 exotic vegetation immediately following maintenance activities. Coverage of exotic and nuisance plant species shall not exceed 4% total cover in the internal preserve and 5% total cover in the external preserve, or 2% cover of any one stratum in all preserves between maintenance activities.

Mitigation monitoring shall also be performed in accordance with Exhibit Nos. 3.5 and 3.6. The monitoring program shall extend for 5 years, or until monitoring requirements are released by the SFWMD and USACE, with annual reports submitted to the District.

All permits should be reviewed to determine the exact maintenance requirements.

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*Flow Way Community Development District*

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*Financial Statements*

*January 31, 2020*



*Prepared by:*

***JPWARD AND ASSOCIATES LLC***

*2900 NE 12th TERRACE*

*Suite 1*

*OAKLAND PARK, FLORIDA 33334*



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*Flow Way Community Development District*

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*JPWard & Associates, LLC*  
*2900 NE 12th Terrace*  
*Suite 1*  
*Oakland Park, Florida 33334*

**Flowway Community Development District  
Balance Sheet  
for the Period Ending January 31, 2020**

	Governmental Funds		Debt Service Funds					Capital Projects Fund			Account Groups	Totals
	General Fund	Series 2013	Series 2015 (Phase 3)	Series 2015 (Phase 4)	Series 2016 (Phase 5)	Series 2017 (Phase 6)	Series 2019 (Phase 7 8 Hatcher)	Series 2016 (Phase 5)	Series 2017 (Phase 6)	Series 2019 (Phase 7 8 Hatcher)	General Long Term Debt	(Memorandum Only)
<b>Assets</b>												
<b>Cash and Investments</b>												
General Fund - Invested Cash	\$ 760,122	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 760,122
<b>Debt Service Fund</b>												
Interest Account	-	-	-	-	-	-	-	-	-	-	-	-
Sinking Account	-	-	-	-	-	-	-	-	-	-	-	-
Reserve Account	-	539,000	246,188	161,930	174,589	118,375	289,387	-	-	-	-	1,529,468
Revenue	-	486,644	258,668	184,905	292,068	186,276	431,477	-	-	-	-	1,840,039
Prepayment Account	-	-	0	-	-	-	-	-	-	-	-	0
General Redemption Account	-	-	-	2,470	-	-	-	-	-	-	-	2,470
Retainage Account	-	-	-	-	-	-	1,035,074	-	-	-	-	1,035,074
Construction	-	-	-	-	-	-	-	16,105	10,369	1,425	-	27,899
Cost of Issuance	-	-	-	-	-	-	-	-	-	31,199	-	31,199
<b>Due from Other Funds</b>												
General Fund	-	46,118	21,875	18,484	29,933	20,249	49,485	-	-	-	-	186,144
Debt Service Fund(s)	-	-	-	-	-	-	-	-	-	-	-	-
Capital Projects Fund(s)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Market Valuation Adjustments</b>												
Accrued Interest Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Assessments Receivable/Deposits	-	-	-	-	-	-	-	-	-	-	-	-
Amount Available in Debt Service Funds	-	-	-	-	-	-	-	-	-	-	4,268,294	4,268,294
Amount to be Provided by Debt Service Funds	-	-	-	-	-	-	-	-	-	-	17,386,706	17,386,706
Investment in General Fixed Assets (net of depreciation)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 760,122</b>	<b>\$ 1,071,762</b>	<b>\$ 526,730</b>	<b>\$ 367,789</b>	<b>\$ 496,589</b>	<b>\$ 324,901</b>	<b>\$ 1,805,423</b>	<b>\$ 16,105</b>	<b>\$ 10,369</b>	<b>\$ 32,624</b>	<b>\$ 21,655,000</b>	<b>\$ 27,067,415</b>

**Flowway Community Development District  
Balance Sheet  
for the Period Ending January 31, 2020**

	Governmental Funds		Debt Service Funds					Capital Projects Fund			Account Groups		Totals (Memorandum Only)
	General Fund	Series 2013	Series 2015 (Phase 3)	Series 2015 (Phase 4)	Series 2016 (Phase 5)	Series 2017 (Phase 6)	Series 2019 (Phase 7 8 Hatcher)	Series 2016 (Phase 5)	Series 2017 (Phase 6)	Series 2019 (Phase 7 8 Hatcher)	General Long Term Debt		
<b>Liabilities</b>													
<b>Accounts Payable &amp; Payroll Liabilities</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Due to Other Funds</b>													
General Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Fund(s)	186,144	-	-	-	-	-	-	-	-	-	-	-	186,144
Capital Projects Fund(s)	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Bonds Payable</b>													
Current Portion	-	-	-	-	-	-	-	-	-	-	-	(395,000)	(395,000)
Long Term	-	-	-	-	-	-	-	-	-	-	-	22,050,000	22,050,000
Unamortized Prem/Disc on Bds Pybl	-	-	-	-	-	-	-	-	-	176,123	(30,916)	-	145,207
<b>Total Liabilities</b>	<u>\$ 186,144</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 176,123</u>	<u>\$ (30,916)</u>	<u>\$ 21,655,000</u>	<u>\$ 21,986,351</u>
<b>Fund Equity and Other Credits</b>													
<b>Investment in General Fixed Assets</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Fund Balance</b>													
<b>Restricted</b>													
Beginning: October 1, 2018 (Unaudited)	-	934,631	466,536	318,860	420,515	324,901	1,421,578	14,378	(166,922)	62,355	-	-	3,796,833
Results from Current Operations	-	137,131	60,194	48,929	76,074	-	383,845	1,727	1,169	1,185	-	-	710,253
<b>Unassigned</b>													
Beginning: October 1, 2018 (Unaudited)	196,047	-	-	-	-	-	-	-	-	-	-	-	196,047
Results from Current Operations	377,931	-	-	-	-	-	-	-	-	-	-	-	377,931
<b>Total Fund Equity and Other Credits</b>	<u>\$ 573,978</u>	<u>\$ 1,071,762</u>	<u>\$ 526,730</u>	<u>\$ 367,789</u>	<u>\$ 496,589</u>	<u>\$ 324,901</u>	<u>\$ 1,805,423</u>	<u>\$ 16,105</u>	<u>\$ (165,754)</u>	<u>\$ 63,540</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,081,064</u>
<b>Total Liabilities, Fund Equity and Other Credits</b>	<u>\$ 760,122</u>	<u>\$ 1,071,762</u>	<u>\$ 526,730</u>	<u>\$ 367,789</u>	<u>\$ 496,589</u>	<u>\$ 324,901</u>	<u>\$ 1,805,423</u>	<u>\$ 16,105</u>	<u>\$ 10,369</u>	<u>\$ 32,624</u>	<u>\$ 21,655,000</u>	<u>\$ -</u>	<u>\$ 27,067,415</u>

**Flowway Community Development District  
General Fund  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Through January 31, 2020**

Description	October	November	December	January	Year to Date	Total Annual Budget	% of Budget
<b>Revenue and Other Sources</b>							
Carryforward	\$ -	\$ -	\$ -	\$ -	-		
<b>Interest</b>							
Interest - General Checking	-	-	-	-	-	-	N/A
<b>Special Assessment Revenue</b>							
Special Assessments - On-Roll	1,190	143,612	263,374	46,072	454,249	538,391	84%
Special Assessments - Off-Roll	-	-	-	-	-	-	N/A
Contributions Private Sources	-	-	-	-	-	-	N/A
Intragovernmental Transfer In	-	-	-	-	-	-	N/A
<b>Total Revenue and Other Sources:</b>	<b>\$ 1,190</b>	<b>\$ 143,612</b>	<b>\$ 263,374</b>	<b>\$ 46,072</b>	<b>454,249</b>	<b>\$ 538,391</b>	<b>84%</b>
<b>Expenditures and Other Uses</b>							
<b>Legislative</b>							
Board of Supervisor's Fees	-	-	-	-	-	2,400	0%
<b>Executive</b>							
Professional Management	3,333	3,333	3,333	3,333	13,333	40,000	33%
<b>Financial and Administrative</b>							
Audit Services	-	-	-	-	-	4,400	0%
Accounting Services	1,000	1,000	1,000	1,000	4,000	16,000	25%
Assessment Roll Services	667	-	667	667	2,000	16,000	13%
Arbitrage Rebate Services	-	-	-	500	500	3,000	17%
<b>Other Contractual Services</b>							
Recording and Transcription	-	-	-	-	-	-	N/A
Legal Advertising	-	672	-	-	672	7,500	9%
Trustee Services	-	-	3,450	8,036	11,485.63	21,400	54%
Dissemination Agent Services	5,500	667	-	-	6,167	17,000	36%
Property Appraiser Fees	-	15,610	-	-	15,610	4,000	390%

**Flowway Community Development District  
General Fund  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Through January 31, 2020**

