
Miromar Lakes Community Development District

Agenda

February 12, 2015



Prepared by:

JWARD AND ASSOCIATES LLC

*2041 Northeast 6th Avenue
Wilton Manors, FL. 33305
E-MAIL: WARD9490@COMCAST.NET
PHONE: (954) 658-4900*

MIROMAR LAKES

COMMUNITY DEVELOPMENT DISTRICT

February 5, 2015

Board of Supervisors
Miromar Lakes
Community Development District

Dear Board Members:

The Regular Meeting of the Board of Supervisors of the Miromar Lakes Community Development District will be held on **Thursday, February 12, 2015, at 2:00 P.M.** at the **Beach Clubhouse, 18061 Miromar Lakes Parkway, Miromar Lakes, Florida 33913.**

1. Call to Order & Roll Call
2. Consideration of Minutes
 - a) January 8, 2015, Regular Meeting
3. Consideration of Acceptance of the Audited Financial Statements for the year ended September 30, 2014.
4. Consideration of Resolution 2015-4 to permit Miromar Lakes, LLC to pursue an administrative deviation from Lee County to increase the limits of allowable hardened shoreline on the large recreational lake to 65%.
5. Consideration of Grant of Conservation Easement to South Florida Water Management District for property owned by the District and located in Hendry County, and which is preserved as a panther habitat.
6. Consideration of Grant of Perpetual Utility Easement to Lee County for the construction, operation and maintenance of utility facilities over, under and through property owned by the District.
7. Staff Reports
 - a) Attorney
 - I. Request for extension of time for filing a petition by Miromar Lakes CDD to SFWMD for the Center Place application for a permit from the South Florida Water Management District.
 - b) Engineer
 - c) Asset Manager
 - d) District Manager
 - I. Financial Statements for the period ending December 31, 2014



James P. Ward
District Manager

2041 NORTHEAST 6TH TERRACE
WILTON MANORS, FL 33305
PHONE (954) 658-4900
E-MAIL ward9490@comcast.net

Miromar Lakes Community Development District

8. Supervisor's Requests and Audience Comments
9. Adjournment

The second order of business is consideration of the minutes January 7, 2015 minutes.

The third order of business is acceptance of the Audited Financial Statements for the Fiscal Year Ended September 30, 2014. Mr. Elden McDirmit of the Auditing firm of McDirmit, Davis and Company will be available by phone to review the audit with the Board, after which the Board will accept the audit for inclusion in the record.

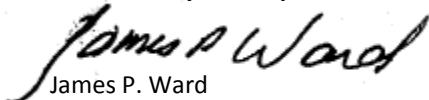
The fourth order of business is consideration of Resolution 2015-4 to permit the Developer, along with the required professionals to pursue an administrative deviation from Lee County to increase the limits of allowable hardened shoreline on the large recreational lake to 65%.

The fifth order of business deals with granting a conservation easement to South Florida Water Management District for the 194 acres of property owned by the District in Hendry County and which has been preserved as a panther habitat. The easement has always been a requirement of the SFWMD permits issued for development, and SFWMD recently requested that the easement be finalized and recorded.

The sixth order of business is consideration of granting Lee County a utility easement along Ben Hill Griffin, adjacent to the Miromar Golf Course for the construction, operation and maintenance of utility facilities that the County requires to supply service to parts of the County. The form of easement enclosed shows the District Staff's requested modifications (redlined) to the County standard form of easement, and although there are still on-going discussion with the County staff, it is our understanding that there is some urgency to the grant of easement, as such, there may be some modifications to the easement necessary, once we complete the discussions with the County.

The balance of 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.

Yours sincerely,
Miromar Lakes
Community Development District


James P. Ward
District Manager
Enclosures



James P. Ward
District Manager

2041 NORTHEAST 6TH TERRACE
WILTON MANORS, FL. 33305
PHONE (954) 658-4900
E-MAIL ward9490@comcast.net

**MINUTES OF MEETING
MIROMAR LAKES
COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Miromar Lakes Community Development District's Board of Supervisors was held on Thursday, January 8, 2015, at 2:00 p.m., at the Beach Clubhouse, 18061 Miromar Lakes Parkway, Miromar Lakes, Florida 33913.

Present and constituting a quorum were:

Mike Hendershot	Chairman
Dough Ballinger	Assistant Secretary
Alan Refkin	Assistant Secretary

Staff present:

James Ward	District Manager
Greg Urbancic	District Counsel
Charlie Krebs	District Engineer
Bruce Bernard	Calvin Giordano & Associates
Paul Cusmano	Calvin Giordano & Associates

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Ward called the meeting to order at 2:00 p.m., noting that the record should reflect that all members of the Board were present at roll call with the exception of Supervisors Donoho and Herring.

SECOND ORDER OF BUSINESS

Consideration of Minutes

a. December 11, 2014, Regular Meeting

On MOTION by Mr. Hendershot and seconded by Mr. Refkin, with all in favor of approving the December 11, 2014, Regular Meeting minutes as presented.
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THIRD ORDER OF BUSINESS

Consideration of Resolution 2015-3, accepting the certification of the District Engineer that the Series 2003A project is complete,

finalizing the special assessments, securing the District's Series 2003A, capital improvement revenue bonds, and providing for a supplement to the improvement lien book, and declaring that certain true-up obligation remain the same.

Mr. Ward gave a brief background, stating when special assessment bonds were issued for a District, the statute required the district to go through and do a completion resolution that stated the project was completed. This provided an opportunity for property owners to prepay their assessment one time at the completion of the project prior to it going on the tax rolls. He said this was well behind schedule in doing that, noting it came up as a result of the refinancing the CDD was doing on the Series 2003 Bonds, so the resolution was to put in place the completion resolution. It would provide the standard procedure that property owners could prepay one time without interest if they chose.

He stated more than 95 percent of the area subject to the 2003 Bonds was owned by the developer. He mentioned Mr. Krebs's certification would be updated through to the present day's date, and the Board's packet contained the original certification Mr. Krebs did in 2010.

Mr. Hendershot asked if the CDD would be picking up the expenses on the refinancing.

Mr. Ward affirmed it would.

Mr. Hendershot wished to confirm that any finances with regard to the early prepayment was the developer's.

Mr. Ward answered yes, as in the particular instance, the developer was doing a prepayment. That prepayment would occur on a certain date, and they would have to pay whatever that was, plus a one percent premium due on the bonds at that time; that is, they would pay one percent on that portion of the prepayment.

On MOTION by Mr. Refkin and seconded by Mr. Ballinger, with all in favor of approving Resolution 2015-3.

FOURTH ORDER OF BUSINESS

Consideration of a Deed of Conservation Easement to be granted to the South Florida Water Management District (SFWMD) in accordance with the Army Corps of Engineer's permit 199507483 (IP_MN) for mitigation areas 1-4.

Mr. Krebs stated a similar conservation easement was already granted to SFWMD. When the south 500 acres in the mitigation area that were in the Stuart Slew was developed originally under the District's existing permit, conservation easements had to be granted to the different agencies. He said that at the time when Miromar Lakes was developed, the District had and still had a SFWMD permit and a Corps permit. The SFWMD's conservation easements were granted several years ago, but for some reason the Corps' permit was not granted, and that was brought to the District's attention as part of some permitting work that the developer was doing. The Corps wanted those easements granted, and the proposed document was something that should have been done before.

Mr. Refkin sought clarification as to the exact location of the easement.

Mr. Krebs pointed out the location of the various conservation easements on an area map, noting it was land already owned by the CDD for which an easement had already been granted to the SFWMD, reiterating an easement should also have been granted to the Army Corps of Engineers. Due to the developer's current work in the area, the Corps brought it to the developer's attention that the easement for the conservation areas that should have been granted under the Corps' original permit that was granted for the lakes was not recorded. They were essentially under the permit.

He stressed the conservation easements he pointed out were all CDD-owned land and reserved for mitigation work and could not be developed, as they satisfied wetland impacts done to develop the parcels he pointed out.

On MOTION by Mr. Refkin and seconded by Mr. Ballinger, with all in favor of approving a Deed of Conservation Easement being granted to the South Florida Water Management District (SFWMD) in accordance with the Army Corps of Engineer's permit 199507483 (IP_MN) for mitigation areas 1-4.

FIFTH ORDER OF BUSINESS**Staff Reports****a. Attorney**

Mr. Urbancic stated he had to recently respond to several public records requests, mostly for meeting minutes that were done in 2005.

Mr. Hendershot asked about the organization making the requests.

Mr. Urbancic stated the requests came from the neighboring developer. He forwarded to the Board some pertinent documents on the ongoing litigation. The last action was a motion for sanctions against both Miromar, Neale Montgomery, and the other law firm involved. They had decided they would withhold the hearing on that until the other issues were resolved. There seemed to be much back and forth, and he was unsure how the matter would resolve itself.

Mr. Ballinger asked if any ruling had come down from the judge as yet.

Mr. Urbancic replied nothing had come down, as the only ruling that had been made was that there was to be no oral arguments, so he was not sure if it would be a paper drafting exercise, with the judge making the decision. Unless the case was settled, he thought a resolution of that litigation was still several months away.

b. District Engineer

Mr. Krebs mentioned, on the Center Place topic, SFWMD issued some conditions they thought would apply to that permit, which they would issue. It had to do with turbidity control during construction, and the procedures that had to be followed when excavations had to be done and any type of work within the fines and outside of the fines. He said the District had gone through and had done the best it could to ensure that the water quality did not get disturbed during construction, and it appeared there was little the District could do, short of filing a lawsuit against Center Place to stop that permit being issued.

They were meeting all the District's criteria, and he might not agree with some of the assumptions the developer made, but the District had little choice in such matters.

Mr. Refkin asked if turbidity was measured at different parts of the lake.

Mr. Krebs responded that one of the conditions that was made was that prior to connecting any of the lakes that were constructed in the mine material, the developer had to provide turbidity measurements 24 hours apart, and they had to be below 29 NTU, which

was the measuring scale used for turbidity over the water they were connecting into. Thus, if, for example, the District's was at zero, the developer's could not be any higher than 29, and they had to provide that information to the District before making the connections.

Mr. Refkin wondered if he would know if it was 29 NTU just by looking at it, as he did not know what that number meant.

Mr. Barnard stated as a point of reference, the drinking water in a household faucet was six or seven NTU, so this is what like five or six times that standard and depending on the size of the lake, if the turbidity is 29, the lake should still be pretty clear at that point.

Mr. Krebs explained that the NTU was over the existing lake condition and depended on the turbidity in the lake.

Mr. Cusmano concurred, stating if the lake had been kicked up, and there was other material in the lake, it made a difference.

Mr. Hendershot commented on being out on the lake over the holidays, and the water was not as clear as it used to be, thinking much of that was in the area where the carp had eaten the grass.

Mr. Krebs remarked it appeared that SFWMD would issue the permit, and their had been correspondence between the developer and their engineer, and District staff gave their input when it was asked for. He thought an effort being made to ensure everyone was protected and to proceed from that point. The developer had met the SFWMD rules and requirements, so the SFWMD hands were tied as to issuing the permit. He said, short of going in there and trying to do something drastic, whatever was imposed on the developer, SFWMD would have to, in return, impose the same rules on any entity discharging into the lake, so the situation was nearing the point at which anything else would have a diminishing effect.

Mr. Refkin observed it was a lake the District did not own.

Mr. Krebs concurred, however it would discharge into a lake that the District owned, hence the need to ensure some measures of protection were taken.

c. Asset Manager

Mr. Cusmano stated there was a letter from Mr. Krebs describing what they had been testing within the lake. He mentioned the meeting at which boaters, fishermen, representatives from Florida Fish & Wildlife Conservation (FWC), FGCU, Lake Masters, and

the CDD were present, noting it was a very calm meeting, and the aim was to find out what was going on. He said if anyone was expecting anything to happen right now, that would not be the case. They would get everything in and report their findings to the Board, and any action to be taken, would be done next year. He stated there was discussion on the carp, which was done correctly per SFWMD; for example, the right number of carp based on the acreage. The carp did better than they were supposed to, and the suggestion was now being made to remove the carp. He said they were asking for more reporting on the effect of the carp in the lake and what solutions were suggested.

With regard to what was being kicked up in the water, from FGCU it was said that the carp had eaten much of the grass, and the boats were kicking up a lot of material, as well as the water from the wind. Thus, what was now happening was much of the materials that used to lay at the bottom of the lake was coming up and affecting the clarity of the lake. It was possible to have a clear lake that was bad, or a dark lake that was great, so testing was necessary. He said, at present, FGCU was doing testing at their own cost, and they would send the report of their findings to the District. The same person who did testing for Mike Elgin would conduct tests paid for by Mr. Elgin; he would compare his results with that of FGCU, and forward the information to the District.

A map showing the locations was done by Mr. Krebs based on emails back and forth and included in the Board's package. Until all the test data came in, no decisions would be made. He noted all parties understood via explanations by Bill Kurth of Lake Master and FWC that the fish moved around, and they knew that the north lake did not belong to the District. Thus, the CDD could do nothing to the north of the District and could only control what was coming in and going out. He believed that at the end of the meeting, all parties were pleased and had no problems, agreeing to report findings each month. When it came to the point for a decision, they would go through Mr. Krebs and Mr. Ward, and a presentation would be made to the Board.

Mr. Hendershot asked if Mr. Risso was present at the meeting.

Mr. Cusmano affirmed Mr. Risso was present and appeared fine with the proceedings, though he wished to see things moving along, as did many in the community. Carp ate for two and a half years and then began to fade out. The carp had not been in the lake for a full two years, though they were approaching the end of their eating point and, as

the carp grew and died off, the grass would begin to grow back, and the water quality would change. He stated the lake could be left alone with the carp for three years carp, after which the District could determine how many had died off or if the carp had to be removed in 2016.

Mr. Krebs remarked, depending on what the tests showed, it might be necessary to pull carp out in order to make sure the District could replant to help the water quality. There was discussion at the meeting of different species of aquatic plants, and barricades to keep the carp away, while allowing small sports fish to go in and grow.

Mr. Cusmano concurred, stating FGCU could do this on their side at their beach area where they had done it before and could do it again.

Mr. Krebs noted one of the scientists at the meeting commented that his assumption, having not done any testing, was what contributed to the degrading of the water clarity was, as the material was kicked up, that organic material was being eaten by algae and bacteria. The algae was growing, as algae blooms could be seen, and as soon as they got to a level where there was insufficient food, the algae blooms would die off, as would the bacteria, and the water clarity would improve.

Mr. Hendershot asked how would the District go about removing the carp if that was the chosen solution.

Mr. Krebs replied the District would have to get a take permit, and the carp would have to be destroyed.

Mr. Refkin wondered if all the carp had to be removed.

Mr. Krebs answered no, there was a percentage that would be removed, and this was part of the discussion at the meeting; if the carp were to be removed, how many had to be taken out to hold a steady layer of control versus getting the exotics rushing back. They spoke about what had to be done in order to put any of the littoral plants required by agencies back in the lake, not wishing to do that if the carp were going to eat them.

Mr. Refkin recalled, before the carp was put in the lake, every time there was a problem with the plants in the lake, the District dumped \$60,000 in chemicals into the lake, in contrast to the much lower cost of putting the carp in the lake. He pointed out there was very little success achieved by the chemical treatment method.

Mr. Krebs mentioned the cost aspect was also discussed, noting the FWC spoke about different chemicals that could be applied, which was when Lake Masters informed them of the District's history of treating the lakes chemically and the lack of success. As soon as the two lakes had been connected, the acidity level in the water changed and nullified the effect of the chemicals. He said this was what some of the sports fishermen at the meeting needed to hear; that is, that the District tried other avenues before putting the carp in the lake.

Mr. Cusmano concurred, stating that the cost of the chemical treatments continued to increase.

Mr. Hendershot remarked the gossip was the District would have a Lake Trafford if something was not done soon.

Mr. Krebs noted the FWC and other scientists at the meeting believed, even in the worst case scenario, the District's lake would not become a Lake Trafford, as it was two different situations. In the case of the District's lake, though the carp ate the littorals, the lake itself might still be very health. He said this would be one of the things they were looking for in the testing; that is, to establish the lake quality.

Mr. Cusmano reiterated it was said at the meeting that Miromar Lakes' lake was different from the other lake, so the two should not be compared, and Mr. Kerr of Lake Master went through the differences between the lakes and why they should not be compared. FWC agreed with his opinions.

Mr. Hendershot asked when the Board would know.

Mr. Krebs replied once the testing results started coming back to District staff on the quality of the water, the turbidity and the amount of dissolved oxygen, this would reveal how that lake was acting. Then the District could make a decision on necessary actions to take to increase the health of the lake.