Description	October	November	December	January	Year to Date	Total Annual Budget	% of Budget
Bank Services	-	2	-	-	2	400	0%
<b>Travel and Per Diem</b>	-	-	-	-	-	-	N/A
<b>Communications &amp; Freight Services</b>							
Postage, Freight & Messenger	46	-	233	61	340	600	57%
<b>Rentals &amp; Leases</b>							
Meeting Room Rental	-	-	-	-	-	-	N/A
<b>Computer Services - Website Development</b>	50	50	50	50	200	3,000	7%
<b>Insurance</b>	-	6,193	-	-	6,193	6,100	102%
<b>Printing &amp; Binding</b>	73	-	-	-	73	750	10%
<b>Office Supplies</b>	-	-	-	-	-	-	N/A
<b>Subscription &amp; Memberships</b>	175	-	-	-	175	175	100%
<b>Legal Services</b>							
Legal - General Counsel	-	-	228	780	1,008	10,000	10%
Legal - Series 2013 Bonds	-	-	-	-	-	-	N/A
Boundary Expansion	-	-	-	-	-	-	N/A
Legal - Series 2016(Phase 5)	-	-	-	-	-	-	N/A
Legal - Series 2017(Phase 6)	-	-	-	-	-	-	N/A
Requisitions	-	-	-	-	-	-	N/A
Special Counsel - Preserves	-	-	-	-	-	-	N/A
<b>Other General Government Services</b>							
Engineering Services - General Fund	-	-	-	-	-	2,000	0%
Environmental Preserves - Engineering	-	-	-	-	-	-	N/A
Task 1 - Bid Documents	-	-	-	-	-	-	N/A
Task 2 - Monthly site visits	-	-	-	-	-	13,350	0%
Task 3 - Reporting to Regulatory Agencies	-	-	-	-	-	8,000	0%
Task 4 - Fish Sampling to US Fish & Wildlife	-	-	-	-	-	10,350	0%
Task 5 - Attendance at Board Meeting	-	-	-	-	-	-	N/A
Clearing Downed Trees/Cleanup	-	-	-	-	-	1,000	0%

**Flowway Community Development District  
General Fund  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Through January 31, 2020**

Description	October	November	December	January	Year to Date	Total Annual Budget	% of Budget
Code Enforcement for Incursion into Preserve	-	-	-	-	-	2,000	0%
Contingencies	-	-	-	-	-	3,000	0%
Capital Outlay	-	-	-	-	-	-	N/A
<b>Stormwater Management Services</b>							
Environmental Engineering-Mitigation Area	-	-	-	-	-	-	N/A
<b>Preserve Area Maintenance</b>							
Wading Bird Foraging Areas	-	-	-	-	-	1,523	0%
Internal Preserves	-	-	-	-	-	6,598	0%
Western Preserve	-	-	-	-	-	33,215	0%
Northern Preserve Area 1	-	-	14,560	-	14,560	64,560	23%
Northern Preserve Area 2	-	-	-	-	-	113,120	0%
Clearing Downed Trees/Cleanup	-	-	-	-	-	5,000	0%
Code Enforcement for Incursion into Preserve	-	-	-	-	-	2,500	0%
<b>Reserves for Future Operations</b>							
Future Operations/Restorations	-	-	-	-	-	119,450	0%
<b>Intragovernmental Transfer Out</b>							
	-	-	-	-	-	-	N/A
<b>Sub-Total:</b>	<b>10,844</b>	<b>27,527</b>	<b>23,520</b>	<b>14,427</b>	<b>76,318</b>	<b>538,391</b>	<b>14%</b>
<b>Total Expenditures and Other Uses:</b>	<b>\$ 10,844</b>	<b>\$ 27,527</b>	<b>\$ 23,520</b>	<b>\$ 14,427</b>	<b>\$ 76,318</b>	<b>\$ 538,391</b>	<b>14%</b>
Net Increase/ (Decrease) in Fund Balance	(9,654)	116,086	239,854	31,645	377,931	-	
Fund Balance - Beginning	196,047	186,394	302,479	542,334	196,047	-	
<b>Fund Balance - Ending</b>	<b>\$ 186,394</b>	<b>\$ 302,479</b>	<b>\$ 542,334</b>	<b>\$ 573,978</b>	<b>573,978</b>	<b>\$ -</b>	

**Flowway Community Development District**  
**Debt Service Fund - Series 2013**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Through January 31, 2020**

Description	October	November	December	January	Year to Date	Total Annual Budget	% of Budget
<b>Revenue and Other Sources</b>							
Carryforward	\$ -	\$ -	\$ -	\$ -	-	\$ -	N/A
<b>Interest Income</b>							
Interest Account	-	6	-	-	6	8	73%
Sinking Fund	-	3	-	-	3	-	N/A
Reserve Account	83	4,940	67	69	5,158	1,600	322%
Prepayment Account	-	-	-	-	-	-	N/A
Revenue Account	413	376	64	215	1,069	975	110%
<b>Special Assessment Revenue</b>							
Special Assessments - On-Roll	1,192	143,758	263,640	46,118	454,707	539,344	84%
Special Assessments - Off-Roll	-	-	-	-	-	-	N/A
Intragovernmental Transfer In	-	-	-	-	-	-	N/A
<b>Total Revenue and Other Sources:</b>	<b>\$ 1,687</b>	<b>\$ 149,083</b>	<b>\$ 263,771</b>	<b>\$ 46,402</b>	<b>460,943</b>	<b>\$ 541,927</b>	<b>N/A</b>
<b>Expenditures and Other Uses</b>							
<b>Debt Service</b>							
<b>Principal Debt Service - Mandatory</b>							
Series 2013 Bonds	\$ -	\$ 110,000	\$ -	\$ -	110,000	\$ 110,000	100%
<b>Principal Debt Service - Early Redemptions</b>							
Series 2013 Bonds	-	-	-	-	-	-	N/A
<b>Interest Expense</b>							
Series 2013 Bonds	-	213,813	-	-	213,813	424,325	50%
Operating Transfers Out (To Other Funds)	-	-	-	-	-	-	N/A
<b>Total Expenditures and Other Uses:</b>	<b>\$ -</b>	<b>\$ 323,813</b>	<b>\$ -</b>	<b>\$ -</b>	<b>323,813</b>	<b>\$ 534,325</b>	<b>N/A</b>
Net Increase/ (Decrease) in Fund Balance	1,687	(174,730)	263,771	46,402	137,131	7,602	
Fund Balance - Beginning	934,631	936,319	761,589	1,025,360	934,631		
<b>Fund Balance - Ending</b>	<b>\$ 936,319</b>	<b>\$ 761,589</b>	<b>\$ 1,025,360</b>	<b>\$ 1,071,762</b>	<b>1,071,762</b>	<b>\$ 7,602</b>	

**Flowway Community Development District**  
**Debt Service Fund - Series 2015 (Phase 3)**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Through January 31, 2020**

Description	October	November	December	January	Year to Date	Total Annual Budget	% of Budget
<b>Revenue and Other Sources</b>							
Carryforward	\$ -	\$ -	\$ -	\$ -	-	\$ -	N/A
<b>Interest Income</b>							
Interest Account	-	2	-	-	2	-	N/A
Sinking Fund	-	2	-	-	2	-	N/A
Reserve Account	38	2,256	31	31	2,356	550	428%
Prepayment Account	-	-	-	-	-	-	N/A
Revenue Account	230	210	53	126	619	300	206%
<b>Special Assessment Revenue</b>							
Special Assessments - On-Roll	565	68,187	125,050	21,875	215,677	255,873	84%
Special Assessments - Off-Roll	-	-	-	-	-	-	N/A
Special Assessments - Prepayment	-	-	-	-	-	-	N/A
<b>Intragovernmental Transfers In</b>							
Debt Proceeds	-	-	-	-	-	-	N/A
<b>Total Revenue and Other Sources:</b>	<b>\$ 833</b>	<b>\$ 70,658</b>	<b>\$ 125,134</b>	<b>\$ 22,032</b>	<b>218,657</b>	<b>\$ 256,723</b>	<b>N/A</b>
<b>Expenditures and Other Uses</b>							
<b>Debt Service</b>							
<b>Principal Debt Service - Mandatory</b>							
Series 2015 Bonds (Phase 3)	\$ -	\$ 70,000	\$ -	\$ -	70,000	\$ 70,000	100%
<b>Principal Debt Service - Early Redemptions</b>							
Series 2015 Bonds (Phase 3)	-	-	-	-	-	-	N/A
<b>Interest Expense</b>							
Series 2015 Bonds (Phase 3)	-	88,463	-	-	88,463	175,438	50%
<b>Operating Transfers Out (To Other Funds)</b>							
<b>Total Expenditures and Other Uses:</b>	<b>\$ -</b>	<b>\$ 158,463</b>	<b>\$ -</b>	<b>\$ -</b>	<b>158,463</b>	<b>\$ 245,438</b>	<b>N/A</b>
Net Increase/ (Decrease) in Fund Balance	833	(87,804)	125,134	22,032	60,194	11,285	
Fund Balance - Beginning	466,536	467,369	379,565	504,699	466,536	-	
<b>Fund Balance - Ending</b>	<b>\$ 467,369</b>	<b>\$ 379,565</b>	<b>\$ 504,699</b>	<b>\$ 526,730</b>	<b>526,730</b>	<b>\$ 11,285</b>	



**Flowway Community Development District**  
**Debt Service Fund - Series 2015 (Phase 4)**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Through January 31, 2020**

Description	October	November	December	January	Year to Date	Total Annual Budget	% of Budget
<b>Revenue and Other Sources</b>							
Carryforward	\$ -	\$ -	\$ -	\$ -	-	\$ -	N/A
<b>Interest Income</b>							
Interest Account	-	2	-	-	2	-	N/A
Sinking Fund	-	2	-	-	2	-	N/A
Reserve Account	25	1,484	20	21	1,549	500	310%
Prepayment Account	-	-	-	-	-	-	N/A
Revenue Account	161	147	18	78	403	400	101%
General Redemption Account	0	0	0	0	1	-	N/A
<b>Special Assessment Revenue</b>							
Special Assessments - On-Roll	478	57,619	105,668	18,484	182,249	216,250	84%
Special Assessments - Off-Roll	-	-	-	-	-	-	N/A
<b>Operating Transfers In (To Other Funds)</b>							
Debt Proceeds	-	-	-	-	-	-	N/A
<b>Total Revenue and Other Sources:</b>	<b>\$ 664</b>	<b>\$ 59,254</b>	<b>\$ 105,706</b>	<b>\$ 18,583</b>	<b>184,207</b>	<b>\$ 217,150</b>	<b>N/A</b>
<b>Expenditures and Other Uses</b>							
<b>Debt Service</b>							
<b>Principal Debt Service - Mandatory</b>							
Series 2015 Bonds (Phase 4)	\$ -	\$ 55,000	\$ -	\$ -	55,000	\$ 55,000	100%
<b>Principal Debt Service - Early Redemptions</b>							
Series 2015 Bonds (Phase 4)	-	-	-	-	-	-	N/A
<b>Interest Expense</b>							
Series 2015 Bonds (Phase 4)	-	80,278	-	-	80,278	159,456	50%
<b>Operating Transfers Out (To Other Funds)</b>							
<b>Total Expenditures and Other Uses:</b>	<b>\$ -</b>	<b>\$ 135,278</b>	<b>\$ -</b>	<b>\$ 0.00</b>	<b>135,278</b>	<b>\$ 214,456</b>	<b>N/A</b>
Net Increase/ (Decrease) in Fund Balance	664	(76,024)	105,706	18,583	48,929	2,694	
Fund Balance - Beginning	318,860	319,525	243,500	349,206	318,860		
<b>Fund Balance - Ending</b>	<b>\$ 319,525</b>	<b>\$ 243,500</b>	<b>\$ 349,206</b>	<b>\$ 367,789</b>	<b>367,789</b>	<b>\$ 2,694</b>	

**Flowway Community Development District**  
**Debt Service Fund - Series 2016 (Phase 5)**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Through January 31, 2020**

Description	October	November	December	January	Year to Date	Total Annual Budget	% of Budget
<b>Revenue and Other Sources</b>							
<b>Carryforward</b>	\$ -	\$ -	\$ -	\$ -	-	\$ -	N/A
<b>Interest Income</b>							
Interest Account	-	3	-	-	3	2	171%
Sinking Fund	-	3	-	-	3	-	N/A
Reserve Account	27	1,600	22	22	1,671	345	484%
Prepayment Account	-	-	-	-	-	-	N/A
Revenue Account	257	233	22	120	632	220	287%
<b>Special Assessment Revenue</b>							
Special Assessments - On-Roll	773	93,305	171,114	29,933	295,125	350,060	84%
Special Assessments - Off-Roll	-	-	-	-	-	-	N/A
<b>Debt Proceeds</b>							
Operating Transfers In (To Other Funds)	-	-	-	-	-	-	N/A
<b>Total Revenue and Other Sources:</b>	<b>\$ 1,057</b>	<b>\$ 95,145</b>	<b>\$ 171,158</b>	<b>\$ 30,074</b>	<b>297,434</b>	<b>\$ 350,627</b>	<b>N/A</b>
<b>Expenditures and Other Uses</b>							
<b>Debt Service</b>							
<b>Principal Debt Service - Mandatory</b>							
Series 2016 Bonds (Phase 5)	\$ -	\$ 95,000	\$ -	\$ -	95,000	\$ 95,000	100%
<b>Principal Debt Service - Early Redemptions</b>							
Series 2016 Bonds (Phase 5)	-	-	-	-	-	-	N/A
<b>Interest Expense</b>							
Series 2016 Bonds (Phase 5)	-	124,689	-	-	124,689	247,763	50%
Operating Transfers Out (To Other Funds)	27	1,600	22	22	1,671	-	N/A
<b>Total Expenditures and Other Uses:</b>	<b>\$ 27</b>	<b>\$ 221,289</b>	<b>\$ 22</b>	<b>\$ 22</b>	<b>221,360</b>	<b>\$ 342,763</b>	<b>N/A</b>
Net Increase/ (Decrease) in Fund Balance	1,030	(126,144)	171,136	30,052	76,074	7,864	
Fund Balance - Beginning	420,515	421,545	295,401	466,537	420,515		
<b>Fund Balance - Ending</b>	<b>\$ 421,545</b>	<b>\$ 295,401</b>	<b>\$ 466,537</b>	<b>\$ 496,589</b>	<b>496,589</b>	<b>\$ 7,864</b>	

**Flowway Community Development District**  
**Debt Service Fund - Series 2017 (Phase 6)**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Through January 31, 2020**

Description	October	November	December	January	Year to Date	Total Annual Budget	% of Budget
<b>Revenue and Other Sources</b>							
Carryforward	\$ -	\$ -	\$ -	\$ -	-	\$ -	N/A
<b>Interest Income</b>							
Interest Account	-	2	-	-	2	-	N/A
Sinking Fund	-	2	-	-	2	-	N/A
Reserve Account	18	1,085	15	15	1,133	-	N/A
Prepayment Account	-	-	-	-	-	-	N/A
Revenue Account	163	148	6	71	389	-	N/A
<b>Special Assessment Revenue</b>							
Special Assessments - On-Roll	523	63,120	115,757	20,249	199,650	236,750	84%
Special Assessments - Off-Roll	-	-	-	-	-	-	N/A
<b>Debt Proceeds</b>							
Operating Transfers In (To Other Funds)	-	-	-	-	-	-	N/A
<b>Total Revenue and Other Sources:</b>	<b>\$ 705</b>	<b>\$ 64,357</b>	<b>\$ 115,778</b>	<b>\$ 20,336</b>	<b>201,175</b>	<b>\$ 236,750</b>	<b>N/A</b>
<b>Expenditures and Other Uses</b>							
<b>Debt Service</b>							
<b>Principal Debt Service - Mandatory</b>							
Series 2017 Bonds (Phase 6)	\$ -	\$ 65,000	\$ -	\$ -	65,000	\$ 65,000	100%
<b>Principal Debt Service - Early Redemptions</b>							
Series 2017 Bonds (Phase 6)	-	-	-	-	-	-	N/A
<b>Interest Expense</b>							
Series 2017 Bonds (Phase 6)	-	84,988	-	-	84,988	168,838	50%
<b>Debt Service-Other Costs</b>							
Operating Transfers Out (To Other Funds)	18	1,085	15	15	1,133	-	N/A
<b>Total Expenditures and Other Uses:</b>	<b>\$ 18</b>	<b>\$ 151,072</b>	<b>\$ 15</b>	<b>\$ 15</b>	<b>151,120</b>	<b>\$ 233,838</b>	<b>N/A</b>
Net Increase/ (Decrease) in Fund Balance	687	(86,715)	115,763	20,320	50,055	2,912	
Fund Balance - Beginning	274,845	275,532	188,817	304,580	274,845		
<b>Fund Balance - Ending</b>	<b>\$ 275,532</b>	<b>\$ 188,817</b>	<b>\$ 304,580</b>	<b>\$ 324,901</b>	<b>324,901</b>	<b>\$ 2,912</b>	

**Flowway Community Development District**  
**Debt Service Fund - Series 2019 (Phase 7, Phase 8 and Hatcher)**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Through January 31, 2020**

Description	October	November	December	January	Year to Date	Total Annual Budget	% of Budget
<b>Revenue and Other Sources</b>							
Carryforward - Capitalized Interest	\$ -	\$ -	\$ -	\$ -	-	\$ 100,801	0%
<b>Interest Income</b>							
Interest Account	105	98	-	-	203	-	N/A
Sinking Account	-	-	-	-	-	-	N/A
Reserve Account	302	281	238	246	1,067	-	N/A
Prepayment Account	-	-	-	-	-	-	N/A
Revenue Account	0	0	0	155	155	-	N/A
Retainage Account	1,076	1,004	849	878	3,808	-	N/A
<b>Special Assessment Revenue</b>							
Special Assessments - On-Roll	-	148,107	282,888	49,485	480,480	578,774	83%
Special Assessments - Off-Roll	-	-	-	-	-	-	N/A
<b>Debt Proceeds</b>							
Operating Transfers In (To Other Funds)	-	-	-	-	-	-	N/A
<b>Total Revenue and Other Sources:</b>	<b>\$ 1,484</b>	<b>\$ 149,490</b>	<b>\$ 283,976</b>	<b>\$ 50,764</b>	<b>485,714</b>	<b>\$ 679,575</b>	<b>N/A</b>
<b>Expenditures and Other Uses</b>							
<b>Debt Service</b>							
<b>Principal Debt Service - Mandatory</b>							
Series 2019 Bonds (Phase 7,8,Hatcher)	\$ -	\$ -	\$ -	\$ -	-	\$ 65,000	0%
<b>Principal Debt Service - Early Redemptions</b>							
Series 2019 Bonds (Phase 7,8,Hatcher)	-	-	-	-	-	-	N/A
<b>Interest Expense</b>							
Series 2019 Bonds (Phase 7,8,Hatcher)	-	100,801	-	-	100,801	300,188	34%
<b>Debt Service-Other Costs</b>							
Operating Transfers Out (To Other Funds)	302	281	238	246	1,067	-	N/A
<b>Total Expenditures and Other Uses:</b>	<b>\$ 302</b>	<b>\$ 101,083</b>	<b>\$ 238</b>	<b>\$ 246</b>	<b>101,868</b>	<b>\$ 365,188</b>	<b>N/A</b>
Net Increase/ (Decrease) in Fund Balance	1,182	48,408	283,738	50,518	383,845	314,387	
Fund Balance - Beginning	1,421,578	1,422,759	1,471,167	1,754,905	1,421,578		
<b>Fund Balance - Ending</b>	<b>\$ 1,422,759</b>	<b>\$ 1,471,167</b>	<b>\$ 1,754,905</b>	<b>\$ 1,805,423</b>	<b>1,805,423</b>	<b>\$ 314,387</b>	

**Flowway Community Development District  
Capital Project Fund - Series 2016 (Phase 5)  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Through January 31, 2020**