Mr. Cusmano remarked on the storm drains noted in the Board's packet, there was a map attached that showed the location of the boxes, along with a number of pictures of the boxes. The workers went into each one of the boxes based on the storm drawings, checked out their aisle flows, etc. and did a report that was included in the Board's packet that showed which ones needed to be cleaned out due to the debris that collected in them. He said the backup information included the costs to clear the storm drains out, as there was

\$11,500 allocated in the District's budget. MRI did the report and supplied the price to clean out the drains and maintain them, which would be on a two-year program. He said the District had \$7,000 in its budget for cleaning them out, so it was possible to get them 100 percent ones cleaned out, along with cleaning out other small ones.

In the next fiscal year's budget the cost to clean the rest of the storm drains would be included, and in 2017 the process would be repeated.

Mr. Refkin asked if the two-year process constituted an annual maintenance of the District's storm drains.

Mr. Cusmano affirmed this to be the case, stating over the two-year period, the only area that had to be cleaned out might be the District's outfall system.

Mr. Hendershot mentioned the established neighborhoods where there was still construction underway.

Mr. Cusmano responded the workers had not reached that area as yet, but as they proceeded with the work, eventually all the drains would be cleaned out, and their further maintenance would be added to the District's budget. Currently, of the \$11,500 allocated in the District's budget for the storm drains, and \$4,000 had been spent on the inspection and \$7,000 was being spent to clean them out, reiterating the same amount would be put back into the next fiscal year's budget to clean the rest of the system. He noted the Board's package showed a breakdown per box.

Mr. Refkin thought the report was good.

Mr. Ward asked for an explanation of the landscaping bid process for the benefit of the Board.

Mr. Cusmano replied that he recently submitted a revised bidding packet to CGA, in which he updated the general conditions, contract, specifications, including the current sprayings and maintenance, and the I-75 berm. The original contracts prior to Mr. Ward working for the District had few specifications or what he called control of the vendor. He said the general conditions now specified the District's requirements for cleanup, safety, debris removal, responsibility, etc., and all these were included in the bid packet. The schedule was the only aspect that they would breakout, and once CGA reviewed it, they would send it to Mr. Ward for his approval, then the bid would be sent out to the vendors.

Mr. Hendershot asked if the District was still doing the landscaping on the Ben Hill island down to the first road.

Mr. Cusmano affirmed this to be the case.

Mr. Refkin thought that area was looking better.

Mr. Cusmano saw the problem being caused by people leaving car marks, but there had been a big improvement with the picking up garbage by the contracted vendor. The new bid document and contract had gone from a five-page to a 28-page document, as it now included more specifications, including the spraying for white fly and irrigation on the berm.

Mr. Ward asked about the timing.

Mr. Cusmano replied he should have the bid and contract to Mr. Ward in time to get it onto the next agenda and go out to bid.

Mr. Ward asked when the existing contract terminated.

Mr. Cusmano answered in May.

Mr. Ward stated this meant the recommendation for award of bid had to be presented to the Board at its March meeting, urging Mr. Cusmano to make sure the process moved forward as planned.

Mr. Hendershot thought the developer should be asked to make some sort of contribution to make the island coming into the development more impressive, and it would make residents feel better about all the premiums they were paying.

Mr. Refkin recalled the entrance of the Brooks development was seen as a good example of what an entranceway should look like, but he believed part of the problem was whether a curb should go in, and there were certain definitions for when curbs should be in place and when they should not

Mr. Krebs believed the road of discussion was a County-maintained roadway, while the Brooks road was not, and the county had different requirements on clear zone and designs that had to be adhered to.

Mr. Cusmano affirmed this to be the case, as the county requirements had to do with maintaining proper visibility and speed limits on the roadway.

Mr. Krebs felt sure whether there was curbing or not was based on the county's design criteria for their roads.

Mr. Refkin stated he cared little whether or not there was a curb, but there could be further exploration into how to make the entrance more aesthetically appealing.

Mr. Hendershot concurred, as it would help the developer to sell more houses.

Mr. Refkin realized the District did not own the big lake, and that the District was currently helping to maintain a lake it did not own, though he understood that all concerned entities had to come together eventually, as they all had to deal with the lake. The District maintained the shoreline out to 25 feet.

Mr. Ward clarified that it was his understanding that the District owned the shoreline 25 feet into the lake, though the area we maintained went a little further than that distance.

Mr. Krebs agreed, adding that there were portions of the north shoreline where the District had platted, and the area had been turned over to the CDD, so the CDD owned a small portion of the shoreline. Miromar Development or Miromar, LLC, owned from the shoreline to the property boundary that was water, whether it was 25 feet or not.

Mr. Refkin asked if this was even on the big lake.

Mr. Krebs answered right, as the property line on the north lake extended out into the lake some distance, though he did not know if it was 25 feet or more. This was part of the problem the District was having with the treatment of the exotics, as it could only go out a certain distance to do the treatment in the lake, as the most of the problem was located beyond that District's property line.

Mr. Keller introduce Bruce Bernard, noting Mr. Bernard was the CGA Manager of Field Operations and had been with the company for almost a decade. In the coming months, Mr. Bernard would be involved with being more helpful in District matters, as Mr. Keller would be concentrating on work that would take him away from the District. He indicated that for the last 30 years, Mr. Bernard had been the public works director in a local government that involved considerable work with utilities, and asset and property management, so his knowledge was extensive in those areas.

d. District Manager

I. Financial statements for the period ending November 30, 2014

No discussion.

Mr. Hendershot asked at what stage was the refinancing.

Mr. Ward replied the process was about 90 percent complete, and the issue would probably take place by the middle to latter part of the month, as there were some legal matters to be wrapped up. As soon as those issues were dealt with, they would get the financing going. He said there had been no major hurdles to overcome to date, and the market was still relatively calm and consistent.

Mr. Urbancic indicated they would have to coordinate with the Mr. Ward and Mr. Hendershot to execute the various documents.

SEVENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Hendershot, seconded by Mr. Ballinger, with all in favor of adjourning at 2:37 p.m.

James P. Ward, Secretary

Mike Hendershot, Chairman

MIROMAR LAKES COMMUNITY DEVELOPMENT DISTRICT

BASIC FINANCIAL REPORT

Year Ended September 30, 2014

MIROMAR LAKES COMMUNITY DEVELOPMENT DISTRICT

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Miromar Lakes Community Development District

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, and each major fund of the *Miromar Lakes Community Development District* (the "District"), as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

MCDIRMIT DAVIS & COMPANY, LLC

934 NORTH MAGNOLIA AVENUE, SUITE 100 ORLANDO, FLORIDA 32803
TELEPHONE: 407-843-5406 FAX: 407-649-9339 EMAIL: INFO@MCDIRMITDAVIS.COM

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the District as of September 30, 2014, and the respective changes in financial position thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated November 25, 2014, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

McDiernit Davis & Company, LLC

Orlando, Florida
November 25, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Our discussion and analysis of the *Miromar Lakes Community Development District's* (the "District") financial performance provides an overview of the District's financial activities for the fiscal years ended September 30, 2014 and 2013. Please read it in conjunction with the District's financial statements which immediately follow this discussion.

Financial Highlights

The following are the highlights of financial activity for the year ended September 30, 2014:

- The District's total assets and deferred outflows of resources exceeded its liabilities at September 30, 2014 by \$6,733,161, an increase of \$1,109,165 in comparison with the prior year. This increase is attributable to special assessments and interest revenue in the debt service fund in excess of debt service expenses.
- At September 30, 2014, the District's governmental funds reported a combined fund balance of \$4,074,263, a decrease of \$253,906 in comparison with the prior year.

Using the Annual Report

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities on pages 7-8 provide information about the activities of the district as a whole and present a longer-term view of the District's finances. Fund financial statements start on page 9. For governmental activities, these statements tell how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds.

Reporting the District as a whole - Our analysis of the District as a whole begins on page 4. One of the most important questions asked about the District's finances is, "Is the District as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position and changes in net position. You can think of the District's net position - the difference between assets and liabilities - as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors; however, such as changes in the District's assessment base and the condition of the District's infrastructure, to assess the overall health of the District. The government-wide financial statements can be found on pages 7-8 of this report.

Reporting the District's most significant funds - Our analysis of the District's major funds begins on page 5. The fund financial statements begin on page 9 and provide detailed information about the most significant funds - not the District as a whole. Some funds are required to be established by State law and by bond covenants. All of the District's funds are governmental fund-types.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Using the Annual Report (Continued)

All of the District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between governmental activities and governmental funds in a reconciliation with the fund financial statements.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of financial position. The following table reflects the condensed government-wide statements of net position as of September 30, 2014 and 2013:

Miromar Lakes Community Development District
Statement of Net Position

	September 30, 2014	September 30, 2013
Assets, excluding capital assets	\$ 4,090,686	\$ 4,381,086
Capital assets, net of depreciation	37,716,350	38,380,916
Total assets	41,807,036	42,762,002
Deferred amount on refunding	238,355	251,975
Liabilities, excluding long-term liabilities	924,892	1,000,224
Long-term liabilities	34,387,338	36,389,757
Total liabilities	35,312,230	37,389,981
Net position		
Net investment in capital assets	3,567,367	2,243,134
Restricted for debt service	2,732,646	2,895,730
Unrestricted	433,148	485,132
Total net position	\$ 6,733,161	\$ 5,623,996

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Government-Wide Financial Analysis (Continued)

Governmental activities for the year ended September 30, 2014 increased the District's net position by \$1,226,376, as reflected in the table below. The higher program revenue in fiscal year 2014 is due to the bond prepayment revenue.

	Changes in Net Position Year ended September 30,	
	2014	2013
Revenues:		
Program revenues	\$ 4,999,623	\$ 4,042,081
General revenues	25,146	419
Total revenues	5,024,769	4,042,500
Expenses:		
General government	147,767	157,176
Maintenance and operations	1,357,319	1,275,834
Interest on long-term debt	2,293,307	2,333,363
Total expenses	3,798,393	3,766,373
Change in net position	1,226,376	276,127
Net position - beginning, as previously stated	5,623,996	6,072,600
Prior period adjustment	(117,211)	-
Restatement of net position (GASB 65)	-	(724,731)
Net position - beginning, as restated	5,506,785	5,347,869
Net position - ending	\$ 6,733,161	\$ 5,623,996

The District's Funds

As the District completed the year, its governmental funds (as presented in the balance sheet on page 9) reported a combined fund balance of \$4,074,263, which is a decrease from last year's balance that totaled \$4,328,169. Significant transactions are discussed below.

- During the fiscal year ended September 30, 2014, the District incurred approximately \$2,310,944 of interest expenditures and repaid \$2,010,000 of outstanding long-term principal.

The overall change in fund balance for the year ended September 30, 2014, was a decrease of \$253,906. The fund balance of the Debt Service Fund decreased by \$201,932 due primarily to a prior period adjustment of \$117,211 (described in Note 3). Current year General Fund expenditures were funded by current year assessment revenues and \$51,974 of the prior year fund balance. At September 30, 2014, the District's governmental funds reported a combined fund balance of \$4,074,263. Of this total, \$3,641,115 is restricted, \$30,300 is assigned and the remainder is an unassigned fund balance of \$402,848.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Governmental Funds Budgetary Highlights

An Operating budget was established by the government board for the District pursuant to the requirements of the Florida Statutes. The budget to actual comparison for the general fund, including the original budget and final adopted budget, is shown on page 12. The District experienced a favorable variance in expenditures as compared to the budget in the amount of \$2,241.

Capital Asset and Debt Administration

Capital Assets

At September 30, 2014, the District had approximately \$37.7 million invested in capital assets. This amount represents a net decrease of \$664,566 for current year depreciation.

<u>September 30,</u>	<u>2014</u>	<u>2013</u>	<u>Change</u>
Capital Assets Not Being Depreciated	\$ 30,196,507	\$ 30,196,507	\$ -
Capital Assets Being Depreciated	13,918,906	13,918,906	-
Total, prior to depreciation	44,115,413	44,115,413	-
Accumulated depreciation	(6,399,063)	(5,734,497)	(664,566)
Net capital assets	<u>\$ 37,716,350</u>	<u>\$ 38,380,916</u>	<u>\$ (664,566)</u>

More information about the District's capital assets is presented in Note 5 to the financial statements.

Debt

At September 30, 2014, the District had \$34.52 million in bonds outstanding. This amount represents a net decrease of \$2,010,000 from the prior fiscal year.

<u>September 30,</u>	<u>2014</u>	<u>2013</u>	<u>Change</u>
Series 2003A	\$ 23,020,000	\$ 24,635,000	\$ (1,615,000)
Series 2012	11,500,000	11,895,000	(395,000)
	<u>34,520,000</u>	<u>36,530,000</u>	<u>(2,010,000)</u>

Additional information on the District's long-term debt is presented in Note 6 to the financial statements.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the funds it receives. If you have questions about this report or need additional financial information, contact the *Miromar Lakes Community Development District's* management company, JPWard and Associates, LLC, at 2041 NE 6th Avenue, Wilton Manors, Florida 33305, 954-658-4900, ward9490@comcast.net.

FINANCIAL STATEMENTS

MIROMAR LAKES COMMUNITY DEVELOPMENT DISTRICT

STATEMENT OF NET POSITION

September 30, 2014

	Governmental Activities
Assets:	
Cash	\$ 259,861
Investments	168,437
Interest receivable	37,296
Other receivables	21,273
Restricted assets:	
Temporarily restricted investments	3,603,819
Capital assets not being depreciated	30,196,507
Capital assets being depreciated, net	<u>7,519,843</u>
Total assets	<u>41,807,036</u>
 Deferred Outflows of Resources:	
Deferred amount on refunding	<u>238,355</u>
 Liabilities:	
Accounts payable and accrued expenses	16,423
Accrued interest payable	908,469
Noncurrent liabilities:	
Due within one year	905,000
Due in more than one year	<u>33,482,338</u>
Total liabilities	<u>35,312,230</u>
 Net Position:	
Net investment in capital assets	3,567,367
Restricted for debt service	2,732,646
Unrestricted	<u>433,148</u>
Total net position	<u><u>\$ 6,733,161</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

MIROMAR LAKES COMMUNITY DEVELOPMENT DISTRICT

STATEMENT OF ACTIVITIES

Year Ended September 30, 2014

Functions/Programs	Expenses	Program Revenue		Net (Expense)
		Charges for	Operating Grants	Revenue and
		Services	and	Changes in Net
			Contributions	Assets
				Governmental
				Activities
Governmental activities:				
General government	\$ 147,767	\$ 74,949	\$ -	\$ (72,818)
Maintenance and operations	1,357,319	688,451	-	(668,868)
Interest on long-term debt	2,293,307	4,207,746	28,477	1,942,916
Total governmental activities	<u>\$ 3,798,393</u>	<u>\$ 4,971,146</u>	<u>\$ 28,477</u>	1,201,230
		General Revenues:		
		Investment and miscellaneous income		25,146
		Change in net position		1,226,376
		Net position - beginning		5,623,996
		Prior period adjustment		(117,211)
		Net position - ending		<u>\$ 6,733,161</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

MIROMAR LAKES COMMUNITY DEVELOPMENT DISTRICT

BALANCE SHEET
GOVERNMENTAL FUNDS

September 30, 2014

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
Assets:			
Cash	\$ 259,861	\$ -	\$ 259,861
Investments	168,437	3,603,819	3,772,256
Interest receivable	-	37,296	37,296
Other receivables	21,273	-	21,273
Total assets	<u>\$ 449,571</u>	<u>\$ 3,641,115</u>	<u>\$ 4,090,686</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable and accrued expenses	\$ 16,423	\$ -	\$ 16,423
Total liabilities	<u>16,423</u>	<u>-</u>	<u>16,423</u>
Fund Balances:			
Restricted for:			
Debt service	-	3,641,115	3,641,115
Assigned for subsequent year's expenditures	30,300	-	30,300
Unassigned	402,848	-	402,848
Total fund balances	<u>433,148</u>	<u>3,641,115</u>	<u>4,074,263</u>
Total liabilities and fund balances	<u>\$ 449,571</u>	<u>\$ 3,641,115</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 37,716,350

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

	Accrued interest payable	(908,469)	
	Bonds payable	(34,387,338)	
	Deferred refunding	238,355	(35,057,452)
Net Position of Governmental Activities			<u>\$ 6,733,161</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

MIROMAR LAKES COMMUNITY DEVELOPMENT DISTRICT

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

Year Ended September 30, 2014

	General	Debt Service	Total Governmental Funds
Revenues:			
Special assessments	\$ 763,400	\$ 4,207,746	\$ 4,971,146
Investment and miscellaneous income	25,146	28,477	53,623
Total revenues	788,546	4,236,223	5,024,769
Expenditures:			
Current:			
General government	147,767	-	147,767
Maintenance and operations	692,753	-	692,753
Debt service:			
Interest	-	2,310,944	2,310,944
Principal	-	2,010,000	2,010,000
Total expenditures	840,520	4,320,944	5,161,464
Net change in fund balances	(51,974)	(84,721)	(136,695)
Fund Balances - beginning of year	485,122	3,843,047	4,328,169
Prior Period Adjustment	-	(117,211)	(117,211)
Fund Balances - end of year	\$ 433,148	\$ 3,641,115	\$ 4,074,263

The accompanying Notes to Financial Statements are an integral part of this statement.