Description	October	November	December	January	Year to Date	Total Annual Budget
<b>Revenue and Other Sources</b>						
Carryforward	\$ -	\$ -	\$ -	\$ -	-	\$ -
<b>Interest Income</b>						
Construction Account	15	14	13	14	56	-
Cost of Issuance	-	-	-	-	-	-
<b>Debt Proceeds</b>						
Operating Transfers In (From Other Funds)	27	1,600	22	22	1,671	-
<b>Total Revenue and Other Sources:</b>	<b>\$ 42</b>	<b>\$ 1,614</b>	<b>\$ 35</b>	<b>\$ 36</b>	<b>\$ 1,727</b>	<b>\$ -</b>
<b>Expenditures and Other Uses</b>						
<b>Executive</b>						
Professional Management	-	-	-	-	\$ -	\$ -
<b>Other Contractual Services</b>						
Trustee Services	-	-	-	-	\$ -	\$ -
<b>Printing &amp; Binding</b>						
	-	-	-	-	\$ -	\$ -
<b>Legal Services</b>						
Legal - Series 2016 Bonds (Phase 5)	-	-	-	-	\$ -	\$ -
<b>Other General Government Services</b>						
Stormwater Mgmt-Construction	-	-	-	-	\$ -	\$ -
<b>Capital Outlay</b>						
<b>Construction in Progress</b>						
<b>Cost of Issuance</b>						
Series 2016 Bonds (Phase 5)	-	-	-	-	-	\$ -
<b>Underwriter's Discount</b>						
	-	-	-	-	\$ -	\$ -
Operating Transfers Out (To Other Funds)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Expenditures and Other Uses:</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Net Increase/ (Decrease) in Fund Balance	42	1,614	\$ 35	\$ 36	\$ 1,727	-
Fund Balance - Beginning	14,378	14,420	\$ 16,034	\$ 16,069	14,378	-
<b>Fund Balance - Ending</b>	<b>\$ 14,420</b>	<b>\$ 16,034</b>	<b>\$ 16,069</b>	<b>\$ 16,105</b>	<b>\$ 16,105</b>	<b>\$ -</b>

Prepared by:

**JPWARD and Associates, LLC**

**Flowway Community Development District  
Capital Project Fund - Series 2017 (Phase 6)  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Through January 31, 2020**

Description	October	November	December	January	Year to Date	Total Annual Budget
<b>Revenue and Other Sources</b>						
Carryforward	\$ -	\$ -	\$ -	\$ -	-	\$ -
<b>Interest Income</b>						
Construction Account	10	9	8	9	36	-
Cost of Issuance	-	-	-	-	-	-
<b>Debt Proceeds</b>						
		-	-	-	-	-
<b>Operating Transfers In (From Other Funds)</b>	18	1,085	15	15	1,133	-
<b>Total Revenue and Other Sources:</b>	<b>\$ 28</b>	<b>\$ 1,094</b>	<b>\$ 23</b>	<b>\$ 24</b>	<b>\$ 1,169</b>	<b>\$ -</b>
<b>Expenditures and Other Uses</b>						
<b>Executive</b>						
Professional Management	-	-	-	-	\$ -	\$ -
<b>Other Contractual Services</b>						
Trustee Services	-	-	-	-	\$ -	\$ -
<b>Printing &amp; Binding</b>						
	-	-	-	-	\$ -	\$ -
<b>Legal Services</b>						
Legal - Series 2016 Bonds (Phase 5)	-	-	-	-	\$ -	-
<b>Capital Outlay</b>						
Water-Sewer Combination-Construction	-	-	-	-	\$ -	\$ -
Stormwater Mgmt-Construction	-	-	-	-	\$ -	\$ -
Off-Site Improvements-CR 951 Extension	-	-	-	-	\$ -	\$ -
<b>Construction in Progress</b>						
	-	-	-	-	\$ -	-
<b>Cost of Issuance</b>						
Series 2017 Bonds (Phase 6)	-	-	-	-	-	\$ -
<b>Underwriter's Discount</b>						
	-	-	-	-	\$ -	-
<b>Operating Transfers Out (To Other Funds)</b>	\$ -	\$ -	\$ -	\$ -	\$ -	-
<b>Total Expenditures and Other Uses:</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Net Increase/ (Decrease) in Fund Balance	28	1,094	\$ 23	\$ 24	\$ 1,169	-
Fund Balance - Beginning	(166,922)	(166,894)	\$ (165,800)	\$ (165,777)	(166,922)	-
<b>Fund Balance - Ending</b>	<b>\$ (166,894)</b>	<b>\$ (165,800)</b>	<b>\$ (165,777)</b>	<b>\$ (165,754)</b>	<b>\$ (165,754)</b>	<b>\$ -</b>

Prepared by:

**JPWARD and Associates, LLC**

**Flowway Community Development District**  
**Capital Project Fund - Series 2019 (Phase 7, Phase 8 and Hatcher)**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Through January 31, 2020**

Description	October	November	December	January	Year to Date	Total Annual Budget
<b>Revenue and Other Sources</b>						
Carryforward	\$ -	\$ -	\$ -	\$ -	-	\$ -
<b>Interest Income</b>						
Construction Account	0	1	1	1	3	-
Cost of Issuance	32	30	26	26	115	-
<b>Debt Proceeds</b>						
<b>Contributions from Private Sources</b>						
Operating Transfers In (From Other Funds)	302	281	238	246	1,067	-
<b>Total Revenue and Other Sources:</b>	<b>\$ 335</b>	<b>\$ 312</b>	<b>\$ 264</b>	<b>\$ 273</b>	<b>\$ 1,185</b>	<b>\$ -</b>
<b>Expenditures and Other Uses</b>						
<b>Executive</b>						
Professional Management	-	-	-	-	\$ -	\$ -
<b>Other Contractual Services</b>						
Trustee Services	-	-	-	-	\$ -	\$ -
<b>Printing &amp; Binding</b>						
<b>Legal Services</b>						
Legal - Series 2019 Bonds (Ph 7, Ph 8 & Hatcher)	-	-	-	-	\$ -	-
<b>Capital Outlay</b>						
Water-Sewer Combination-Construction	-	-	-	-	\$ -	\$ -
Stormwater Mgmt-Construction	-	-	-	-	\$ -	\$ -
Off-Site Improvements-CR 951 Extension	-	-	-	-	\$ -	\$ -
<b>Construction in Progress</b>						
<b>Cost of Issuance</b>						
Series 2016 Bonds (Phase 5)	-	-	-	-	-	\$ -
<b>Underwriter's Discount</b>						
Operating Transfers Out (To Other Funds)	\$ -	\$ -	\$ -	\$ -	\$ -	-
<b>Total Expenditures and Other Uses:</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Net Increase/ (Decrease) in Fund Balance	\$ 335	\$ 312	\$ 264	\$ 273	\$ 1,185	-
Fund Balance - Beginning	62,355	62,690	63,002	63,267	62,355	-
<b>Fund Balance - Ending</b>	<b>\$ 62,690</b>	<b>\$ 63,002</b>	<b>\$ 63,267</b>	<b>\$ 63,540</b>	<b>\$ 63,540</b>	<b>\$ -</b>

Prepared by:

**JPWARD and Associates, LLC**

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*Flow Way Community Development District*

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*Financial Statements*

*February 29, 2020*



*Prepared by:*

***JPWARD AND ASSOCIATES LLC***

*2900 NE 12th TERRACE*

*Suite 1*

*OAKLAND PARK, FLORIDA 33334*



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*Flow Way Community Development District*

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*JPWard & Associates, LLC*  
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**Flowway Community Development District  
Balance Sheet  
for the Period Ending February 29, 2020**

	Governmental Funds		Debt Service Funds					Capital Projects Fund			Account Groups	Totals
	General Fund	Series 2013	Series 2015 (Phase 3)	Series 2015 (Phase 4)	Series 2016 (Phase 5)	Series 2017 (Phase 6)	Series 2019 (Phase 7 8 Hatcher)	Series 2016 (Phase 5)	Series 2017 (Phase 6)	Series 2019 (Phase 7 8 Hatcher)	General Long Term Debt	(Memorandum Only)
<b>Assets</b>												
<b>Cash and Investments</b>												
General Fund - Invested Cash	\$ 951,506	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 951,506
<b>Debt Service Fund</b>												
Interest Account	-	-	-	-	-	-	-	-	-	-	-	-
Sinking Account	-	-	-	-	-	-	-	-	-	-	-	-
Reserve Account	-	539,000	246,188	161,930	174,589	118,375	289,387	-	-	-	-	1,529,468
Revenue	-	533,239	280,791	203,565	322,245	206,682	481,324	-	-	-	-	2,027,845
Prepayment Account	-	-	0	-	-	-	-	-	-	-	-	0
General Redemption Account	-	-	-	2,471	-	-	-	-	-	-	-	2,471
Construction	-	-	-	-	-	-	-	16,140	10,393	32,897	-	59,431
Cost of Issuance	-	-	-	-	-	-	-	-	-	-	-	-
Retainage Account	-	-	-	-	-	-	-	-	-	1,035,950	-	1,035,950
<b>Due from Other Funds</b>												
General Fund	-	76,160	36,124	30,525	49,431	33,440	81,720	-	-	-	-	307,401
Debt Service Fund(s)	-	-	-	-	-	-	-	-	-	-	-	-
Capital Projects Fund(s)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Market Valuation Adjustments</b>												
Accrued Interest Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Assessments Receivable/Deposits	-	-	-	-	-	-	-	-	-	-	-	-
Amount Available in Debt Service Funds	-	-	-	-	-	-	-	-	-	-	3,508,688	3,508,688
Amount to be Provided by Debt Service Funds	-	-	-	-	-	-	-	-	-	-	18,146,312	18,146,312
Investment in General Fixed Assets (net of depreciation)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 951,506</b>	<b>\$ 1,148,399</b>	<b>\$ 563,103</b>	<b>\$ 398,491</b>	<b>\$ 546,265</b>	<b>\$ 358,496</b>	<b>\$ 852,431</b>	<b>\$ 16,140</b>	<b>\$ 10,393</b>	<b>\$ 1,068,847</b>	<b>\$ 21,655,000</b>	<b>\$ 27,569,071</b>