MIROMAR LAKES COMMUNITY DEVELOPMENT DISTRICT

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

Year Ended September 30, 2014

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

Net change in fund balances - total governmental funds (page 10)	\$	(136,695)
Depreciation on capital assets is not recognized in the governmental fund statement, however, depreciation is reported as an expense in the statement of net position.		(664,566)
Repayments of long-term liabilities are reported as expenditures in governmental funds, while repayments reduce long-term liabilities in the statement of net position.		2,010,000
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Change in accrued interest		38,838
Amortization of deferred refunding amount		(13,620)
Amortization of bond discount		(7,581)
		17,637
Change in net position of governmental activities (page 8)	\$	1,226,376

The accompanying Notes to Financial Statements are an integral part of this statement.

MIROMAR LAKES COMMUNITY DEVELOPMENT DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND

Year Ended September 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
Revenues:				
Special assessments	\$ 765,911	\$ 765,911	\$ 763,400	\$ (2,511)
Investment and miscellaneous income	500	500	25,146	24,646
Total revenues	<u>766,411</u>	<u>766,411</u>	<u>788,546</u>	<u>22,135</u>
Expenditures:				
Current:				
General government	140,093	140,093	147,767	(7,674)
Maintenance and operations	<u>652,668</u>	<u>702,668</u>	<u>692,753</u>	<u>9,915</u>
Total expenditures	<u>792,761</u>	<u>842,761</u>	<u>840,520</u>	<u>2,241</u>
Net change in fund balance	(26,350)	(76,350)	(51,974)	24,376
Fund balance - beginning	<u>485,122</u>	<u>485,122</u>	<u>485,122</u>	<u>-</u>
Fund balance - ending	<u>\$ 458,772</u>	<u>\$ 408,772</u>	<u>\$ 433,148</u>	<u>\$ 24,376</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

MIROMAR LAKES COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2014

Note 1 - Nature of Organization

The Miromar Lakes Community Development District (the "District") was established on September 19, 2000, pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190 of the Florida Statutes by Lee County Ordinance 00-17. The Act provides, among other things, the power to manage basic services for community development, the power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

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

The District is governed by a Board of Supervisors (the "Board"), which is composed of five members. The Supervisors are elected by qualified electors of Lee County whose primary residence is within the District. The District is economically dependent on the Developer. The Board of Supervisors of the District exercises all powers granted to the District pursuant to Chapter 190, Florida Statutes.

The Board has a final responsibility for:

- Assessing and levying special assessments
- Approving budgets
- Exercising control over facilities and property
- Controlling the use of funds generated by the District
- Approving the hiring and firing of key personnel
- Financing improvements

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include or exclude a potential component unit in the reporting entity was made by applying the criteria set forth by Generally Accepted Accounting Principles (GAAP). The primary criteria for including organizations within the District's reporting entity, as defined by the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, is financial accountability. The District is financially accountable if it appoints a voting majority of the organization's governing body and (a) a separately elected governing board, (b) a governing board appointed by a higher level of government, or a jointly appointed board. Based on the foregoing criteria, no potential component units were found.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2014

Note 2 - Summary of Significant Accounting Policies:

The accounting policies of the District conform to Generally Accepted Accounting Principles (GAAP) as applicable to governments in accordance with those promulgated by the Governmental Accounting Standards Board (GASB). The District's more significant accounting policies are described below:

Government-wide and Fund Financial Statements

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

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all the non-fiduciary activities of the primary government. Governmental activities, which normally are supported by assessments, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The business-type activities are reported separately in government-wide financial statements; however, at September 30, 2014, the District did not have any significant business-type activities. Therefore, no business-type activities are reported. Assessments and other items not properly included as program revenues (i.e., charges to customers or applicants who purchase, use, or directly benefit from goods or services) are reported as general revenues.

The preparation of government-wide financial statements includes the application of both GASB pronouncements and those of the Financial Accounting Standards Board (FASB) issued before November 30, 1989.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Basis of Presentation

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

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

MIROMAR LAKES COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2014

Note 2 - Summary of Significant Accounting Policies (Continued):

Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

The District's Assessments are included on the property tax bill that all landowner's receive. The Florida Statutes provide that special assessments may be collected by using the Uniform Method. Under the Uniform Method, the District's Assessments will be collected together with County and other taxes. These Assessments will appear on a single tax bill issued to each landowner subject to such. The statutes relating to enforcement of County taxes provide that County taxes become due and payable on November 1 of the year when assessed or as soon thereafter as certified tax roll is received by the Tax Collector and constitute a lien upon the land from January 1 of such year until paid or barred by operation of law. Such taxes (together with any assessments, being collected by the Uniform Method) are to be billed, and landowners in the District are required to pay all such taxes and assessments, without preference in payment of any particular increment of the tax bill, such as the increment owing for the District's Assessments. Upon any receipt of moneys by the Tax Collector from the Assessments, such moneys will be delivered to the District.

All city, county, school and special district ad valorem taxes, non-ad valorem special assessments and voter-approved ad valorem taxes levied to pay principal of and interest on bonds, including the District Assessments, that are collected by the Uniform Method are payable at one time. If a taxpayer does not make complete payment of the total amount, he or she cannot designate specific line items on his or her tax bill as deemed paid in full and such partial payment is not to be accepted and is to be returned to the taxpayer, provided, however that a taxpayer may contest a tax assessment pursuant to certain conditions in Florida Statutes and other applicable law.

Under the Uniform Method, if the Assessments are paid during November when due or at any time within thirty (30) days after mailing of the original tax notice or during the following three months, the taxpayer is granted a variable discount equal to 4% in November and decreasing one percentage point per month to 1% in February. March payments are without discount. Pursuant to Section 197.222, Florida Statutes, taxpayers may elect to pay estimated taxes, which may include non-ad valorem special assessments such as the District's Assessments in quarterly installments with a variable discount equal to 6% on June 30 decreasing to 3% on December 31, with no discount on March 31. All unpaid taxes and assessments become delinquent on April 1 of the year following assessment, and the Tax Collector is required to collect taxes prior to April 1 and after that date to institute statutory procedures upon delinquency to collect assessed taxes. Delay in the mailing of the notices to taxpayers may result in a delay throughout this process.

Certain taxpayers that are entitled to claim homestead tax exemption under Section 196.031(1), Florida Statutes may defer payment of a portion of the taxes and non-ad valorem assessments and interest accumulated on a tax certificate, which may include non-ad valorem special assessments. Deferred taxes and assessments bear interest at a variable rate not to exceed 7%. The amount that may be deferred varies based on whether the applicant is younger than age 65 or is 65 years old or older; provided that applicants with a household income for the previous calendar year of less than \$10,000 or applicants with less than the designated amount for the additional homestead exemption under Section 196.075, Florida Statutes that are 65 years old or older may defer taxes and assessments in their entirety.

MIROMAR LAKES COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2014

Note 2 - Summary of Significant Accounting Policies (Continued):

Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Collection of Delinquent Assessments under the Uniform Method is, in essence, based upon the sale by the Tax Collector of "tax certificates" and remittance of the proceeds of such sale to the District for payment of the Assessment due.

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

The District reports the following major governmental funds:

General Fund - The General Fund is the primary operating fund of the District. It is used to account for all financial resources except those required to be accounted for in other funds.

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

For the year ended September 30, 2014, the District does not report any proprietary funds.

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

Cash, Deposits and Investments

The District maintains deposits with "Qualified Public Depositories" as defined in Chapter 280, Florida Statutes. All Qualified Public Depositories must place with the Treasurer of the State of Florida securities in accordance with collateral requirements determined by the State's Chief Financial Officer. In the event of default by a Qualified Public Depository, the State Treasurer will pay public depositors all losses. Losses in excess of insurance and collateral will be paid through assessments between all Qualified Public Depositories.

Under this method, all the District's deposits are fully insured or collateralized at the highest level of security as defined by *Governmental Accounting Standards Board, Statement Number 40, Deposits and Investment Disclosures (An Amendment of Governmental Accounting Standards Board, Statement Number 3)*.

MIROMAR LAKES COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2014

Note 2 - Summary of Significant Accounting Policies (Continued):

Cash, Deposits and Investments (Continued):

The District is authorized to invest in financial instruments as established by Section 218.415, Florida Statutes; SEC registered money market funds with the highest credit quality rating from a nationally recognized rating agency; and interest-bearing time deposits or savings accounts in authorized financial institutions. The District's Bond Indenture also allows investments in obligations of the Government National Mortgage Association, obligations of Federal National Mortgage Association and commercial paper rated in the top two rating categories by both Moody's and S&P.

Capital assets

Capital assets, which include primarily infrastructure assets (e.g., roads, sidewalks, water management systems and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial/individual cost of more than \$5,000 and an estimated useful life in excess of 2 years. Such assets are recorded at historical cost and estimated historical cost if purchased or constructed. Donated assets are recorded at estimated fair market value at the date of donation.

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

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

<u>Assets</u>	<u>Years</u>
Infrastructure	10 - 30
Improvements Other Than Buildings	10

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2014

Note 2 - Summary of Significant Accounting Policies (Continued):

Long-Term Obligations

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

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has one item, deferred amount on refunding, that qualifies for reporting in this category for the year ended September 30, 2014.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has no items that qualify for reporting in this category for the year ended September 30, 2014.

Net Position Flow Assumptions

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2014

Note 2 - Summary of Significant Accounting Policies (Continued):

Fund Balance Flow Assumptions

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

Fund Balance Policies

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

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

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

MIROMAR LAKES COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2014

Note 2 - Summary of Significant Accounting Policies (Continued):

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Budgets

The District is required to establish a budgetary system and an approved annual budget. Annual budgets are legally adopted on a basis consistent with generally accepted accounting principles for the general fund. Any revision to the budget must be approved by the District Board. The budgets are compared to actual expenditures. In instances where budget appropriations and estimated revenues have been revised during the year, budget data presented in the financial statements represent final authorization amounts.

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

- Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- A public hearing is conducted to obtain comments.
- Prior to October 1, the budget is legally adopted by the District Board.
- Certain budget changes must be approved by the District Board.
- Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

Note 3 - Prior Period Adjustment:

Beginning fund balance in the Debt Service Fund has been adjusted for fiscal year 2013 investment premium amortization and market valuation of the Debt Service Investments. The Debt Service Fund balance was decreased by \$117,211.

MIROMAR LAKES COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2014

Note 4 - Investments:

All investments held at September 30, 2014, are reported at fair value. Values for the District's investments are based on quoted market prices or amounts determined by the issuer.

The following is a summary of the District's investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Weighted Average Maturity</u>
FHLMC Medium Term Notes	\$ 2,182,302	AA+	11/17/2017
Money Market Funds	1,075,641	AAAm	NA
First American Government Obligation Fund Y	514,313	AAAm	43 days
	<u>\$ 3,772,256</u>		

Custodial credit risk - For an investment, custodial credit risk is the risk that the District will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The District has no formal policy for custodial risk. At September 30, 2014, all investments, except for investments in money market funds, were held in custodial accounts in the District's name by an independent custodial bank.

Concentration risk - The District does not have a formal policy for addressing interest rate risk; however, investments are made with discretion, to see reasonable returns, preserve capital, and in general, avoid speculative investments. The District manages its exposure to declines in fair values from interest rate changes by reviewing the portfolio on an ongoing basis for changes in effective yield amounts.

Credit risk - Florida Statutes require investments held by the District to have the highest credit quality rating from a nationally recognized rating agency. The District complies with the requirements of the Florida Statutes.

Interest rate risk - Florida Statutes provide that the investment portfolio be structured in such a manner as to provide sufficient liquidity to pay obligations as they come due. The District complies with the requirements of the Florida Statutes.

MIROMAR LAKES COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2014

Note 5 - Capital Assets:

Capital asset activity for the year ended September 30, 2014 was as follows:

	Beginning Balance October 1, 2013	Additions	Disposals	Balance at September 30, 2014
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 30,196,507	\$ -	\$ -	\$ 30,196,507
Capital Assets Being Depreciated:				
Infrastructure	11,841,145	-	-	11,841,145
Improvements other than buildings	2,077,761	-	-	2,077,761
Total capital assets being depreciated	13,918,906	-	-	13,918,906
Total capital assets	44,115,413	-	-	44,115,413
Less Accumulated Depreciation for:				
Infrastructure	(4,164,449)	(456,949)	-	(4,621,398)
Improvements other than buildings	(1,570,048)	(207,617)	-	(1,777,665)
Total accumulated depreciation	(5,734,497)	(664,566)	-	(6,399,063)
Total capital assets being depreciated, net	8,184,409	(664,566)	-	7,519,843
Governmental activities capital assets, net	<u>\$ 38,380,916</u>	<u>\$ (664,566)</u>	<u>\$ -</u>	<u>\$ 37,716,350</u>

Depreciation of \$664,566 was allocated to maintenance and operations in the Statement of Activities. The District is substantially completed.

Note 6 - Bonds Payable:

Capital Improvement Revenue Bonds, Series 2003A - The District previously issued \$27,560,000 in Capital Improvement Revenue Bonds, Series 2003A for the purpose of funding certain capital projects within the boundaries of the District. The bonds bear interest at 6.875% and mature in May 2035. Interest is payable semi-annually on the first day of each May and November. The bonds are secured by a pledge of revenues derived from the collection of non-ad valorem special assessments.

The bonds are subject to mandatory redemption at par on a schedule of annual redemptions through May 2035, the maturity date. The District is required to redeem the bonds at par prior to schedule from the proceeds of any assessments prepaid or if certain events occur as outlined in the Bond Indenture. The bonds are subject to redemption at the option of the District at a premium from May 2014 through April 2015 and at par on or after May 2015.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2014

Note 6 - Bonds Payable (Continued):

Capital Improvement Revenue Bonds, Series 2003A (Continued)

For the current fiscal year, \$1,692,969 of interest and \$1,615,000 of principal was paid on these bonds. Total special assessment revenue was \$3,218,822 in the current year. Principal and interest remaining on these bonds at September 30, 2014 totals \$44,285,406.

Capital Improvement Revenue Refunding Bonds, Series 2012 - The District issued \$12,345,000 in Capital Improvement Revenue Refunding Bonds, Series 2012 for the purpose of repaying in full the Series 2000A Bonds. The bonds consist of two different terms, \$4,630,000 and \$7,715,000 which bear interest at 4.875% and 5.375%, and mature in May 2022 and May 2032, respectively. Interest is payable semi-annually on the first day of each May and November. The bonds are secured by a pledge of revenues derived from the collection of non-ad valorem special assessments.

The bonds are subject to mandatory redemption at par on a schedule of annual redemptions through May 2022 and May 2032, the maturity dates. The District is required to redeem the bonds at par prior to schedule from the proceeds of any assessments prepaid or if certain events occur as outlined in the Bond Indenture. The bonds maturing May 2032 are subject to redemption at the option of the District from May 2022 through April 2032 at par value.

In fiscal year 2012, the District advance refunded the Series 2000A Bonds. The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt which was deferred and is being amortized over the life of the new debt.

For the current fiscal year, \$617,975 of interest and \$395,000 of principal was paid on these bonds. Total special assessment revenue was \$988,924 in the current year. Principal and interest remaining on these bonds at September 30, 2014 totals \$18,082,812.

The Bond Indentures have certain restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agreed to levy special assessments in annual amounts adequate to provide payment of debt service. The District is in compliance with the requirements of the Bond Indentures.

The Bond Indentures require that the District maintain adequate funds in reserve accounts to meet the debt service reserve requirements as defined in the Indentures. The requirements have been met for the fiscal year ended September 30, 2014.