**Flowway Community Development District  
Balance Sheet  
for the Period Ending February 29, 2020**

	Governmental Funds		Debt Service Funds					Capital Projects Fund			Account Groups		Totals (Memorandum Only)
	General Fund	Series 2013	Series 2015 (Phase 3)	Series 2015 (Phase 4)	Series 2016 (Phase 5)	Series 2017 (Phase 6)	Series 2019 (Phase 7 8 Hatcher)	Series 2016 (Phase 5)	Series 2017 (Phase 6)	Series 2019 (Phase 7 8 Hatcher)	General Long Term Debt		
<b>Liabilities</b>													
<b>Accounts Payable &amp; Payroll Liabilities</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Due to Other Funds</b>													
General Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Fund(s)	307,401	-	-	-	-	-	-	-	-	-	-	-	307,401
Capital Projects Fund(s)													-
<b>Bonds Payable</b>													-
Current Portion	-	-	-	-	-	-	-	-	-	-	-	(395,000)	(395,000)
Long Term												22,050,000	22,050,000
Unamortized Prem/Disc on Bds Pybl	-	-	-	-	-	-	-	-	176,123	(30,916)			145,207
<b>Total Liabilities</b>	<b>\$ 307,401</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 176,123</b>	<b>\$ (30,916)</b>	<b>\$ 21,655,000</b>	<b>\$ 22,107,608</b>	
<b>Fund Equity and Other Credits</b>													
<b>Investment in General Fixed Assets</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Fund Balance</b>													
<b>Restricted</b>													
Beginning: October 1, 2019 (Unaudited)	-	934,631	466,536	318,860	420,515	358,496	390,312	14,378	(166,922)	1,093,621	-	-	3,830,428
Results from Current Operations	-	213,767	96,567	79,630	125,750	-	462,119	1,762	1,192	6,142	-	-	986,930
<b>Unassigned</b>													
Beginning: October 1, 2019 (Unaudited)	196,047	-	-	-	-	-	-	-	-	-	-	-	196,047
Results from Current Operations	448,058	-	-	-	-	-	-	-	-	-	-	-	448,058
<b>Total Fund Equity and Other Credits</b>	<b>\$ 644,105</b>	<b>\$ 1,148,399</b>	<b>\$ 563,103</b>	<b>\$ 398,491</b>	<b>\$ 546,265</b>	<b>\$ 358,496</b>	<b>\$ 852,431</b>	<b>\$ 16,140</b>	<b>\$ (165,730)</b>	<b>\$ 1,099,763</b>	<b>\$ -</b>	<b>\$ 5,461,463</b>	
<b>Total Liabilities, Fund Equity and Other Credits</b>	<b>\$ 951,506</b>	<b>\$ 1,148,399</b>	<b>\$ 563,103</b>	<b>\$ 398,491</b>	<b>\$ 546,265</b>	<b>\$ 358,496</b>	<b>\$ 852,431</b>	<b>\$ 16,140</b>	<b>\$ 10,393</b>	<b>\$ 1,068,847</b>	<b>\$ 21,655,000</b>	<b>\$ 27,569,071</b>	

**Flowway Community Development District  
General Fund  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Through February 29, 2020**

Description	October	November	December	January	February	Year to Date	Total Annual Budget	% of Budget
<b>Revenue and Other Sources</b>								
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	-		
<b>Interest</b>								
Interest - General Checking	-	-	-	-	-	-	-	N/A
<b>Special Assessment Revenue</b>								
Special Assessments - On-Roll	1,190	143,612	263,374	46,072	76,083	530,332	538,391	99%
Special Assessments - Off-Roll	-	-	-	-	-	-	-	N/A
<b>Contributions Private Sources</b>								
	-	-	-	-	-	-	-	N/A
<b>Intragovernmental Transfer In</b>								
	-	-	-	-	-	-	-	N/A
<b>Total Revenue and Other Sources:</b>	<b>\$ 1,190</b>	<b>\$ 143,612</b>	<b>\$ 263,374</b>	<b>\$ 46,072</b>	<b>\$ 76,083</b>	<b>530,332</b>	<b>\$ 538,391</b>	<b>99%</b>
<b>Expenditures and Other Uses</b>								
<b>Legislative</b>								
Board of Supervisor's Fees	-	-	-	-	-	-	2,400	0%
<b>Executive</b>								
Professional Management	3,333	3,333	3,333	3,333	3,333	16,667	40,000	42%
<b>Financial and Administrative</b>								
Audit Services	-	-	-	-	-	-	4,400	0%
Accounting Services	1,000	1,000	1,000	1,000	1,000	5,000	16,000	31%
Assessment Roll Services	667	-	667	667	667	2,667	16,000	17%
Arbitrage Rebate Services	-	-	-	500	500	1,000	3,000	33%
<b>Other Contractual Services</b>								
Recording and Transcription	-	-	-	-	-	-	-	N/A
Legal Advertising	-	672	-	-	-	672	7,500	9%
Trustee Services	-	-	3,450	8,036	-	11,485.63	21,400	54%
Dissemination Agent Services	5,500	667	-	-	-	6,167	17,000	36%
Property Appraiser Fees	-	15,610	-	-	-	15,610	4,000	390%

**Flowway Community Development District**  
**General Fund**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Through February 29, 2020**

Description	October	November	December	January	February	Year to Date	Total Annual Budget	% of Budget
Bank Services	-	2	-	-	-	2	400	0%
<b>Travel and Per Diem</b>	-	-	-	-	-	-	-	N/A
<b>Communications &amp; Freight Services</b>								
Postage, Freight & Messenger	46	-	233	61	-	340	600	57%
<b>Rentals &amp; Leases</b>								
Meeting Room Rental	-	-	-	-	-	-	-	N/A
<b>Computer Services - Website Development</b>	50	50	50	50	50	250	3,000	8%
<b>Insurance</b>	-	6,193	-	-	-	6,193	6,100	102%
<b>Printing &amp; Binding</b>	73	-	-	-	406	479	750	64%
<b>Office Supplies</b>	-	-	-	-	-	-	-	N/A
<b>Subscription &amp; Memberships</b>	175	-	-	-	-	175	175	100%
<b>Legal Services</b>								
Legal - General Counsel	-	-	228	780	-	1,008	10,000	10%
Legal - Series 2013 Bonds	-	-	-	-	-	-	-	N/A
Boundary Expansion	-	-	-	-	-	-	-	N/A
Legal - Series 2016(Phase 5)	-	-	-	-	-	-	-	N/A
Legal - Series 2017(Phase 6)	-	-	-	-	-	-	-	N/A
Requisitions	-	-	-	-	-	-	-	N/A
Special Counsel - Preserves	-	-	-	-	-	-	-	N/A
<b>Other General Government Services</b>								
Engineering Services - General Fund	-	-	-	-	-	-	2,000	0%
Environmental Preserves - Engineering	-	-	-	-	-	-	-	N/A
Task 1 - Bid Documents	-	-	-	-	-	-	-	N/A
Task 2 - Monthly site visits	-	-	-	-	-	-	13,350	0%
Task 3 - Reporting to Regulatory Agencies	-	-	-	-	-	-	8,000	0%
Task 4 - Fish Sampling to US Fish & Wildlife	-	-	-	-	-	-	10,350	0%
Task 5 - Attendance at Board Meeting	-	-	-	-	-	-	-	N/A
Clearing Downed Trees/Cleanup	-	-	-	-	-	-	1,000	0%

**Flowway Community Development District  
General Fund  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Through February 29, 2020**

Description	October	November	December	January	February	Year to Date	Total Annual Budget	% of Budget
Code Enforcement for Incursion into Preserve	-	-	-	-	-	-	2,000	0%
Contingencies	-	-	-	-	-	-	3,000	0%
Capital Outlay	-	-	-	-	-	-	-	N/A
<b>Stormwater Management Services</b>								
Environmental Engineering-Mitigation Area	-	-	-	-	-	-	-	N/A
<b>Preserve Area Maintenance</b>								
Wading Bird Foraging Areas	-	-	-	-	-	-	1,523	0%
Internal Preserves	-	-	-	-	-	-	6,598	0%
Western Preserve	-	-	-	-	-	-	33,215	0%
Northern Preserve Area 1	-	-	14,560	-	-	14,560	64,560	23%
Northern Preserve Area 2	-	-	-	-	-	-	113,120	0%
Clearing Downed Trees/Cleanup	-	-	-	-	-	-	5,000	0%
Code Enforcement for Incursion into Preserve	-	-	-	-	-	-	2,500	0%
<b>Reserves for Future Operations</b>								
Future Operations/Restorations	-	-	-	-	-	-	119,450	0%
<b>Intragovernmental Transfer Out</b>								
	-	-	-	-	-	-	-	N/A
<b>Sub-Total:</b>	<b>10,844</b>	<b>27,527</b>	<b>23,520</b>	<b>14,427</b>	<b>5,956</b>	<b>82,274</b>	<b>538,391</b>	<b>15%</b>
<b>Total Expenditures and Other Uses:</b>	<b>\$ 10,844</b>	<b>\$ 27,527</b>	<b>\$ 23,520</b>	<b>\$ 14,427</b>	<b>\$ 5,956</b>	<b>\$ 82,274</b>	<b>\$ 538,391</b>	<b>15%</b>
Net Increase/ (Decrease) in Fund Balance	(9,654)	116,086	239,854	31,645	70,127	448,058	-	
Fund Balance - Beginning	196,047	186,394	302,479	542,334	573,978	196,047	-	
<b>Fund Balance - Ending</b>	<b>\$ 186,394</b>	<b>\$ 302,479</b>	<b>\$ 542,334</b>	<b>\$ 573,978</b>	<b>\$ 644,105</b>	<b>644,105</b>	<b>\$ -</b>	

**Flowway Community Development District**  
**Debt Service Fund - Series 2013**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Through February 29, 2020**

Description	October	November	December	January	February	Year to Date	Total Annual Budget	% of Budget
<b>Revenue and Other Sources</b>								
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	N/A
<b>Interest Income</b>								
Interest Account	-	6	-	-	-	6	8	73%
Sinking Fund	-	3	-	-	-	3	-	N/A
Reserve Account	83	4,940	67	69	68	5,227	1,600	327%
Prepayment Account	-	-	-	-	-	-	-	N/A
Revenue Account	413	376	64	215	408	1,477	975	151%
<b>Special Assessment Revenue</b>								
Special Assessments - On-Roll	1,192	143,758	263,640	46,118	76,160	530,867	539,344	98%
Special Assessments - Off-Roll	-	-	-	-	-	-	-	N/A
Intragovernmental Transfer In	-	-	-	-	-	-	-	N/A
<b>Total Revenue and Other Sources:</b>	<b>\$ 1,687</b>	<b>\$ 149,083</b>	<b>\$ 263,771</b>	<b>\$ 46,402</b>	<b>\$ 76,637</b>	<b>537,580</b>	<b>\$ 541,927</b>	<b>N/A</b>
<b>Expenditures and Other Uses</b>								
<b>Debt Service</b>								
<b>Principal Debt Service - Mandatory</b>								
Series 2013 Bonds	\$ -	\$ 110,000	\$ -	\$ -	\$ -	110,000	\$ 110,000	100%
<b>Principal Debt Service - Early Redemptions</b>								
Series 2013 Bonds	-	-	-	-	-	-	-	N/A
<b>Interest Expense</b>								
Series 2013 Bonds	-	213,813	-	-	-	213,813	424,325	50%
Operating Transfers Out (To Other Funds)	-	-	-	-	-	-	-	N/A
<b>Total Expenditures and Other Uses:</b>	<b>\$ -</b>	<b>\$ 323,813</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>323,813</b>	<b>\$ 534,325</b>	<b>N/A</b>
Net Increase/ (Decrease) in Fund Balance	1,687	(174,730)	263,771	46,402	76,637	213,767	7,602	
Fund Balance - Beginning	934,631	936,319	761,589	1,025,360	1,071,762	934,631		
<b>Fund Balance - Ending</b>	<b>\$ 936,319</b>	<b>\$ 761,589</b>	<b>\$ 1,025,360</b>	<b>\$ 1,071,762</b>	<b>\$ 1,148,399</b>	<b>1,148,399</b>	<b>\$ 7,602</b>	

**Flowway Community Development District**  
**Debt Service Fund - Series 2015 (Phase 3)**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Through February 29, 2020**

Description	October	November	December	January	February	Year to Date	Total Annual Budget	% of Budget
<b>Revenue and Other Sources</b>								
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	N/A
<b>Interest Income</b>								
Interest Account	-	2	-	-	-	2	-	N/A
Sinking Fund	-	2	-	-	-	2	-	N/A
Reserve Account	38	2,256	31	31	31	2,387	550	434%
Prepayment Account	-	-	-	-	-	-	-	N/A
Revenue Account	230	210	53	126	217	836	300	279%
<b>Special Assessment Revenue</b>								
Special Assessments - On-Roll	565	68,187	125,050	21,875	36,124	251,801	255,873	98%
Special Assessments - Off-Roll	-	-	-	-	-	-	-	N/A
Special Assessments - Prepayment	-	-	-	-	-	-	-	N/A
<b>Intragovernmental Transfers In</b>								
Debt Proceeds	-	-	-	-	-	-	-	N/A
<b>Total Revenue and Other Sources:</b>	<b>\$ 833</b>	<b>\$ 70,658</b>	<b>\$ 125,134</b>	<b>\$ 22,032</b>	<b>\$ 36,373</b>	<b>255,029</b>	<b>\$ 256,723</b>	<b>N/A</b>
<b>Expenditures and Other Uses</b>								
<b>Debt Service</b>								
<b>Principal Debt Service - Mandatory</b>								
Series 2015 Bonds (Phase 3)	\$ -	\$ 70,000	\$ -	\$ -	\$ -	70,000	\$ 70,000	100%
<b>Principal Debt Service - Early Redemptions</b>								
Series 2015 Bonds (Phase 3)	-	-	-	-	-	-	-	N/A
<b>Interest Expense</b>								
Series 2015 Bonds (Phase 3)	-	88,463	-	-	-	88,463	175,438	50%
<b>Operating Transfers Out (To Other Funds)</b>								
<b>Total Expenditures and Other Uses:</b>	<b>\$ -</b>	<b>\$ 158,463</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>158,463</b>	<b>\$ 245,438</b>	<b>N/A</b>
Net Increase/ (Decrease) in Fund Balance	833	(87,804)	125,134	22,032	36,373	96,567	11,285	
Fund Balance - Beginning	466,536	467,369	379,565	504,699	526,730	466,536	-	
<b>Fund Balance - Ending</b>	<b>\$ 467,369</b>	<b>\$ 379,565</b>	<b>\$ 504,699</b>	<b>\$ 526,730</b>	<b>\$ 563,103</b>	<b>563,103</b>	<b>\$ 11,285</b>	



**Flowway Community Development District**  
**Debt Service Fund - Series 2015 (Phase 4)**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Through February 29, 2020**

Description	October	November	December	January	February	Year to Date	Total Annual Budget	% of Budget
<b>Revenue and Other Sources</b>								
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	N/A
<b>Interest Income</b>								
Interest Account	-	2	-	-	-	2	-	N/A
Sinking Fund	-	2	-	-	-	2	-	N/A
Reserve Account	25	1,484	20	21	21	1,570	500	314%
Prepayment Account	-	-	-	-	-	-	-	N/A
Revenue Account	161	147	18	78	155	558	400	140%
General Redemption Account	0	0	0	0	0	2	-	N/A
<b>Special Assessment Revenue</b>								
Special Assessments - On-Roll	478	57,619	105,668	18,484	30,525	212,775	216,250	98%
Special Assessments - Off-Roll	-	-	-	-	-	-	-	N/A
<b>Operating Transfers In (To Other Funds)</b>								
Debt Proceeds	-	-	-	-	-	-	-	N/A
<b>Total Revenue and Other Sources:</b>	<b>\$ 664</b>	<b>\$ 59,254</b>	<b>\$ 105,706</b>	<b>\$ 18,583</b>	<b>\$ 30,701</b>	<b>214,908</b>	<b>\$ 217,150</b>	<b>N/A</b>
<b>Expenditures and Other Uses</b>								
<b>Debt Service</b>								
<b>Principal Debt Service - Mandatory</b>								
Series 2015 Bonds (Phase 4)	\$ -	\$ 55,000	\$ -	\$ -	\$ -	55,000	\$ 55,000	100%
<b>Principal Debt Service - Early Redemptions</b>								
Series 2015 Bonds (Phase 4)	-	-	-	-	-	-	-	N/A
<b>Interest Expense</b>								
Series 2015 Bonds (Phase 4)	-	80,278	-	-	-	80,278	159,456	50%
<b>Operating Transfers Out (To Other Funds)</b>								
<b>Total Expenditures and Other Uses:</b>	<b>\$ -</b>	<b>\$ 135,278</b>	<b>\$ -</b>	<b>\$ 0.00</b>	<b>\$ -</b>	<b>135,278</b>	<b>\$ 214,456</b>	<b>N/A</b>
Net Increase/ (Decrease) in Fund Balance	664	(76,024)	105,706	18,583	30,701	79,630	2,694	
Fund Balance - Beginning	318,860	319,525	243,500	349,206	367,789	318,860		
<b>Fund Balance - Ending</b>	<b>\$ 319,525</b>	<b>\$ 243,500</b>	<b>\$ 349,206</b>	<b>\$ 367,789</b>	<b>\$ 398,491</b>	<b>398,491</b>	<b>\$ 2,694</b>	

**Flowway Community Development District**  
**Debt Service Fund - Series 2016 (Phase 5)**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Through February 29, 2020**