MIROMAR LAKES COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2014

Note 6 - Bonds Payable (Continued):

The balance of the long-term bonds at September 30, 2014 is summarized as follows:

September 30	2014
Bond Principal Balance	\$ 34,520,000
Less Unamortized Bond Discount	<u>(132,662)</u>
Net Balance	<u>\$ 34,387,338</u>

Long-term liability activity for the year ended September 30, 2014 was as follows:

	Balance October 1, 2013	Additions	Reductions	Amortization	Balance September 30, 2014	Due Within One Year
Special Assessment						
Revenue bonds,						
Series 2003A	\$ 24,635,000	\$ -	\$ (1,615,000)	\$ -	\$ 23,020,000	\$ 505,000
Series 2012	11,895,000	-	(395,000)	-	11,500,000	400,000
Original Issue Discount	(140,243)	-	-	7,581	(132,662)	-
Total	<u>\$ 36,389,757</u>	<u>\$ -</u>	<u>\$ (2,010,000)</u>	<u>\$ 7,581</u>	<u>\$ 34,387,338</u>	<u>\$ 905,000</u>

At September 30, 2014, the scheduled debt service requirements on long-term debt were as follows:

Year Ending September 30,	Principal	Interest	Total
2015	\$ 905,000	\$ 2,180,325	\$ 3,085,325
2016	965,000	2,124,817	3,089,817
2017	1,025,000	2,065,519	3,090,519
2018	1,085,000	2,002,515	3,087,515
2019	1,155,000	1,935,723	3,090,723
2020 - 2024	6,960,000	8,541,318	15,501,318
2025 - 2029	9,495,000	6,107,038	15,602,038
2030 - 2034	10,930,000	2,753,463	13,683,463
2035	2,000,000	137,500	2,137,500
	<u>\$ 34,520,000</u>	<u>\$ 27,848,218</u>	<u>\$ 62,368,218</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2014

Note 7 - Risk Management:

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District maintains commercial insurance coverage to mitigate the risk of loss. Coverage may not extend to all situations. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. The District has not incurred any insurance claims under the commercial coverage in the previous three years.

Note 8 - Management Company:

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

Note 9 - Concentration:

A significant portion of the District's activity is dependent upon the continued involvement of the Developer, Miromar Lakes, LLC, the loss of which could have a material adverse effect on the District's operations.

During the year ended September 30, 2014, the Developer was assessed approximately \$3.8 million for debt service and operations and maintenance assessments, representing 77% of total assessment revenue for the year.

Note 10 - Subsequent Event:

The District is evaluating a refunding for the existing Series 2003A Bonds in order to achieve a debt service savings. The District expects the refunding to occur no later than January, 2015.

COMPLIANCE SECTION

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

To the Board of Supervisors
Miromar Lakes Community Development District

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, and each major fund of the *Miromar Lakes Community Development District* (the "District") as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 25, 2014.

Internal Control Over Financial Reporting

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

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

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

MCDIRMIT DAVIS & COMPANY, LLC

934 NORTH MAGNOLIA AVENUE, SUITE 100 ORLANDO, FLORIDA 32803
TELEPHONE: 407-843-5406 FAX: 407-649-9339 EMAIL: INFO@MCDIRMITDAVIS.COM

Compliance and Other Matters

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

Purpose of this Report

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

McDiarmid Davis & Company, LLC

Orlando, Florida
November 25, 2014

MANAGEMENT COMMENTS

Board of Supervisors
Miromar Lakes Community Development District

Report on the Financial Statements

We have audited the financial statements of the *Miromar Lakes Community Development District*, (the “District”) as of and for the fiscal year ended September 30, 2014, and have issued our report thereon dated November 25, 2014.

Auditor’s Responsibility

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

Other Reports and Schedule

We have issued our Independent Auditor’s Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards. Disclosures in that report, which is dated November 25, 2014 should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Condition

Section 10.554(1)(i)5.a., Rules of the Auditor General, requires that we report the results of our determination as to whether or not the *Miromar Lakes Community Development District* has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the *Miromar Lakes Community Development District* did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

Annual Financial Report

Section 10.554(1)(i)5.b., Rules of the Auditor General, requires that we report the results of our determination as to whether the annual financial report for the *Miromar Lakes Community Development District* for the fiscal year ended September 30, 2014, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2014. In connection with our audit, we determined that these two reports were in agreement.

Other Matters

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

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

Purpose of this Letter

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

McDiernit Davis & Company, LLC

Orlando, Florida
November 25, 2014

November 25, 2014

To the Board of Supervisors
Miromar Lakes Community Development District

We have audited the financial statements of Miromar Lakes Community Development District as of and for the year ended September 30, 2014, and have issued our report thereon dated November 25, 2014. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated July 25, 2013, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of Miromar Lakes Community Development District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm has complied with all relevant ethical requirements regarding independence.

MCDIRMIT DAVIS & COMPANY, LLC

934 NORTH MAGNOLIA AVENUE, SUITE 100 ORLANDO, FLORIDA 32803
TELEPHONE: 407-843-5406 FAX: 407-649-9339 EMAIL: INFO@MCDIRMITDAVIS.COM

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Miromar Lakes Community Development District is included in Note 1 to the financial statements. There have been no initial selections of accounting policies nor any changes in significant accounting policies or their application during fiscal year 2014. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimate affecting the financial statements is:

Management's estimate of depreciation is based on the estimated useful lives of the capital assets. We evaluated the key factors and assumptions used to develop the depreciation estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Identified or Suspected Fraud

We have neither identified nor have we obtained information that indicates that fraud may have occurred.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. There were no such misstatements.

In the current year, we have made audit adjustments to accrue invoices of \$10,233 and to accrue investment interest of \$37,296. We also recorded a decrease to investment earnings by \$72,105 and a prior period adjustment of \$117,211 to amortize investment premiums and reduce investments to market value from fiscal year 2013.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to Miromar Lakes Community Development District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated November 25, 2014.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with Miromar Lakes Community Development District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Miromar Lakes Community Development District's auditors.

McDiernit Davis & Company, LLC

Orlando, Florida
November 25, 2014

RESOLUTION NO. 2015-4

A RESOLUTION OF THE BOARD OF SUPERVISORS OF MIROMAR LAKES COMMUNITY DEVELOPMENT DISTRICT CONSENTING TO AN ADMINISTRATIVE DEVIATION RELATING TO HARDENED SHORELINE OF THE LARGE RECREATIONAL LAKE AND AUTHORIZING MIROMAR LAKES, LLC TO PURSUE SAID DEVIATION ON BEHALF OF THE DISTRICT; PROVIDING FOR SEVERABILITY, PROVIDING FOR CONFLICTS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Miromar Lakes Community Development District (the "**District**") is a community development district that was established pursuant to the provisions of Chapter 190, Florida Statutes by Lee County on September 19, 2000, by Lee County Ordinance No. 00-17, as amended by Lee County Ordinance No. 10-22 adopted by the Lee County on April 17, 2010; and

WHEREAS, the District is organized for the purposes of providing community development services and facilities benefiting the development known as the Miromar Lakes; and

WHEREAS, the District is the owner of those lake properties identified on Exhibit "A" attached hereto and made a part hereof (the "**District Property**"). The District Property comprises portions of the large recreational lake within the District's boundaries (the "**Lake**"); and

WHEREAS, Miromar Lakes, LLC ("**Miromar Lakes**") is pursuing an administrative deviation from Lee County to increase the limits of allowable hardened shoreline to 65% on the Lake (the "**Administrative Deviation**"); and

WHEREAS, as a result of the District's ownership of the District Property, Lee County requires consent of the District to the Administrative Deviation and letter of authorization to allow Miromar Lakes, LLC to pursue the Administrative Deviation impacting the District Property; and

WHEREAS, the Board of Supervisors (the "**Board**") hereby desires to provide such consent to the Administrative Deviation and further authorize either the District Manager, Chairman or Vice Chairman to execute a letter of authorization as required by Lee County providing Miromar Lakes (and/or its designated representative) authority to pursue the Administrative Deviation.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF MIROMAR LAKES COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. FINDINGS. The above recitals are true and correct and incorporated herein by this reference.

SECTION 2. CONSENT/LETTER OF AUTHORIZATION. The Board hereby consents to the pursuit by Miromar Lakes of the Administrative Deviation. The Board further authorizes either the District Manager or Chairman to execute a letter of authorization as required by Lee County which provides Miromar Lakes (and/or its designated representative) the authority to pursue the Administrative Deviation affecting the District Property.

SECTION 3. SEVERABILITY. If any section or part of a section of this Resolution be declared invalid or unconstitutional, the validity, force and effect of any other section or part of a section of this

RESOLUTION NO. 2015-4

A RESOLUTION OF THE BOARD OF SUPERVISORS OF MIROMAR LAKES COMMUNITY DEVELOPMENT DISTRICT CONSENTING TO AN ADMINISTRATIVE DEVIATION RELATING TO HARDENED SHORELINE OF THE LARGE RECREATIONAL LAKE AND AUTHORIZING MIROMAR LAKES, LLC TO PURSUE SAID DEVIATION ON BEHALF OF THE DISTRICT; PROVIDING FOR SEVERABILITY, PROVIDING FOR CONFLICTS; AND PROVIDING FOR AN EFFECTIVE DATE.

Resolution shall not thereby be affected or impaired unless it clearly appears that such other section or part of a section of this Resolution is wholly or necessarily dependent upon the section or part of a section so held to be invalid or unconstitutional, it being expressly found and declared that the remainder of this Resolution would have been adopted despite the invalidity of such section or part of such section.

SECTION 4. CONFLICTS. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, superseded and repealed.

SECTION 5. EFFECTIVE DATE. This Resolution shall be effective immediately upon its adoption.

PASSED AND ADOPTED at a meeting of the Board of Supervisors of Miromar Lakes Community Development District this 12th day of February, 2015.

Attest:

**MIROMAR LAKES COMMUNITY
DEVELOPMENT DISTRICT**

James P. Ward, Secretary

Michael Hendershot, Chairman

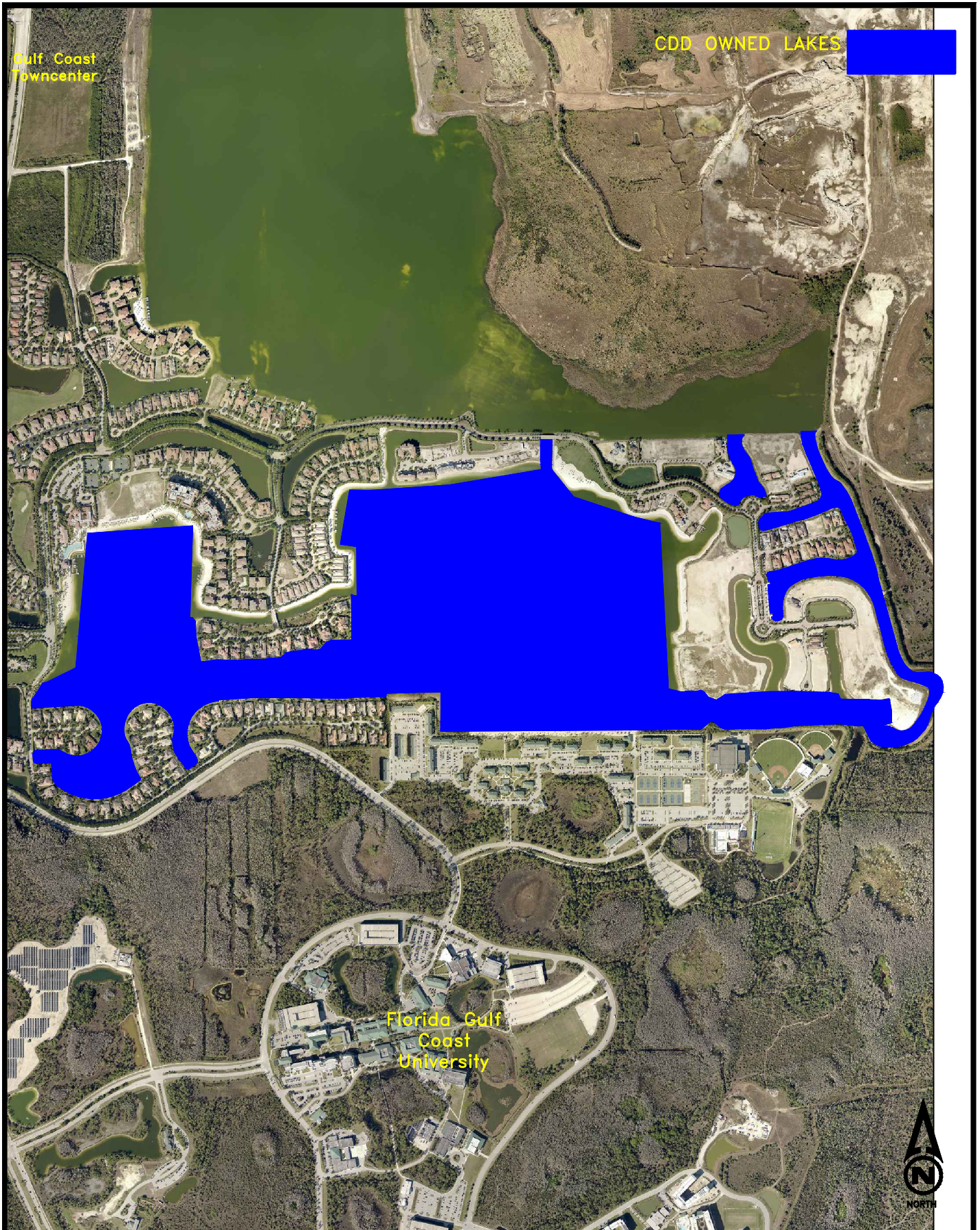
RESOLUTION NO. 2015-4

A RESOLUTION OF THE BOARD OF SUPERVISORS OF MIROMAR LAKES COMMUNITY DEVELOPMENT DISTRICT CONSENTING TO AN ADMINISTRATIVE DEVIATION RELATING TO HARDENED SHORELINE OF THE LARGE RECREATIONAL LAKE AND AUTHORIZING MIROMAR LAKES, LLC TO PURSUE SAID DEVIATION ON BEHALF OF THE DISTRICT; PROVIDING FOR SEVERABILITY, PROVIDING FOR CONFLICTS; AND PROVIDING FOR AN EFFECTIVE DATE.

Exhibit "A"
District Property

Lee County Strap Numbers:

14-46-25-08-00001.0000
14-46-25-01-0000L.0000
14-46-25-00-00001.0000
13-46-25-06-00002.0000
13-46-25-01-00002.0010
13-46-25-00-00001.0100
13-46-25-00-00001.0040
13-46-25-01-00003.0030
13-46-25-01-00003.0010
13-46-25-01-00002.0000
12-46-25-00-00001.0030



Miromar Lakes CDD
LOCATION OF CDD OWNED LAKES THAT ARE INCLUDED
MIROMAR LAKES LLC RIP RAP APPLICATION

FILE NO.: 2003.022

September, 2014



6200 Whiskey Creek Drive
Fort Myers, FL. 33919
Phone : (239) 985-1200
Florida Certificate of Authorization No.1772
Naples - Fort Myers

OUTLINE OF ADMINISTRATIVE DEVIATION REQUESTED.

DRAFT

Date

Mr. Ben Dickson
Acting Director
Lee County Department of Community Development
Development Services Division
1500 Monroe Street, 2nd Floor
Ft. Myers, Florida 33901

RE: *Miromar Lakes*
Shoreline Erosion Control
REQUEST FOR ADMINISTRATIVE DEVIATION
HM Project No. 2014.031

Dear Mr. Dickson:

Hole Montes, Inc. is pleased to submit this application for Administrative Deviation for the above referenced project. This request is as follows:

- Deviation from LDC Sec. 10-418.(3) which limits the use of rip-rap and other hardened shoreline treatment to 20% of an individual lake shoreline; to allow up to 65% of the shoreline on the developed portions of the north and south recreational lakes within the Miromar Lakes community at the time of this application, to address the continued erosion of the shoreline.
- Deviation from LDC Sec. 10-418 which prohibits the use of rip rap adjacent to single family uses; to allow for the placement of rip-rap for lake shoreline restoration adjacent to single family homes.
- Deviation from LDC Sec. 10-329(d)(4) which requires lake banks to be sloped at a 6:1 ratio from the top of bank to a water depth of two feet below the dry season water table; to allow for a minimum ratio of 4:1 where turf reinforcement mat is proposed, and a minimum ration of 2:1 where rip rap shoreline is proposed.
- Deviation from LDC Sec. 26-75(d).2. which requires the use of filter fabric when rip rap shoreline stabilization is used; to allow the existing rip rap designated in Phase 1 to remain without the use of filter fabric, until such time as the existing rip rap needs to be repaired or replaced.

The proposed erosion control plan for Miromar Lakes main recreational lakes will utilize rip-rap to address continued erosion of the lake shoreline brought on by power boats and weather generated waves.

- The request for the provision of rip-rap to control erosion is based upon sound engineering practices with respect to efficient erosion control.
- The granting of the deviation is not inconsistent with specific policy directives of the Lee County Commissioners, Ordinances or the Lee Plan based on the fact that the alternative proposed is for the protection, safety and welfare of the public and by the fact that the use of hardened shorelines has been minimized and utilized where other protective measures would not be successful and would lead to further degradation of the shorelines.