Description	October	November	December	January	February	Year to Date	Total Annual Budget	% of Budget
<b>Revenue and Other Sources</b>								
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	N/A
<b>Interest Income</b>								
Interest Account	-	3	-	-	-	3	2	171%
Sinking Fund	-	3	-	-	-	3	-	N/A
Reserve Account	27	1,600	22	22	22	1,693	345	491%
Prepayment Account	-	-	-	-	-	-	-	N/A
Revenue Account	257	233	22	120	245	877	220	399%
<b>Special Assessment Revenue</b>								
Special Assessments - On-Roll	773	93,305	171,114	29,933	49,431	344,556	350,060	98%
Special Assessments - Off-Roll	-	-	-	-	-	-	-	N/A
<b>Debt Proceeds</b>								
Operating Transfers In (To Other Funds)	-	-	-	-	-	-	-	N/A
<b>Total Revenue and Other Sources:</b>	<b>\$ 1,057</b>	<b>\$ 95,145</b>	<b>\$ 171,158</b>	<b>\$ 30,074</b>	<b>\$ 49,698</b>	<b>347,132</b>	<b>\$ 350,627</b>	<b>N/A</b>
<b>Expenditures and Other Uses</b>								
<b>Debt Service</b>								
<b>Principal Debt Service - Mandatory</b>								
Series 2016 Bonds (Phase 5)	\$ -	\$ 95,000	\$ -	\$ -	\$ -	95,000	\$ 95,000	100%
<b>Principal Debt Service - Early Redemptions</b>								
Series 2016 Bonds (Phase 5)	-	-	-	-	-	-	-	N/A
<b>Interest Expense</b>								
Series 2016 Bonds (Phase 5)	-	124,689	-	-	-	124,689	247,763	50%
Operating Transfers Out (To Other Funds)	27	1,600	22	22	22	1,693	-	N/A
<b>Total Expenditures and Other Uses:</b>	<b>\$ 27</b>	<b>\$ 221,289</b>	<b>\$ 22</b>	<b>\$ 22</b>	<b>\$ 22</b>	<b>221,382</b>	<b>\$ 342,763</b>	<b>N/A</b>
Net Increase/ (Decrease) in Fund Balance	1,030	(126,144)	171,136	30,052	49,676	125,750	7,864	
Fund Balance - Beginning	420,515	421,545	295,401	466,537	496,589	420,515		
<b>Fund Balance - Ending</b>	<b>\$ 421,545</b>	<b>\$ 295,401</b>	<b>\$ 466,537</b>	<b>\$ 496,589</b>	<b>\$ 546,265</b>	<b>546,265</b>	<b>\$ 7,864</b>	

**Flowway Community Development District**  
**Debt Service Fund - Series 2017 (Phase 6)**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Through February 29, 2020**

Description	October	November	December	January	February	Year to Date	Total Annual Budget	% of Budget
<b>Revenue and Other Sources</b>								
<b>Carryforward</b>	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	N/A
<b>Interest Income</b>								
Interest Account	-	2	-	-	-	2	-	N/A
Sinking Fund	-	2	-	-	-	2	-	N/A
Reserve Account	18	1,085	15	15	15	1,148	-	N/A
Prepayment Account	-	-	-	-	-	-	-	N/A
Revenue Account	163	148	6	71	156	545	-	N/A
<b>Special Assessment Revenue</b>								
Special Assessments - On-Roll	523	63,120	115,757	20,249	33,440	233,090	236,750	98%
Special Assessments - Off-Roll	-	-	-	-	-	-	-	N/A
<b>Debt Proceeds</b>								
Operating Transfers In (To Other Funds)	-	-	-	-	-	-	-	N/A
<b>Total Revenue and Other Sources:</b>	<b>\$ 705</b>	<b>\$ 64,357</b>	<b>\$ 115,778</b>	<b>\$ 20,336</b>	<b>\$ 33,611</b>	<b>234,786</b>	<b>\$ 236,750</b>	<b>N/A</b>
<b>Expenditures and Other Uses</b>								
<b>Debt Service</b>								
<b>Principal Debt Service - Mandatory</b>								
Series 2017 Bonds (Phase 6)	\$ -	\$ 65,000	\$ -	\$ -	\$ -	65,000	\$ 65,000	100%
<b>Principal Debt Service - Early Redemptions</b>								
Series 2017 Bonds (Phase 6)	-	-	-	-	-	-	-	N/A
<b>Interest Expense</b>								
Series 2017 Bonds (Phase 6)	-	84,988	-	-	-	84,988	168,838	50%
<b>Debt Service-Other Costs</b>								
Operating Transfers Out (To Other Funds)	18	1,085	15	15	15	1,148	-	N/A
<b>Total Expenditures and Other Uses:</b>	<b>\$ 18</b>	<b>\$ 151,072</b>	<b>\$ 15</b>	<b>\$ 15</b>	<b>\$ 15</b>	<b>151,135</b>	<b>\$ 233,838</b>	<b>N/A</b>
Net Increase/ (Decrease) in Fund Balance	687	(86,715)	115,763	20,320	33,596	83,651	2,912	
Fund Balance - Beginning	274,845	275,532	188,817	304,580	324,901	274,845		
<b>Fund Balance - Ending</b>	<b>\$ 275,532</b>	<b>\$ 188,817</b>	<b>\$ 304,580</b>	<b>\$ 324,901</b>	<b>\$ 358,496</b>	<b>358,496</b>	<b>\$ 2,912</b>	

**Flowway Community Development District**  
**Debt Service Fund - Series 2019 (Phase 7, Phase 8 and Hatcher)**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Through February 29, 2020**

Description	October	November	December	January	February	Year to Date	Total Annual Budget	% of Budget
<b>Revenue and Other Sources</b>								
Carryforward - Capitalized Interest	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ 100,801	0%
<b>Interest Income</b>								
Interest Account	105	98	-	-	-	203	-	N/A
Sinking Account	-	-	-	-	-	-	-	N/A
Reserve Account	302	281	238	246	245	1,312	-	N/A
Prepayment Account	-	-	-	-	-	-	-	N/A
Revenue Account	0	0	0	155	361	516	-	N/A
<b>Special Assessment Revenue</b>								
Special Assessments - On-Roll	-	148,107	282,888	49,485	81,720	562,201	578,774	97%
Special Assessments - Off-Roll	-	-	-	-	-	-	-	N/A
<b>Debt Proceeds</b>								
Operating Transfers In (To Other Funds)	-	-	-	-	-	-	-	N/A
<b>Total Revenue and Other Sources:</b>	<b>\$ 407</b>	<b>\$ 148,486</b>	<b>\$ 283,127</b>	<b>\$ 49,886</b>	<b>\$ 82,327</b>	<b>564,233</b>	<b>\$ 679,575</b>	<b>N/A</b>
<b>Expenditures and Other Uses</b>								
<b>Debt Service</b>								
<b>Principal Debt Service - Mandatory</b>								
Series 2019 Bonds (Phase 7,8,Hatcher)	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ 65,000	0%
<b>Principal Debt Service - Early Redemptions</b>								
Series 2019 Bonds (Phase 7,8,Hatcher)	-	-	-	-	-	-	-	N/A
<b>Interest Expense</b>								
Series 2019 Bonds (Phase 7,8,Hatcher)	-	100,801	-	-	-	100,801	300,188	34%
<b>Debt Service-Other Costs</b>								
Operating Transfers Out (To Other Funds)	302	281	238	246	245	1,312	-	N/A
<b>Total Expenditures and Other Uses:</b>	<b>\$ 302</b>	<b>\$ 101,083</b>	<b>\$ 238</b>	<b>\$ 246</b>	<b>\$ 245</b>	<b>102,113</b>	<b>\$ 365,188</b>	<b>N/A</b>
Net Increase/ (Decrease) in Fund Balance	105	47,404	282,889	49,640	82,082	462,119	314,387	
Fund Balance - Beginning	390,312	390,417	437,821	720,710	770,349	390,312		
<b>Fund Balance - Ending</b>	<b>\$ 390,417</b>	<b>\$ 437,821</b>	<b>\$ 720,710</b>	<b>\$ 770,349</b>	<b>\$ 852,431</b>	<b>852,431</b>	<b>\$ 314,387</b>	

**Flowway Community Development District  
Capital Project Fund - Series 2016 (Phase 5)  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Through February 29, 2020**

Description	October	November	December	January	February	Year to Date	Total Annual Budget
<b>Revenue and Other Sources</b>							
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Interest Income</b>							
Construction Account	15	14	13	14	14	69	-
Cost of Issuance	-	-	-	-	-	-	-
<b>Debt Proceeds</b>						\$ -	-
<b>Operating Transfers In (From Other Funds)</b>	27	1,600	22	22	22	1,693	-
<b>Total Revenue and Other Sources:</b>	<b>\$ 42</b>	<b>\$ 1,614</b>	<b>\$ 35</b>	<b>\$ 36</b>	<b>\$ 36</b>	<b>\$ 1,762</b>	<b>\$ -</b>
<b>Expenditures and Other Uses</b>							
<b>Executive</b>							
Professional Management	-	-	-	-	-	\$ -	\$ -
<b>Other Contractual Services</b>							
Trustee Services	-	-	-	-	-	\$ -	\$ -
<b>Printing &amp; Binding</b>	-	-	-	-	-	\$ -	\$ -
<b>Legal Services</b>							
Legal - Series 2016 Bonds (Phase 5)	-	-	-	-	-	\$ -	-
<b>Other General Government Services</b>							
Stormwater Mgmt-Construction	-	-	-	-	-	\$ -	\$ -
<b>Capital Outlay</b>							
<b>Construction in Progress</b>	-	-	-	-	-	\$ -	-
<b>Cost of Issuance</b>							
Series 2016 Bonds (Phase 5)	-	-	-	-	-	-	\$ -
Underwriter's Discount	-	-	-	-	-	\$ -	-
<b>Operating Transfers Out (To Other Funds)</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
<b>Total Expenditures and Other Uses:</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Net Increase/ (Decrease) in Fund Balance	42	1,614	\$ 35	\$ 36	\$ 36	\$ 1,762	-
Fund Balance - Beginning	14,378	14,420	\$ 16,034	\$ 16,069	\$ 16,105	14,378	-
<b>Fund Balance - Ending</b>	<b>\$ 14,420</b>	<b>\$ 16,034</b>	<b>\$ 16,069</b>	<b>\$ 16,105</b>	<b>\$ 16,140</b>	<b>\$ 16,140</b>	<b>\$ -</b>

Prepared by:

**JPWARD and Associates, LLC**

**Flowway Community Development District  
Capital Project Fund - Series 2017 (Phase 6)  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Through February 29, 2020**