OUTLINE OF ADMINISTRATIVE DEVIATION REQUESTED.

DRAFT

The filing fee of \$400 is included with this submittal. If you have any questions, or require additional information, please contact me.

Very truly yours,

HOLE MONTES, INC.

Charles L. Krebs, P.E.
Senior Project Manager/Associate

Dbm/cfk

Enclosures

cc: Mike Elgin

Prepared by:
Mark W. Geschwendt, Esq.
Miromar Development Corporation
10801 Corkscrew Road, Suite 305
Estero, Florida 33928

Return recorded document to:
U.S. Army Corps of Engineers
West Permits Branch, Jacksonville District
701 San Marco Boulevard, Room 372
Jacksonville, Florida 32207

PID #'s: 1314531-A0000010000

DEED OF CONSERVATION EASEMENT

THIS DEED OF CONSERVATION EASEMENT ("Conservation Easement") is given this _____ day of _____, 2015, by **Miromar Lakes Community Development District**, a community development district established and existing pursuant to Chapter 190, Florida Statutes (*Grantor*), having a mailing address of c/o JP Ward and Associates, LLC, 2041 NE 6th Terrace, Wilton Manors, Florida 33305 to **South Florida Water Management District**, having a mailing address of 3301 Gun Club Road, MSC 4210, West Palm Beach, Florida 33401 ("Grantee"). The term "Grantor" shall include any and all successors, or assigns of the Grantor, and all subsequent owners of the Property and the term "Grantee" shall include any successor or assignee of Grantee.

RECITALS

A. Grantor is the sole owner in fee simple of certain lands situated in Hendry County, Florida, more specifically described in Exhibit A, attached and incorporated by reference ("Property").

B. Grantee is a public body of the state of Florida and is qualified to be the Grantee of a conservation easement pursuant to applicable state law.

C. Grantor desires to construct residences within the Miromar Lakes Community ("Project") at a site in Lee County.

D. The U.S. Army Corps of Engineers ("Corps"), Permit No. 199507483 (IP-MN) ("Corps Permit"), authorizes certain activities in the waters of the United States and requires this site protection instrument over the lands identified in Exhibit A as mitigation for such activities.

E. The Corps is not authorized to hold conservation easements, and Grantee has agreed to hold the easement on behalf of the Corps; and

F. The Grantor grants this Conservation Easement as a condition of the Permit to offset and prevent adverse impacts to water quality and natural resources, such as fish, wildlife, and wetland or other surface water functions. Specifically, this Conservation Easement is intended to protect the mitigation area and ensure its management toward and long term maintenance of the target natural conditions set forth in the Permit.

NOW THEREFORE, in consideration for the above recitals and the mutual covenants, terms, conditions, and restrictions contained in this Conservation Easement, together with other good and valuable consideration, the adequacy and receipt of which is acknowledged, Grantor voluntarily grants and conveys a perpetual Conservation Easement, as defined in Section 704.06, Florida Statutes, for and in favor of Grantee upon the Property, which shall run with the land and be binding upon the Grantor, and shall remain in full force and effect forever.

The scope, nature, and character of this Conservation Easement shall be as follows:

1. **Purpose:** The purpose of this Conservation Easement is to retain and maintain land or water areas on the Property in their natural vegetative and hydrologic condition existing at the time of execution is this Conservation Easement. The Corps Permit is incorporated in this Conservation Easement by reference.

2. **Rights of Grantee:** To carry out this purpose, the following rights are conveyed to the Grantee by this Conservation Easement:

(a) The right to take action to preserve and protect the environmental value of the Property;

(b) The right to prevent any activity on or use of the Property that is inconsistent with the purpose of this Conservation Easement, and to require the restoration of areas or features of the Property that may be damaged by any inconsistent activity or use after the date of this Conservation Easement;

(c) The right to enter upon and inspect the Property in a reasonable manner and at reasonable times to determine if Grantor or its successors and assigns are complying with the covenants and prohibitions contained in this Conservation Easement; and

(d) The right to enforce this Conservation Easement by injunction or proceed at law or in equity to enforce the provisions of this Conservation Easement and the covenants set forth herein, to prevent the occurrence of any of the prohibited activities set forth below, and the right to require Grantor to restore such areas or features of the Property that may be damaged by any inconsistent activity or use.

3. **Prohibited Uses:** Any activity on or use of the Property inconsistent with the purpose of this Conservation Easement is prohibited. Without limiting the foregoing, the following activities, structures and uses are expressly prohibited, except as authorized by the Corps Permit for restoration, creation, enhancement, maintenance, management and monitoring activities authorized by the Corps Permit:

(a) Construction or placing of buildings, roads, signs, billboards or other advertising, utilities, or other structures on or above the ground;

(b) Dumping or placing of soil or other substance or material as landfill, or dumping or placing of trash, waste, or unsightly or offensive materials;

(c) Removal or destruction of trees, shrubs, or other vegetation, except as may be permitted by the Permits for the removal of nuisance, exotic, or non-native vegetation in accordance with a maintenance plan approved by Grantee or limited removal as necessary for appropriate response to an emergency;

(d) Excavation, dredging, or removal of loam, peat, gravel, soil, rock, or other material substance in such manner as to affect the surface of the Property;

(e) Surface use except for purposes that permit the land or water area to remain in its natural condition;

(f) Activities detrimental to drainage, flood control, water conservation, erosion control, soil conservation, or fish and wildlife habitat preservation;

(g) Acts or uses detrimental to such aforementioned retention of land or water areas;

(h) Acts or uses detrimental to the preservation of the structural integrity or physical appearance of sites or properties of historical, architectural, archaeological, or cultural significance;

(i) Planting of nuisance, exotic, or non-native plants as listed by the Exotic Pest Plant Council (EPPC), or its successor;

(j) Exploration for or excavation of oil or gas or other minerals;

(k) Recreational uses, including but not limited to the use of all-terrain vehicles except as used for land management activities.

4. **Reserved Rights:** Grantor reserves all rights as owner of the Property, including the right to hunt wild game and fish on the Property and the right to engage in uses of the Property, other than those specifically prohibited under this Conservation Easement and uses which are not inconsistent with any Grantee or Corps rule, criteria, permit, or the intent and purposes of this Conservation Easement.

5. **Public Access:** No right or access by the general public to any portion of the Property is conveyed by this Conservation Easement. Grantor covenants not to convey any right or allow access to the general public to any portion of the Property, except as provided in the Corps Permit.

6. **Responsibilities of Parties:** Grantor, on behalf of its successors and assigns, will bear all costs and liabilities related to the operation, upkeep or maintenance of the Property.

7. **Liability:** Grantor, its successors and assigns, shall indemnify and hold Grantee and Corps harmless against any and all liability for any loss, damage, expense, judgment or claim (including reasonable attorneys' fees and costs) arising out of any negligent or willful action or activity resulting from Grantor's use and ownership of or activities on the Property or the use or activities by the Grantor's agents, guests, lessees, or invitees.

8. **Taxes:** Grantor, its successors and assigns, shall pay before delinquency any and all taxes, keep the payment of taxes and assessments on the Property current and shall provide Grantee with satisfactory evidence of such payment upon request, and shall not allow any lien on the Property superior to this Conservation Easement.

9. **Hazardous Waste:** Grantor, to the best of its current actual knowledge represents that no hazardous substances or toxic waste exists or has been generated, treated, stored, used, disposed of, or deposited in or on the Property, and that there are no underground storage tanks located on the Property. Grantor, its successors or assigns, further indemnify the Grantee and the Corps against any and all liability arising from any subsequent placement or discovery of hazardous or toxic material on the Property. In the event such material is discovered, Grantor, or its successors and assigns, shall be responsible for the removal of the materials following coordination and written approval of the Grantee.

10. **Enforcement Discretion:** Enforcement of the terms, provisions, and restrictions of this Conservation Easement shall be at the reasonable discretion of Grantee and/or the Corps and any forbearance on behalf of Grantee or the Corps to exercise their respective rights hereunder in the event of any breach by Grantor shall not be deemed or construed to be a waiver of such rights.

11. **Rights of the Corps:** The Corps, as a third party beneficiary, shall have the right to enforce the terms and conditions of the site protection instrument, including:

(a) The right to take action to preserve and protect the environmental value of the Property;

(b) The right to prevent any activity on the Property that is inconsistent with the purpose of this instrument, and to require the restoration of areas or features of the Property that may be damaged by any inconsistent activity;

(c) The right to enter upon and inspect the Property in a reasonable manner and at reasonable times to determine if Grantor or its successors and assigns are complying with the covenants and prohibitions contained in this instrument;

(d) The right to enforce this instrument by injunction or proceed at law or in equity to enforce the provisions of this instrument and the covenants set forth in this Conservation Easement, to prevent the occurrence of any of the prohibited activities and the right to require Grantor, or its successors and assigns, to restore such areas or features of the Property that may be damaged by unauthorized activities; and

(e) The Grantor, including its successors and assigns, shall provide the Corps at least 60 days advance notice in writing before any action is taken to amend, alter, release, or revoke this instrument. The Grantee shall provide reasonable notice and an opportunity to comment or object to the release or amendment to the U.S. Army Corps of Engineers. The Grantee shall consider any comments or objections from the U.S. Army Corps of Engineers when making the final decision to release or amend such a conservation easement.

12. **Venue and Enforcement Costs:** Venue to enforce the terms of this Conservation Easement shall be in Lee County, Florida. In the event the Corps takes enforcement action, such action shall be brought in a state or federal court of competent jurisdiction. If Grantee and/or the Corps prevail in an enforcement action, they shall be entitled to recover the cost of restoring the land to the natural vegetative and hydrologic condition existing at the time of execution of this Conservation Easement or to the vegetative and hydrologic condition required by the Corps Permit.

13. **Assignment of Rights:** Grantee shall hold this Conservation Easement exclusively for conservation purposes. Grantee will not assign its rights and obligations under this Conservation Easement, except to another legal entity qualified to hold such interests under applicable state laws.

14. **Recording in Land Records:** Grantor shall record this Conservation Easement and any amendments in a timely manner in the official records of Lee County, Florida, Grantor shall pay all recording costs and taxes necessary to record this Conservation Easement and any amendments in the public records.

15. **Successors:** The covenants, terms, conditions, and restrictions of this Conservation Easement shall be binding upon, and inure to the benefit of, the Grantor and Grantee and their respective successors and assigns, and shall continue as a servitude running in perpetuity with the Property.

16. **Notices:** All notices, consents, approvals, or other communications hereunder shall be in writing and shall be deemed properly given if sent by United States certified mail, return receipt requested, addressed to the appropriate party or successor-in-interest.

17. **Subsequent Deeds:** Grantor shall insert the terms and restrictions of this Conservation Easement into any subsequent deed or other legal instrument by which Grantor divests itself of any interest in the Property. Grantor further agrees to give written notice to Grantee of the transfer of any interest at least twenty (20) days prior to the date of such transfer. Grantor shall provide a photocopy of the recorded deed or other legal instrument to the Grantee and Corps, together with the requisite notice of permit transfer. The failure of the Grantor to perform any act required by this paragraph shall not impair the validity of this Conservation Easement or limit its enforceability in any way.

18. **Severability:** If any provision of this Conservation Easement or the application thereof to any person or circumstances is found to be invalid, the remainder of the provisions of this Conservation Easement shall not be affected thereby, as long as the purpose of the Conservation Easement is preserved.

19. **Alteration or Revocation:** Subject to the rights of the Corps as stated in Paragraph 11 above, this Conservation Easement may be amended, altered, released or revoked only by written agreement between the Grantor and Grantee or their successors in interest or assigns, which shall be filed in the public records of Hendry County, Florida.

20. **Controlling Law:** The interpretation and performance of this Conservation Easement shall be governed by the laws of the State of Florida and any applicable Federal laws, where appropriate.

The covenants, terms, conditions, restrictions, and purpose imposed with this Conservation Easement shall be binding upon Grantor, its successors and assigns, and shall continue as a servitude running in perpetuity with the Property.

Grantor represents that it is lawfully seized of the Property in fee simple; that the Property is free and clear of all encumbrances that are inconsistent with the terms of this Conservation Easement and that all mortgages, if any, have been joined or subordinated; that Grantor has good right and lawful authority to convey this Conservation Easement, and that it

fully warrants and defends the title to the Conservation Easement conveyed against the lawful claims of all persons or entities.

This Conservation Easement executed by the Grantor and Grantee as of the dates set forth below and effective as of the date set forth above.

WITNESSES:

MIROMAR LAKES COMMUNITY DEVELOPMENT DISTRICT, a community development district

Signature of Witness

Print Name

By: _____
Michael Hendershot, Chairman

Signature of Witness

Print Name

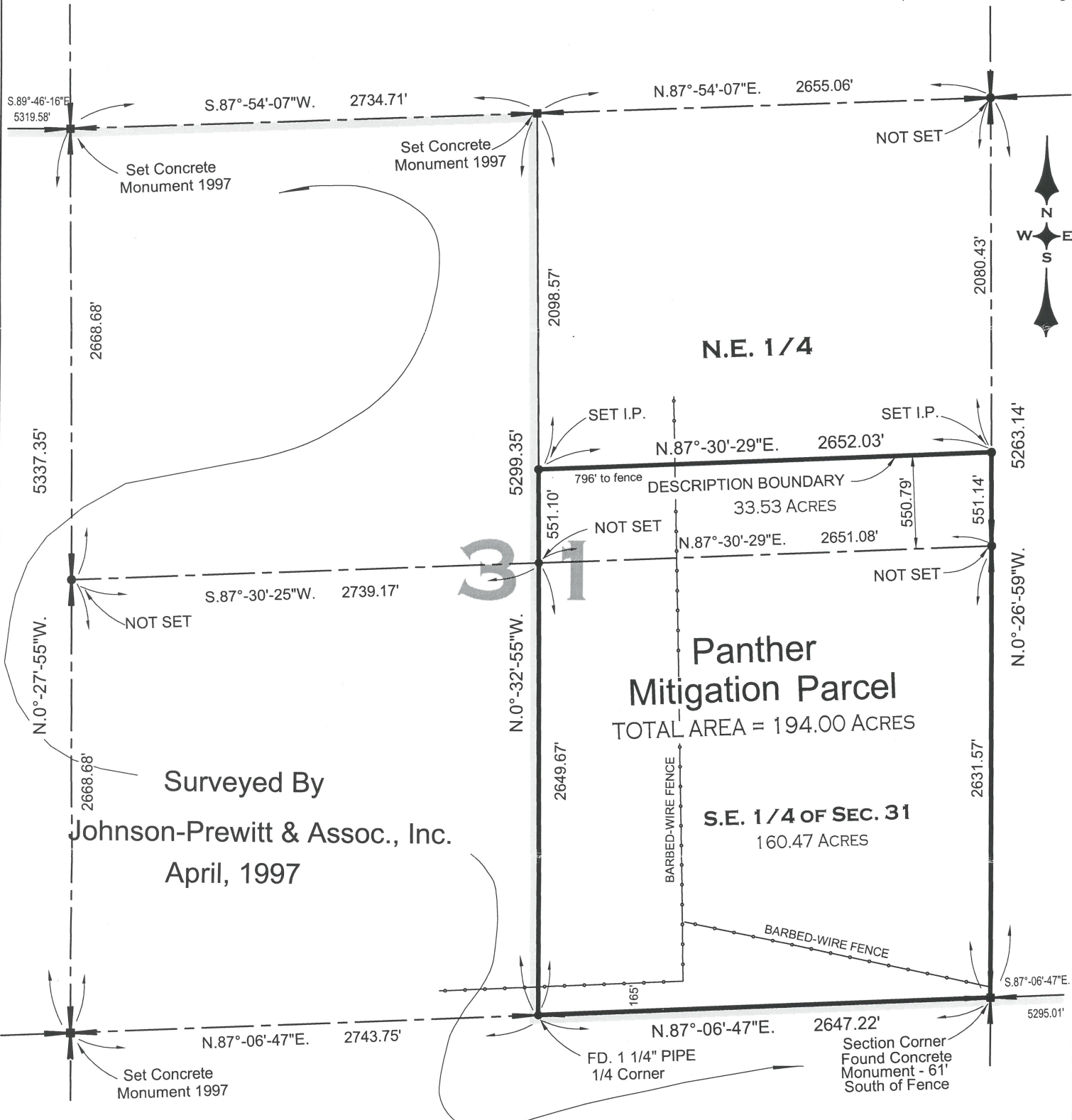
STATE OF FLORIDA
COUNTY OF LEE

The foregoing instrument was acknowledged before me this ____ day of _____, 2015, by **Michael Hendershot**, Chairman of Miromar Lakes Community Development District, who is personally known to me, for the purposes described.

Notary Public, State of Florida
My Commission Expires:

EXHIBIT "A"
Property Description

The South 194.00 acres of the East ½ of Section 31, Township 45 South, Range 31 East, Hendry County, Florida.



Surveyed By
Johnson-Prewitt & Assoc., Inc.
 April, 1997

ABBREVIATIONS

I.P. = 1/2" IRON PIN WITH YELLOW CAP
 STAMPED "J&P LB1042"

CERTIFIED TO:

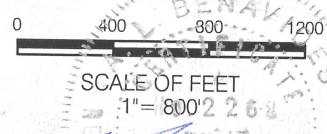
Miromar Lakes, L.L.C.
 Alico, Inc.
 Attorneys' Title Insurance Fund, Inc.
 Miromar Lakes Community Development District
 The Hendry Law Firm. P.A.

SURVEYOR'S NOTES

SURVEY BASED ON DESCRIPTION PROVIDED BY CLIENT. THIS SURVEY WAS PERFORMED WITHOUT THE BENEFIT OF AN ABSTRACT. NO SEARCH OF THE PUBLIC RECORDS WAS MADE BY THIS OFFICE FOR EXISTING EASEMENTS, ABANDONMENTS, DEED RESTRICTIONS, ZONING SETBACKS, OR RIGHTS-OF-WAY. ORIENTATION BASED ON THE NORTH LINE OF SECTION 31 BEING ASSUMED AT N.87°-54'-07" E. UNLESS IT BEARS THE SIGNATURE AND THE ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER, THIS MAP IS NOT VALID.

BOUNDARY SURVEY

The South 194.00 acres of the East-Half of Section 31, Township 45 South, Range 31 East, Hendry County, Florida.



PREPARED BY:

Armando L. Benavides, P.S.M. No. LS2268 DATE

JOHNSON-PREWITT & ASSOC., INC.
 CIVIL ENGINEERS - LAND SURVEYORS
 P.O. BOX 1029 850 WEST VENTURA AVENUE
 CLEWISTON, FLORIDA
 STATE AUTHORIZATION No. LB 1042
 SCALE: 1" = 800' DATE: 07/09/01 SHEET 1 OF 1

GRANT OF PERPETUAL PUBLIC UTILITY EASEMENT

This INDENTURE, made and entered into this ___ day of _____, 2015, between **MIROMAR LAKES COMMUNITY DEVELOPMENT DISTRICT, an independent special district established pursuant to Chapter 190, Florida Statutes,** ~~Owner, whose address is c/o JP Ward & Associates, LLC., 513 NE 13th Avenue, Fort Lauderdale, FL 33301, hereinafter "Grantor", and **LEE COUNTY, a political subdivision of the State of Florida,** whose address is 2041 NE 6 Terrace, Wilton Manor, Florida 33305, hereinafter "Grantee":~~

WITNESSETH ~~Owner, whose address is 2041 NE 6¹ Terrace, Wilton Manor, Florida 33305, hereinafter "Grantor", and **LEE COUNTY, a political subdivision of the State of Florida,** whose address is P.O. Box 398, Fort Myers, FL 33902-0398, hereinafter "Grantee":~~

WITNESSETH

1. For and in consideration of the amount of Ten Dollars and other good and valuable consideration, the receipt of which is acknowledged, Grantor grants and transfers to Grantee, its successors and assigns, a non-exclusive, perpetual public utility easement ("Easement") across the property of Grantor located in Lee County, Florida, and described as set forth in attached Exhibit "A" (the ~~"Easement Area"~~).
2. Grantee, its successors, appointees, heirs and assigns, are hereby granted the right, privilege, and authority to construct, replace, renew, extend and maintain public utility facilities, to include, but not be limited to: water/sewer transmission and collection systems, manholes, valves, together with all appurtenances thereto ("Water/Sewer System"), to be located underground running through and across the Easement Area with the right, privilege and authority to remove, replace, repair Water/Sewer System located within the Easement Area.
3. It is the intent of Grantor and Grantee that the Water/Sewer System will be located underground and ~~the~~ only necessary appurtenances will be located above ground upon prior written approval of ~~Grantee~~ Grantor so as to minimize any impact or interference with Grantor's use of the Easement Area for community development district purposes including, without limitation, landscape buffers or berms. ~~The Easement shall constitute an easement running with the land and shall burden the Easement Area. In that portion of the Easement area~~ Area running along Ben Hill Griffin Parkway, Grantee shall have the right to trim and remove roots ~~and~~ trees, shrubs, bushes and plants and remove fences or other structural improvements that materially interfere with the operation of the Water/Sewer System, or Grantee's use of the Easement Area.
4. The ~~i~~ Water/Sewer System will not be limited to any particular diameter size or type and/or number of connections to other similar facilities for providing public utility service to this and any adjacent properties. Grantor may utilize the Easement area for landscaping, walkways, roadways, drainage ways, or ~~other community development districts~~ similar uses that do not materially conflict with the rights of Grantee described herein. Trees may be planted in the Easement Area, provided that there is a minimum clearance of 10' from water or sewer lines. Houses, buildings, carports, garages, storage sheds or any other structures may not be constructed or placed within the Easement at any time, present or future, by Grantor, or its heirs, successors or assigns. The installation of fences by the Grantor is subject to the prior written approval by Grantee.

4.5. Title to any utility facilities constructed or installed within the Easement Area by Grantee will remain in the ownership of Grantee, Grantee's successors, appointees and/or assigns.

5.6. This Easement is conveyed subject to any existing covenants, conditions, reservations, ~~and easements,~~ and easements of record (including, without limitation, easements for public highways or roads, railroads, laterals, ditches, pipelines and electrical transmission or distribution lines and telephone and cable television lines) within the Easement Area.

6.7. Grantee will have a reasonable right of access across Grantor's immediately adjacent property for the purposes of reaching the Easement Area on either paved or unpaved surfaces. Any damage to Grantor's property or improvements thereon as the result of such access to the Easement Area or the construction, maintenance, or repairs of the utilities located within the Easement Area will be restored by the Grantee, to the condition in which it existed prior to the damage.

7.8. Grantee agrees to be liable for money damages in tort for any injuries to or losses of property, personal injury, or death caused by the negligent or wrongful act(s) or omission(s) of any official or employee of Lee County while acting within the scope of the official's or employee's office or employment under circumstances under which a private person would be held liable in accordance with the general laws of the State of Florida, subject to the limitations as set out in Section 768.28 Florida Statutes, as it may be amended or revised from time to time.

8.9. By acceptance of this Easement, Grantee assumes no responsibility for ownership or maintenance of any associated roads. The Easement is strictly for utility purposes.

9.10. Grantee has the right and authority to remove and dispose of dirt and rocks within the Easement Area.

10.11. THIS Easement will be binding upon the parties hereto, their successors and assigns.

~~1. In the event Grantee ever ceases to use this Easement, this Easement shall automatically expire and be of no further force and effect. Although the foregoing is intended to be self-operative, Grantee agrees to execute a proper release and termination of this Easement upon the happening of any of the foregoing events.~~

IN WITNESS WHEREOF, the OWNER, has caused this document to be signed on the date first above written.

SIGNED, SEALED AND DELIVERED.

~~SIGNED, SEALED AND DELIVERED~~

IN THE PRESENCE OF TWO WITNESSES: _____

GRANTOR:

Miromar Lakes Community Development District, an independent special district established pursuant to Chapter 190, Florida Statutes

By: _____

(Print Name and Title)

1st Witness Signature

Printed Name of ~~4th~~ 1st Witness

~~_____
2nd Witness Signature~~

2nd Witness Signature

(CORPORATE SEAL)

Printed Name of 2nd witness

~~Grant of Perpetual Public Utility Easement Page 3
Project: FGCU Offsite Utility Improvements, No. 730417197~~

STATE OF _____,
COUNTY OF _____

~~The foregoing instrument was acknowledged before me this ____ day~~

~~of _____, 2015, by _____, of~~

~~Miromar Lakes Community Development District,~~

~~(Name and Title of Officer or Agent)~~

~~an independent special district established pursuant to Chapter 190, Florida Statutes, on behalf~~

~~of the District. He/She is personally known to me or has produced _____~~

~~(type of identification)~~

~~as identification.~~

(Signature of Notary Public)

(Name typed, printed or stamped) (Title or Rank)

(Serial Number, if any)

S:\POOL\UTILITIES PROJECTS\FGCU-
Sewer\GRANT OF PUE COD Parcel 10110-
114.doc Witness



E.F. GAINES SURVEYING SERVICES, INC.

Exhibit "A"

Page 1 of 4

**FLORIDA GULF COAST UNIVERSITY OFFSITE UTILITY PROJECT
UTILITY EASEMENT - 1
BEING PART OF SECTION 14, TOWNSHIP 46 SOUTH, RANGE 25 EAST, LEE COUNTY, FLORIDA**

All that part of Section 14, Township 46 South, Range 25 East, Lee County, Florida being more particularly described as follows:

COMMENCING at the southwest corner of Tract C-1, Miromar Lakes Unit One according to the plat thereof as recorded in Plat Book 67, Pages 60 through 73, also being a point on the east right-of-way line of Treeline Avenue as recorded in Official Record Book 2737, Page 1041, both of the Public Records of Lee County, Florida; thence S.88°27'56"W. for 150.09 feet to the west right-of way line of said Treeline Avenue (now known as Ben Hill Griffin Parkway);

thence along said west right-of-way line N.03°31'24"W. for 756.58 feet to the POINT OF BEGINNING of the Parcel herein described;

thence S.86°28'36"W. for 50.00 feet to a line which lies 50 feet westerly of and parallel with as measured at right angles to the said west right-of-way line;

thence along said parallel line N.03°31'24"W. for 300.00 feet to the south line of that certain utility easement as recorded in Official Record Book 2672, page 3198, Public Records of Lee County, Florida;

thence along said south line S.89°38'34"E. for 13.94 feet to the boundary of that certain utility easement as recorded in Official Record Book 3501, page 2222, Public Records of Lee County, Florida;

thence along said boundary S.48°31'24"E. for 34.07 feet;

thence continue along said boundary S.03°31'24"E. for 58.36 feet;

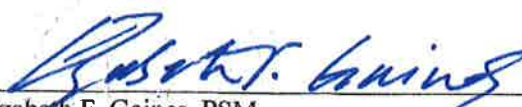
thence N.86°28'36"E. for 12.00 feet to the aforementioned west right-of-way line;

thence along said west right-of-way line S.03°31'24"E. for 216.60 feet to the Point of Beginning of the parcel herein described;

Parcel contains 13680 square feet, more or less;
Subject to easements, restrictions and reservations of record;

Prepared by:

E.F. Gaines Surveying Services, Inc.


Elizabeth F. Gaines, PSM
Florida License No. 4576

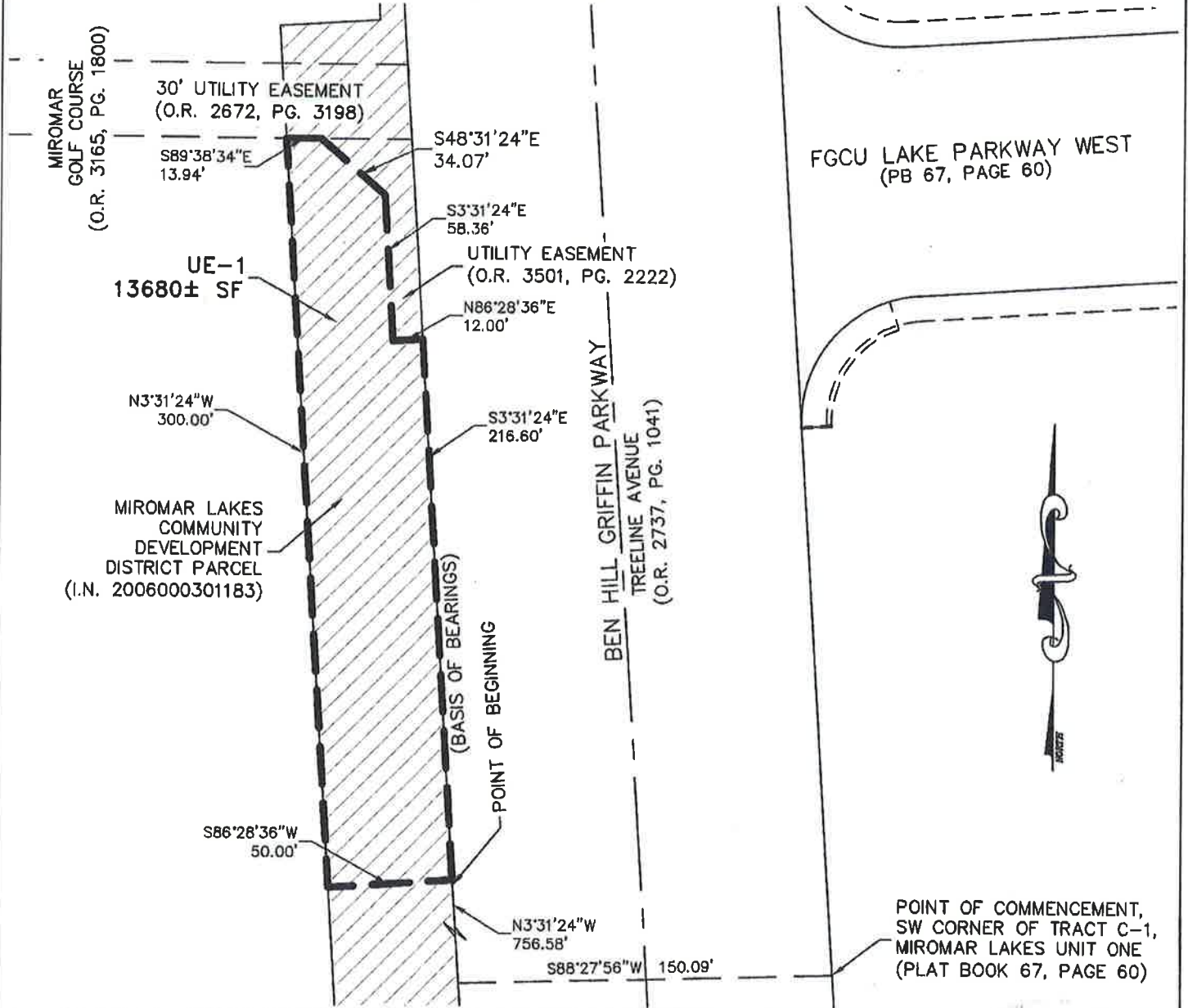
10/14/14
Date

Revised: 10/14/2014
Sketch: EFG Drawing No. 0445-002-1

0445-002-1 FGCU UE-1.docx

NOTES:

1. LANDS SHOWN HEREON WERE NOT ABSTRACTED FOR ZONING, EASEMENTS, RIGHTS-OF-WAY, OWNERSHIP, RESTRICTIONS OR SETBACKS.
2. DISTANCES ARE IN FEET AND DECIMALS THEREOF. THE BASIS OF BEARINGS IS SHOWN HEREON.
3. THIS SKETCH IS NOT A BOUNDARY SURVEY. SEE ATTACHED FOR LEGAL DESCRIPTION.



THIS IS A SKETCH TO ACCOMPANY A LEGAL DESCRIPTION (SEE ATTACHED) OF A UTILITY EASEMENT LOCATED IN SECTION 14, TOWNSHIP 46 SOUTH, RANGE 25 EAST, LEE COUNTY, FLORIDA.

PREPARED BY: Elizabeth F. Gaines
 ELIZABETH F. GAINES, PSM FL LICENSE NO. LS 4576

NOT VALID WITHOUT THE SIGNATURE AND ORIGINAL RAISED SEAL OF THE ABOVE NAMED FLORIDA PROFESSIONAL SURVEYOR AND MAPPER.

E.F. Gaines Surveying Services, Inc. FLORIDA LICENSE NO. LB7165 5235 Ramsey Way, Suite 10 Fort Myers, Florida 33907 Phone: 239-418-0126 Fax: 239-418-0127	CLIENT: GREELEY AND HANSEN	REVISIONS/DATE:
	DATE OF FIELD WORK: N/A	REV ESMT 10/14/14
	DATE OF DRAWING: AUGUST 14, 2013	
	SCALE: 1" = 60'	
	DRAWING FILE: 0445-002-1	SHEET 1 OF 1



E.F. GAINES SURVEYING SERVICES, INC.