Description	October	November	December	January	February	Year to Date	Total Annual Budget
<b>Revenue and Other Sources</b>							
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Interest Income</b>							
Construction Account	10	9	8	9	9	45	-
Cost of Issuance	-	-	-	-	-	-	-
<b>Debt Proceeds</b>							
Operating Transfers In (From Other Funds)	18	1,085	15	15	15	1,148	-
<b>Total Revenue and Other Sources:</b>	<b>\$ 28</b>	<b>\$ 1,094</b>	<b>\$ 23</b>	<b>\$ 24</b>	<b>\$ 24</b>	<b>\$ 1,192</b>	<b>\$ -</b>
<b>Expenditures and Other Uses</b>							
<b>Executive</b>							
Professional Management	-	-	-	-	-	\$ -	\$ -
<b>Other Contractual Services</b>							
Trustee Services	-	-	-	-	-	\$ -	\$ -
<b>Printing &amp; Binding</b>							
Printing & Binding	-	-	-	-	-	\$ -	\$ -
<b>Legal Services</b>							
Legal - Series 2016 Bonds (Phase 5)	-	-	-	-	-	\$ -	\$ -
<b>Capital Outlay</b>							
Water-Sewer Combination-Construction	-	-	-	-	-	\$ -	\$ -
Stormwater Mgmt-Construction	-	-	-	-	-	\$ -	\$ -
Off-Site Improvements-CR 951 Extension	-	-	-	-	-	\$ -	\$ -
<b>Construction in Progress</b>							
Construction in Progress	-	-	-	-	-	\$ -	\$ -
<b>Cost of Issuance</b>							
Series 2017 Bonds (Phase 6)	-	-	-	-	-	\$ -	\$ -
<b>Underwriter's Discount</b>							
Underwriter's Discount	-	-	-	-	-	\$ -	\$ -
Operating Transfers Out (To Other Funds)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Expenditures and Other Uses:</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Net Increase/ (Decrease) in Fund Balance	28	1,094	\$ 23	\$ 24	\$ 24	\$ 1,192	-
Fund Balance - Beginning	(166,922)	(166,894)	\$ (165,800)	\$ (165,777)	\$ (165,754)	(166,922)	-
<b>Fund Balance - Ending</b>	<b>\$ (166,894)</b>	<b>\$ (165,800)</b>	<b>\$ (165,777)</b>	<b>\$ (165,754)</b>	<b>\$ (165,730)</b>	<b>\$ (165,730)</b>	<b>\$ -</b>

Prepared by:

**JPWARD and Associates, LLC**

**Flowway Community Development District**  
**Capital Project Fund - Series 2019 (Phase 7, Phase 8 and Hatcher)**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Through February 29, 2020**

Description	October	November	December	January	February	Year to Date	Total Annual Budget
<b>Revenue and Other Sources</b>							
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -
<b>Interest Income</b>							
Construction Account	0	1	1	1	1	4	-
Cost of Issuance	32	30	26	26	26	141	-
Retainage Account	1,076	1,004	849	878	877	4,685	-
<b>Debt Proceeds</b>							
<b>Contributions from Private Sources</b>							
Operating Transfers In (From Other Funds)	302	281	238	246	245	1,312	-
<b>Total Revenue and Other Sources:</b>	<b>\$ 1,411</b>	<b>\$ 1,316</b>	<b>\$ 1,113</b>	<b>\$ 1,152</b>	<b>\$ 1,149</b>	<b>\$ 6,142</b>	<b>\$ -</b>
<b>Expenditures and Other Uses</b>							
<b>Executive</b>							
Professional Management	-	-	-	-	-	\$ -	\$ -
<b>Other Contractual Services</b>							
Trustee Services	-	-	-	-	-	\$ -	\$ -
<b>Printing &amp; Binding</b>							
<b>Legal Services</b>							
Legal - Series 2019 Bonds (Ph 7, Ph 8 & Hatcher)	-	-	-	-	-	\$ -	\$ -
<b>Capital Outlay</b>							
Water-Sewer Combination-Construction	-	-	-	-	-	\$ -	\$ -
Stormwater Mgmt-Construction	-	-	-	-	-	\$ -	\$ -
Off-Site Improvements-CR 951 Extension	-	-	-	-	-	\$ -	\$ -
<b>Construction in Progress</b>							
<b>Cost of Issuance</b>							
Series 2016 Bonds (Phase 5)	-	-	-	-	-	-	\$ -
<b>Underwriter's Discount</b>							
Operating Transfers Out (To Other Funds)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Expenditures and Other Uses:</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Net Increase/ (Decrease) in Fund Balance	\$ 1,411	\$ 1,316	\$ 1,113	\$ 1,152	\$ 1,149	\$ 6,142	-
Fund Balance - Beginning	1,093,621	1,095,032	\$ 1,096,349	\$ 1,097,462	\$ 1,098,614	1,093,621	-
<b>Fund Balance - Ending</b>	<b>\$ 1,095,032</b>	<b>\$ 1,096,349</b>	<b>\$ 1,097,462</b>	<b>\$ 1,098,614</b>	<b>\$ 1,099,763</b>	<b>\$ 1,099,763</b>	<b>\$ -</b>

Prepared by:

**JPWARD and Associates, LLC**

March 2, 2020

Ronald E. Miller

8670 Amour Ct.

Naples. FL. 34119

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Ronmiller052645@gmail.com

Sheryl Palmer

Chief Executive Officer

Taylor Morrison Corporation

4900 North Scottsdale Road, Suite 2000

Scottsdale, AZ. 85251

Ms. Palmer:

I am writing this letter to bring your awareness to a serious matter which exists within the TM Esplanade Golf and Country Club of Naples. I hope you can assist to bring resolution to this matter.

I am a resident of the community. I also happen to be a Board member of the Flow Way Community Development District (CDD). As such, I have some knowledge of the situation which I can share with you.

The land associated with this development was subjected to a long litigation wherein several environmental agencies attempted to prevent any development. The matter was ultimately settled years ago by a US District Court decision which permitted the development to proceed. Many issues were addressed in that decision. A key part of the decision to allow the development to proceed was strict requirements regarding the creation, mitigation and maintenance of approximately 1,089 acres of permanent "external preserves". The detailed requirements as stipulated by the court are specified in the permits of various permitting agencies including the Army Corps of Engineers (Corps), US Fish and Wildlife Service (USFWS), and South Florida Water Management District (SFWMD). All of these permits contain the same permit requirements. The Corps seems to be the lead agency. TM is the Permittee.

The permits require the permittee to mitigate and maintain the external preserves up to a certain success criteria and then ~~transfer~~ convey these preserves to Corkscrew Regional Ecosystem Watershed (CREW) or other land conservation agency with permanent funding to maintain these preserves in perpetuity. That has not happened.

TM created a CDD to assist in the development and financing of certain infrastructure. This is a typical situation in Florida. What is not typical are two transactions, 2015 and 2018, wherein TM conveyed these preserves to the CDD through the TM controlled CDD Board, not to CREW or other land



conservation agency, and without the required permit(s) approval and without the court ordered non-wasting escrow fund. In addition, these premature conveyances have been in advance of meeting the mitigation and maintenance success criteria. The fact that this conveyance was premature was verified by a legal opinion requested by the CDD.

These actions have shifted the TM permit obligations to the CDD and its constituent residents. The TM controlled CDD Board has been assessing the residents for its obligations and has not provided the permanent funding which is required to be provided to CREW or other land conservation agency. In addition, while the CDD has certain broad powers under Florida statutes, it is not chartered as a land conservation agency.

Two residents were elected to the CDD Board in November, 2018. These members have attempted to rectify this situation but have been out voted by the continued TM Board majority. To justify TM's past actions, TM petitioned the Corps to retroactively modify the permit to cure these inappropriate past actions. The Corps has rejected this petition advising TM to honor its permit obligations. Further, such a petition would not change the District Court ruling.

The resident members again attempted to rectify this situation in the February Board meeting. The current Board has become dysfunctional. A TM Board member has resigned. The remaining Board members cannot agree on a replacement to fill the unexpired vacant seat. The Board should resume functionality in November when the residents are permitted to elect four of the five Board seats.

The future Board members will have a dilemma to face. Board members must act in a fiduciary capacity in the best interests of the CDD and its residents. I believe those future Board members will find it difficult to assess the residents for TM's financial obligations. Let's attempt to put some financial perspective on this matter.

In December, I met with the Executive Committee of CREW to discuss the potential future TM offer to CREW of the preserves with the required permanent fund. A TM consultant represented TM in that meeting. When CREW asked about the amount of the funding, he replied with an estimate of \$4 million based upon his estimate of the maintenance cost and a 5% interest rate. Given that 30 year Treasury rates are only 2%, that likely correlates into a \$10 million fund. The actual amount will ultimately need to be determined, I am only putting perspective on the matter. In addition, there is the matter of past mitigation and maintenance expenses which are the responsibility of TM and have unjustly been paid by the residents of Esplanade through their CDD billings.

The aforementioned is a huge issue for the CDD. It represents an unfunded liability. If and when booked into the CDD financial statement, it would render the CDD insolvent. This could result in the CDD temporarily defaulting on its bond debt service payments. I suggest temporary because an issue of this magnitude will likely find a solution.

Sadly I regret to say that a TM Board member in the February meeting intimated reprisals to the community residents via HOA actions. HOA actions do not come before the CDD, it is a separate Florida public agency with elected officials.

I ask that you take quick action to meet TM's financial obligations.

Sincerely:

Ronald E. Miller

Copy:

Barbara Kinninmonth

Division President

Taylor Morrison Corporation

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Bonita Springs, FL. 34135

In two separate transactions, 2015 and 2018, the