**FLORIDA GULF COAST UNIVERSITY OFFSITE UTILITY PROJECT
UTILITY EASEMENT - 2
BEING PART OF SECTION 14, TOWNSHIP 46 SOUTH, RANGE 25 EAST, LEE COUNTY, FLORIDA**


All that part of Section 14, Township 46 South, Range 25 East, Lee County, Florida being more particularly described as follows:

COMMENCING at the southwest corner of Tract C-1, Miromar Lakes Unit One according to the plat thereof as recorded in Plat Book 67, Pages 60 through 73, also being a point on the east right-of-way line of Treeline Avenue as recorded in Official Record Book 2737, Page 1041, both of the Public Records of Lee County, Florida; thence S.88°27'56"W. for 150.09 feet to the west right-of way line of said Treeline Avenue (now known as Ben Hill Griffin Parkway); thence along said west right-of-way line N.03°31'24"W. for 1083.25 feet to the north line of that certain utility easement as recorded at Official Record Book 2672, Page 3198, Public Records of Lee County, Florida and the POINT OF BEGINNING of the Parcel herein described;
thence along said north line of said utility easement N.89°38'34"W. for 50.11 feet to the western boundary of that certain parcel of land as recorded at Lee County Instrument Number 2006000301183, Public Records of Lee County, Florida;
thence along said boundary N.03°31'24"W. for 15.20 feet
thence continue along said boundary N.86°28'36"E. for 40.00 feet;
thence continue along said boundary N.03°31'24"W. for 71.41 feet;
thence N.86°28'36"E. for 10.00 feet to the aforementioned west right-of-way line of Treeline Avenue;
thence along said west right-of-way line S.03°31'24"E. for 90.00 feet to the Point of Beginning of the parcel herein described;

Parcel contains 1559 square feet, more or less;
Subject to easements, restrictions and reservations of record;

Prepared by:

E.F. Gaines Surveying Services, Inc.


Elizabeth F. Gaines, PSM
Florida License No. 4576

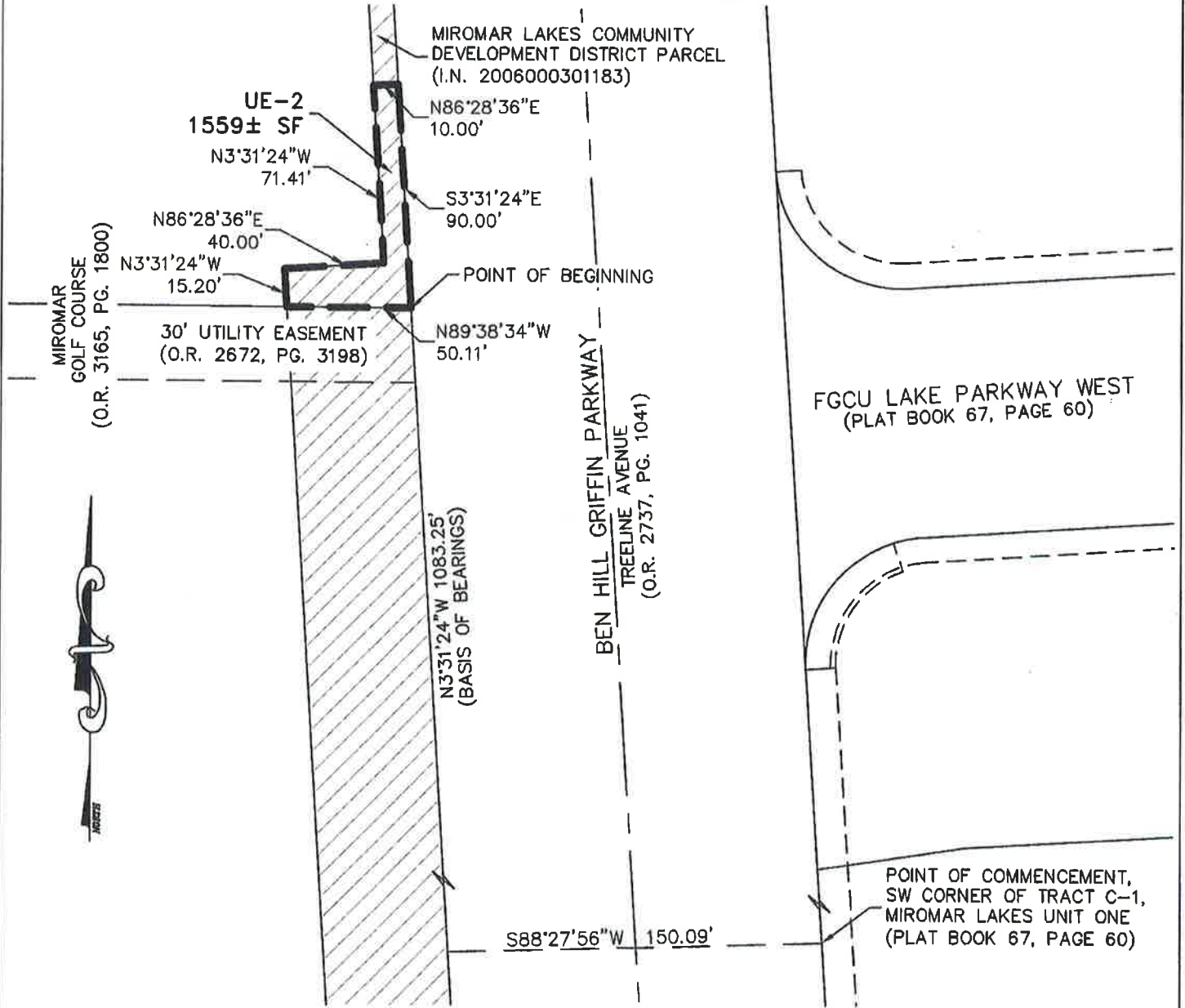
10/14/14
Date

Revised: 10/14/2014
Sketch: EFG Drawing No. 0445-002-2

0445-002-2 Esmt Desc UE-2 rev.docx

NOTES:

1. LANDS SHOWN HEREON WERE NOT ABSTRACTED FOR ZONING, EASEMENTS, RIGHTS-OF-WAY, OWNERSHIP, RESTRICTIONS OR SETBACKS.
2. DISTANCES ARE IN FEET AND DECIMALS THEREOF. THE BASIS OF BEARINGS IS SHOWN HEREON.
3. THIS SKETCH IS NOT A BOUNDARY SURVEY. SEE ATTACHED FOR LEGAL DESCRIPTION.

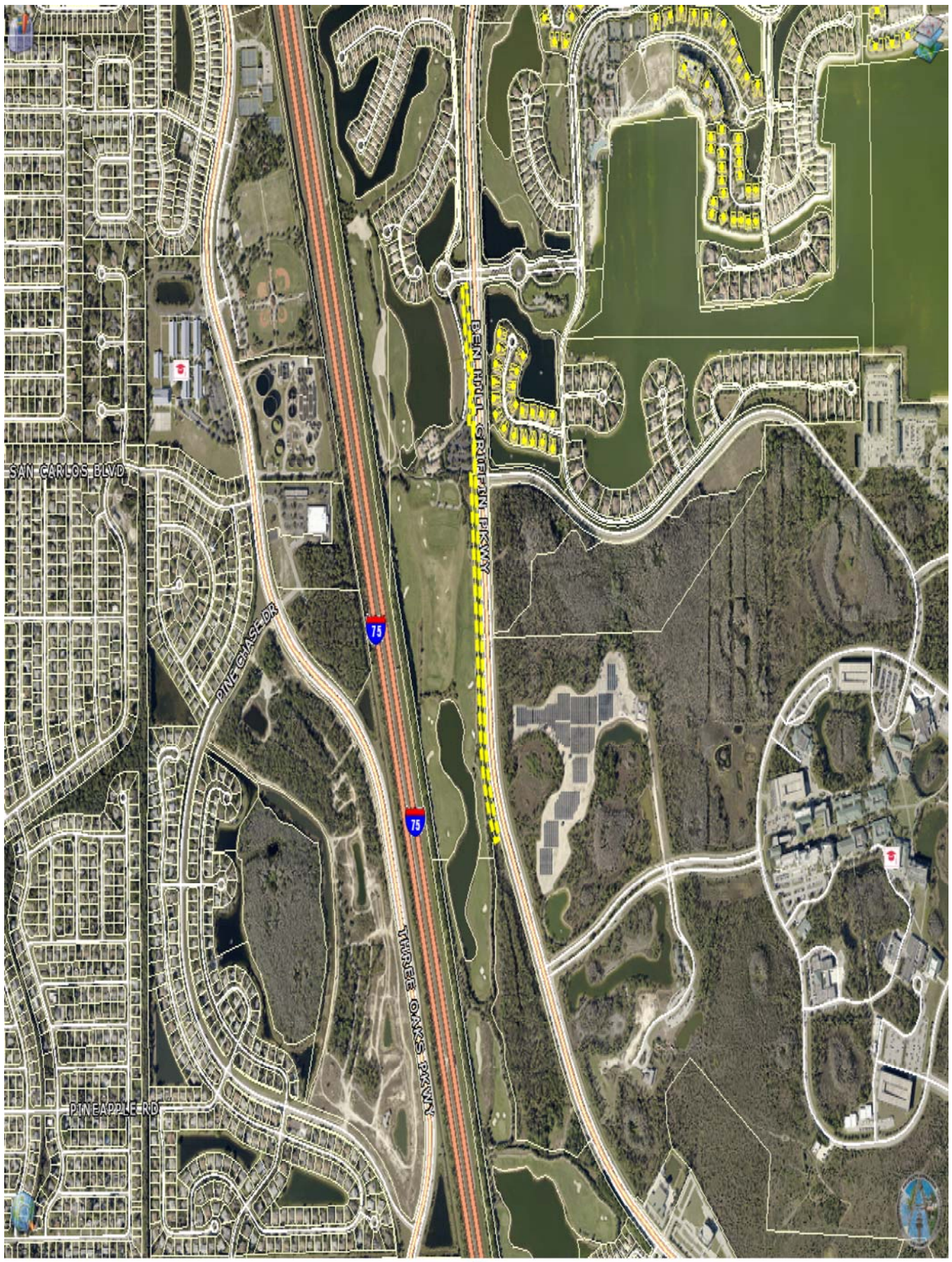


THIS IS A SKETCH TO ACCOMPANY A LEGAL DESCRIPTION (SEE ATTACHED) OF A UTILITY EASEMENT LOCATED IN SECTION 14, TOWNSHIP 46 SOUTH, RANGE 25 EAST, LEE COUNTY, FLORIDA.

PREPARED BY: *Elizabeth F. Gaines*
 ELIZABETH F. GAINES, PSM FL LICENSE NO. LS 4576

NOT VALID WITHOUT THE SIGNATURE AND ORIGINAL RAISED SEAL OF THE ABOVE NAMED FLORIDA PROFESSIONAL SURVEYOR AND MAPPER.

E.F. Gaines Surveying Services, Inc. FLORIDA LICENSE NO. LB7165 5235 Ramsey Way, Suite 10 Fort Myers, Florida 33907 Phone: 239-418-0126 Fax: 239-418-0127	CLIENT: GREELEY AND HANSEN	REVISIONS/DATE:
	DATE OF FIELD WORK: N/A	REV ESMT 10/14/14
	DATE OF DRAWING: AUGUST 14, 2013	
	SCALE: 1" = 60'	
	DRAWING FILE: 0445-002-2	SHEET 1 OF 1



February 2, 2015

**VIA EMAIL (clerk@sfwmd.gov) AND
REGULAR U.S. MAIL**

Office of the District Clerk
South Florida Water Management District
P.O. Box 24680
West Palm Beach, Florida 33416

**Re: REQUEST FOR EXTENSION OF TIME
FOR FILING A PETITION BY MIROMAR
LAKES COMMUNITY DEVELOPMENT DISTRICT
PERMIT: PERMIT MODIFICATION NO. 36-03568-P-05
DATE ISSUED: JANUARY 12, 2015
PERMITTEE: ALICO WEST FUND LLC
(CENTERPLACE)
12800 UNIVERSITY DRIVE SUITE 275
FORT MYERS, FL 33907**

Ladies and Gentlemen:

My law firm serves as legal counsel for Miromar Lakes Community Development District, a Florida community development district formed and existing pursuant to Chapter 190, Florida Statutes (the "District"). Please accept this correspondence as the official request of the District for a thirty (30) day extension of time (or such other reasonable time as South Florida Water Management District ("SFWMD") shall permit) for filing a petition to request an administrative hearing in the above-described matter.

The District's Board of Supervisors, as a public body, is subject to the Government-in-the-Sunshine Law requirements and state law notice requirements for independent special districts. I have not had the opportunity to speak with my Board and advise them on the issuance of the foregoing SFWMD permit. Substantial interests of the District might be affected by the issuance of the SFWMD permit. The next meeting of the District's Board of Supervisors will not occur until February 12, 2015. The requested extension will allow the District staff the opportunity to update and advise the Board regarding the permit and further obtain direction as to whether and how the District intends to proceed with respect to this matter. This request is brought in good faith and not for the purposes of delay.

I hereby certify that I have attempted to contact Charles Basinait, Esq., counsel for Alico West Fund LLC, and Jeffrey Collier, Esq., counsel for South Florida Water Management District, by telephone to determine their position on this requested extension, but have been able to reach either counsel at the time of this letter.

After your review of the foregoing request, please let me know if you would like to discuss it further. Thank you.

Sincerely,

A handwritten signature in blue ink, appearing to read 'GLU', with a long, sweeping flourish extending to the right.

Gregory L. Urbancic
For the Firm

GLU:maj

cc. James P. Ward, District Manager (via email only)
Charlie Krebs, Hole Montes, Inc., District Engineer (via email only)
Jeffrey Collier, Esq. (via email only)
Charles Basinait, Esq. (via email only)



Memorandum

Date: February 1, 2015

To: James P. Ward. District Manager

From: Bruce Bernard – Field Manager
Paul Cusmano – Asset Manager

Subject: Asset Management Report - January 2015
CGA Project # 14-7438

Field Report

Water Quality Testing

District Staff has been receiving data from FGCU Associates.

District Staff has received some preliminary data from FGCU associates, Dr. Serge Thomas and Professor Hidetoshi Urakawa, which is being analyzed and compared with existing data from Lee County. In addition, the District has taken four water quality samples in North Lake and downstream.

Lake Masters has tested the lake and downstream for lake quality parameters. District submitted Miromar Lakes 2013 Chart Report- Estero Basin from Lee County, testing from 1992 to 2013, for Bill Kurth to do additional sample comparison from then to now.

Miromar Lakes Development has also authorized water quality testing analysis to assist the District in its efforts. We appreciate the assistance of the developer in these efforts.

Building Code Services
Coastal Engineering
Code Enforcement
Construction Engineering & Inspection
Construction Services
Contract Government
Data Technologies & Development
Emergency Management Services
Engineering
Governmental Services
Indoor Air Quality
Landscape Architecture & Environmental Services
Municipal Engineering Planning
Public Administration
Redevelopment & Urban Design
Renewable Energy
Resort Development
Surveying & Mapping
Transportation Planning & Traffic Engineering
Utility & Community Maintenance Services
Water Resources Management

1800 Eller Drive, Suite 600
Fort Lauderdale, FL 33316
Phone: 954.921.7781
Fax: 954.921.8807



Status:

Upon receipt of additional data, a full report will be submitted to the Board for review, with further discussions to be held at upcoming Board meeting.

Lake Bank

Re-establishment of the Lake Banks in Porto Romano, behind the WCI construction portion, is in progress.

- I. Previous reporting regarding failure of the banks, was due to WCI construction of new homes and lake bank erosion.
- II. Attached are pictures showing current bank repairs by WCI.
- III. WCI is only responsible for repair of banks on new construction sites. The remaining bank failures will need to be addressed individually by each homeowner.

Meeting held Jan. 20th attended by five individual Miromar subdivision homeowner's representatives and along with a representative from the Master Association to address related shoreline erosion concerns. The erosion aspect is being caused by water runoff from roof drainage, excessive rain fall and water movement back and forth on the bank slopes driven by wind. Discussions centered on HOA and CDD property limits and bank slope ownership, drainage alternatives and proper yard drain installations, and permitting procedures by Homeowners Associations through Master HOA.

Individual subdivisions associations with need to assess the extent of erosion within their property and decide the best course of action to undertake. District Staff will monitor lake bank slopes and advise the Master HOA and individual associations as needed. Attendees were grateful for CDD presentation pertaining to this subject.

Landscape

Landscape maintenance bid package is in the bidding process with the following timeline:

- I. Mandatory pre-bid meeting February 12, 2015

Building Code Services
Coastal Engineering
Code Enforcement
Construction Engineering & Inspection
Construction Services
Contract Government
Data Technologies & Development
Emergency Management Services
Engineering
Governmental Services
Indoor Air Quality
Landscape Architecture & Environmental Services
Municipal Engineering
Planning
Public Administration
Redevelopment & Urban Design
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- II. Bid submittals February 24, 2015
- III. Bid opening February 27, 2015
- IV. Bid analysis and recommendation to Board April 9, 2015

Estate Landscape has repaired the damage on Ben Hill from the accident that occurred in July 3, 2014.

- I. Attached pictures show low plants and mulch installation completed.
- II. Attached pictures show current grass sprayed for weeds prior to new grass installation in first two weeks of FEB.
- III. Area along Ben Hill from golf cart over pass, 200 ft. south, continues to be damaged by truck and car traffic (pic attached). County and DOT code does not allow installation of curbs. Will request County inspection of area in question to inquiry about alternative methods to mitigate additional landscape damage.

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Landscape Architecture & Environmental Services
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- Building Code Services
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- Construction Services
- Contract Government
- Data Technologies & Development
- Emergency Management Services
- Engineering
- Governmental Services
- Indoor Air Quality
- Landscape Architecture & Environmental Services
- Municipal Engineering
- Planning
- Public Administration
- Redevelopment & Urban Design
- Renewable Energy
- Resort Development
- Surveying & Mapping
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Figure 1- San Marino bank slope under construction by WCI on South Lake Jan. 2015



Figure 2- WCI completed bank slope construction on San Marino South Lake Jan. 2015



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Figure 3- San Marino South Lake bank in Dec. 2014



Figure 4- San Marino North Lake bank after WCI reconstruction Dec. 2014



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Figure 5- Ben Hill Median after planting restoration due to July accident



Figure 6- Ben Hill Median plantings and mulching



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Figure 7- Areas to be re-sodded in Ben Hill Median in Feb. 2014



Figure 8- Damage by truck and vehicular traffic in Ben Hill Median

Miromar Lakes Community Development District
Exhibit B

CALVIN, GIORDANO & ASSOCIATES, INC.																		
13-5692 MIROMAR LAKES CDD																		
YEAR 2																		
Description of Service	Agreement Terms			Actual													YTD	Budget Variance
	Hourly Rate	Hours	Total Fee	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15			
WATER MANAGEMENT SERVICES																		
Procurement and Bidding Services	\$ 100.00	18	\$ 1,800.00	3	2	8											13	5.00
Prepare Scope of Service for Contract	\$ 100.00	25	\$ 2,500.00		1	2											3	22.00
Prepare Specifications and Exhibits	\$ 100.00	12	\$ 1,200.00			1	1										2	10.00
Negotiation and Contract Execution	\$ 100.00	6	\$ 600.00														0	6.00
Operations and Maintenance Services	\$ 80.00	125	\$ 10,000.00	2	2	2	1										7	118.00
Sub-Total:			\$ 16,100.00															
LANDSCAPING SERVICES																		
Procurement and Bidding Services	\$ 100.00	18	\$ 1,800.00	3	1	2	2										8	10.00
Prepare Scope of Service for Contract	\$ 100.00	25	\$ 2,500.00		3	10	2										15	10.00
Prepare Specifications and Exhibits	\$ 100.00	12	\$ 1,200.00		3	5	3										11	1.00
Negotiation and Contract Execution	\$ 100.00	12	\$ 1,200.00	1													1	11.00
Operations and Maintenance Services	\$ 80.00	250	\$ 20,000.00	2	4	2	4										12	238.00
Sub-Total:			\$ 26,700.00															
ASSET MONITORING																		
Procurement and Bidding Services	\$ 100.00	12	\$ 1,200.00		1												1	11.00
Prepare Scope of Service for Contract	\$ 100.00	12	\$ 1,200.00														0	12.00
Prepare Specifications and Exhibits	\$ 100.00	25	\$ 2,500.00			2	3										5	20.00
Negotiation and Contract Execution	\$ 100.00	25	\$ 2,500.00														0	25.00
Operations and Maintenance Services	\$ 80.00	100	\$ 8,000.00	2	2	4											8	92.00
Sub-Total:			\$ 15,400.00															
ADMINISTRATIVE MATTERS																		
Maintain electronic files, attendance at Board Meeting, general matters (all)	\$ 70.00	100	\$ 7,000.00	24	32	30	41										127	(27.00)
Total:			\$ 65,200.00	37	51	68	57	0	0	0	0	0	0	0	0	0	213	564

Miromar Lakes Community Development District

Financial Statements

December 31, 2014



Prepared by:

JPWARD AND ASSOCIATES LLC

2041 NE 6TH TERRACE

FORT LAUDERDALE, FLORIDA 33305

E-MAIL: WARD9490@COMCAST.NET

PHONE: (954) 658-4900

Miromar Lakes Community Development District

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JPWard & Associates, LLC

2041 NE 6th Terrace

Fort Lauderdale, Florida 33305

**Miromar Lakes Community Development District
Balance Sheet
for the Period Ending December 31, 2014**

	Governmental Funds						Totals (Memorandum Only)
	Debt Service Funds			Account Groups			
	General Fund	Series 2003	Series 2012	General Long Term Debt	General Fixed Assets		
Assets							
Cash and Investments							
General Fund - Invested Cash	\$ 749,568	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 749,568
Debt Service Fund							
Interest Account	-	-	-	-	-	-	-
Sinking Account	-	0	-	-	-	-	0
Reserve Account	-	1,980,891	428,131	-	-	-	2,409,023
Revenue	-	139,502	723,166	-	-	-	862,667
Prepayment Account	-	-	0	-	-	-	0
Deferred Cost Account	-	-	-	-	-	-	-
Cost of Issuance	-	-	-	-	-	-	-
Escrow Deposit Fund	-	-	-	-	-	-	-
Due from Other Funds							
General Fund	-	16,175	119,838	-	-	-	136,012
Debt Service Fund(s)	-	-	-	-	-	-	-
Market Valuation Adjustments							
Accrued Interest Receivable	-	-	-	-	-	-	-
Assessments Receivable	-	-	-	-	-	-	-
Accounts Receivable	1,088	-	-	-	-	-	1,088
Amount Available in Debt Service Funds	-	-	-	3,407,703	-	-	3,407,703
Amount to be Provided by Debt Service Funds	-	-	-	31,112,297	-	-	31,112,297
Investment in General Fixed Assets (net of depreciation)	-	-	-	-	40,376,020	-	40,376,020
Total Assets	\$ 750,655	\$ 2,136,568	\$ 1,271,135	\$ 34,520,000	\$ 40,376,020	\$ -	\$ 79,054,378

**Miromar Lakes Community Development District
Balance Sheet
for the Period Ending December 31, 2014**

	Governmental Funds						Totals (Memorandum Only)
	Debt Service Funds			Account Groups			
	General Fund	Series 2003	Series 2012	General Long Term Debt	General Fixed Assets		
Liabilities							
Accounts Payable & Payroll Liabilities	\$ 10,233	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,233
Due to Other Funds	-						-
General Fund	-	-	-	-	-	-	-
Debt Service Fund(s)	136,012	-	-	-	-	-	136,012
Bonds Payable	-						-
Current Portion	-	-	-	905,000	-	-	905,000
Long Term	-	-	-	33,615,000	-	-	33,615,000
Total Liabilities	\$ 146,245	\$ -	\$ -	\$ 34,520,000	\$ -	\$ -	\$ 34,666,245
Fund Equity and Other Credits							
Investment in General Fixed Assets	-			-	40,376,020	-	40,376,020
Fund Balance							
Restricted							
Beginning: October 1, 2014 (Audited)	-	2,800,590	840,524	-	-	-	3,641,114
Results from Current Operations	-	(664,022)	430,610	-	-	-	(233,412)
Unassigned							
Beginning: October 1, 2014 (Audited)	433,147			-	-	-	433,147
Results from Current Operations	171,263			-	-	-	171,263
Total Fund Equity and Other Credits	\$ 604,410	\$ 2,136,568	\$ 1,271,135	\$ -	\$ 40,376,020	\$ -	\$ 44,388,133
Total Liabilities, Fund Equity and Other Credits	\$ 750,655	\$ 2,136,568	\$ 1,271,135	\$ 34,520,000	\$ 40,376,020	\$ -	\$ 79,054,378

Miomar Lakes Community Development District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through December 31, 2014

Description	October	November	December	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources						
Carryforward	\$ -	\$ -	\$ -	-	\$ 30,300	N/A
Interest						
Interest - General Checking	21	19	30	69	500	14%
Special Assessment Revenue						
Special Assessments - On-Roll	(2,710)	83,525	292,805	373,620	442,166	84%
Special Assessments - Off-Roll	90,986	-	-	90,986	363,945	25%
Miscellaneous Revenue	1,595	-	6,588	8,183	0	N/A
Intragovernmental Transfer In				-		
Total Revenue and Other Sources:	\$ 89,891	\$ 83,544	\$ 292,835	472,858	\$ 836,911	57%
Expenditures and Other Uses						
Legislative						
Board of Supervisor's - Fees	1,000	800	800	2,600	12,000	22%
Board of Supervisor's - Taxes	77	61	61	199	918	22%
Executive						
Professional Management	3,333	3,333	3,333	10,000	40,000	25%
Financial and Administrative						
Audit Services	4,800	-	-	4,800	4,900	98%
Accounting Services	-	-	-	-	-	N/A
Assessment Roll Services	-	-	18,000	18,000	18,000	100%
Arbitrage Rebate Services	-	-	1,000	1,000	1,000	100%
Other Contractual Services						
Legal Advertising	1,144	-	-	1,144	1,200	95%
Trustee Services	-	-	3,091	3,091	7,900	39%
Property Appraiser/Tax Collector Fees	-	1,021	-	1,021	2,400	43%
Bank Services	27	44	67	138	550	25%
Travel and Per Diem	-	-	-	-	-	N/A
Communications & Freight Services						
Postage, Freight & Messenger	-	40	190	230	400	57%
Insurance	5,665	-	-	5,665	5,800	98%
Printing & Binding	-	114	-	114	1,200	9%
Website Development	-	-	-	-	1,000	0%
Office Supplies	-	-	-	-	-	N/A
Subscription & Memberships	175	-	-	175	175	100%

Miomar Lakes Community Development District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through December 31, 2014

Description	October	November	December	Year to Date	Total Annual Budget	% of Budget
Legal Services						
Legal - General Counsel	-	-	4,290	4,290	9,000	48%
Legal - Center Place	-	-	743	743	-	N/A
Other General Government Services						
Engineering Services - General Fund	1,808	1,545	374	3,726	5,000	75%
NPDES	-	-	-	-	7,500	0%
Asset Administration Services	1,167	-	1,167	2,333	7,000	33%
City Place	-	-	345	345	-	N/A
Sub-Total:	19,195	6,957	33,460	59,613	125,943	47%
Stormwater Management Services						
Professional Management						
Asset Management	3,967	-	3,967	7,933	23,800	33%
Mitigation Monitoring	-	-	-	-	500	N/A
Utility Services						
Electric - Aeration Systems	-	25	2,251	2,276	500	455%
Lake System						
Aquatic Weed Control	5,464	5,464	5,464	16,392	80,568	20%
Lake Bank Maintenance	-	-	-	-	5,850	0%
Water Quality Testing	-	-	-	-	-	N/A
Water Control Structures	-	-	-	-	11,550	0%
Grass Carp Installation	-	-	-	-	-	N/A
Aeration System	-	8,663	-	8,663	3,500	248%
Wetland System						
Routine Maintenance	3,133	3,133	3,133	9,400	54,600	17%
Other Current Charges	-	-	-	-	2,500	0%
Operating Supplies	-	-	-	-	-	N/A
Capital Outlay						
Aerator's	-	-	-	-	9,600	N/A
Sub-Total:	12,564	17,285	14,815	44,664	192,968	23%

Miomar Lakes Community Development District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through December 31, 2014

Description	October	November	December	Year to Date	Total Annual Budget	% of Budget
Landscaping Services						
Professional Management						
Asset Management	5,733	-	5,733	11,467	34,400	33%
Utility Services						
Electric	-	-	-	-	-	N/A
Irrigation Water	162	-	-	162	5,000	3%
Repairs & Maintenance						
Public Area Landscaping	21,790	93,211	9,953	124,954	361,100	35%
Landscape Lighting	-	-	-	-	-	N/A
Irrigation System	-	-	494	494	3,000	16%
Well System	-	-	-	-	3,500	0%
Plant Replacement	-	-	5,457	5,457	10,000	55%
Other Current Charges						
Lee County - Ben Hill Griffin Landscape	-	-	28,780	28,780	41,000	70%
Charlotte County - Panther Habitat, Fire	-	-	-	-	-	
Operating Supplies						
Mulch	-	-	26,005	26,005	60,000	43%
Sub-Total:	27,685	93,211	76,423	197,319	518,000	38%
Total Expenditures and Other Uses:	\$ 59,444	\$ 117,453	\$ 124,699	301,595	\$ 836,911	36%
Net Increase/ (Decrease) in Fund Balance	30,447	(33,909)	168,137	171,263	-	
Fund Balance - Beginning	433,147	463,595	429,686	433,147	433,870	
Fund Balance - Ending	\$ 463,595	\$ 429,686	\$ 597,823	604,410	\$ 433,870	

Miromar Lakes Community Development District
Debt Service Fund - Series 2003 Bonds
Statement of Revenues, Expenditures and Changes in Fund Balance
Through December 31, 2014

Description	October	November	December	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources						
Carryforward	\$ -	\$ -	\$ -	-	\$ -	N/A
Interest Income						
Interest Account	-	-	-	-	-	N/A
Sinking Account	-	-	-	-	-	N/A
Reserve Account*	161,497	1,241	1	162,738	30,000	542%
Prepayment Account	0	0	-	0	-	N/A
Revenue Account	7	7	1	15	-	N/A
Special Assessment Revenue						
Special Assessments - On-Roll	45	20,972	73,520	94,537	110,391	86%
Special Assessments - Off-Roll	-	-	-	-	1,955,734	0%
Operating Transfers In (From Other Funds)	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 161,548	\$ 22,221	\$ 73,522	257,291	\$ 2,096,125	12%
Expenditures and Other Uses						
Debt Service						
Principal Debt Service - Mandatory						
Series 2003 Bonds	\$ -	-	\$ -	-	\$ 530,000	0%
Principal Debt Service - Early Redemptions						
Series 2003 Bonds	-	130,000	-	130,000.00	-	N/A
Interest Expense						
Series 2003 Bonds	-	791,313	-	791,313	1,566,125	51%
Operating Transfers Out (To Other Funds)	-	-	-	-	-	N/A
Total Expenditures and Other Uses:	\$ -	\$ 921,313	\$ -	921,313	\$ 2,096,125	44%
Net Increase/ (Decrease) in Fund Balance	161,548	(899,092)	73,522	(664,022)	-	
Fund Balance - Beginning	2,800,590	2,962,138	2,063,046	2,800,590	2,755,905	
Fund Balance - Ending	\$ 2,962,138	\$ 2,063,046	\$ 2,136,568	2,136,568	\$ 2,755,905	

*October Interest Earnings related to market value adjustment made by auditors at FYE 09/30/14

Miromar Lakes Community Development District
Debt Service Fund - Series 2012 Bonds
Statement of Revenues, Expenditures and Changes in Fund Balance
Through December 31, 2014

Description	October	November	December	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources						
Carryforward	\$ -	\$ -	\$ -	-	\$ -	N/A
Interest Income						
Interest Account	-	-	-	-	-	N/A
Sinking Account	-	-	-	-	-	N/A
Reserve Account*	27,820	1,840	0	29,661	15,000	198%
Prepayment Account	-	-	-	-	-	N/A
Revenue Account	2	2	1	5	30	17%
Special Assessment Revenue						
Special Assessments - On-Roll	332	155,382	544,705	700,419	819,929	85%
Special Assessments - Off-Roll	-	-	-	-	163,991	0%
Special Assessments - Prepayments	-	-	-	-	-	N/A
Operating Transfers In (From Other Funds)	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 28,155	\$ 157,224	\$ 544,706	730,085.19	\$ 998,950	N/A
Expenditures and Other Uses						
Debt Service						
Principal Debt Service - Mandatory						
Series 2012 Bonds	-	-	-	-	\$ 400,000	0%
Principal Debt Service - Early Redemptions						
Series 2012 Bonds	-	-	-	-	-	N/A
Interest Expense						
Series 2012 Bonds	-	299,475	-	299,475	598,950	50%
Operating Transfers Out (To Other Funds)	-	-	-	-	-	N/A
Total Expenditures and Other Uses:	\$ -	\$ 299,475	\$ -	299,475	\$ 998,950	N/A
Net Increase/ (Decrease) in Fund Balance	28,155	(142,251)	544,706	430,610	-	
Fund Balance - Beginning	840,524	868,679	726,428	840,524	862,540	
Fund Balance - Ending	\$ 868,679	\$ 726,428	\$ 1,271,135	1,271,135	\$ 862,540	