

**JPWard and Associates, LLC**

**TERN BAY  
COMMUNITY DEVELOPMENT DISTRICT**

**REGULAR MEETING**

**AGENDA**

**July 16, 2019**



James P. Ward  
District Manager  
2900 NE 12th Terrace  
Suite 1  
Oakland Park, Florida 33334

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***[www.ternbaycdd.org](http://www.ternbaycdd.org)***

**Prepared by:**

***JPWard and Associates, LLC***  
*Community Development District Advisors*

# TERN BAY COMMUNITY DEVELOPMENT DISTRICT

July 8, 2019

Board of Supervisors  
Tern Bay Community Development District

Dear Board Members:

The Regular Meeting of the Board of Supervisors of the Tern Bay Community Development District will be held on **Tuesday, July 16, 2019 at 10:00 a.m.** at the **Country Inn and Suites, 24244 Corporate Court, Port Charlotte, Florida 33954.**

1. Call to Order & Roll Call
2. Consideration of Minutes
  - I. Consideration of April 9, 2019 Regular Meeting
3. **PUBLIC HEARINGS**
  - a) **FISCAL YEAR 2020 BUDGET**
    - I. Public Comment and Testimony
    - II. Board Comment and Consideration
    - III. Consideration of Resolution 2019-10 adopting the annual appropriation and Budget for Fiscal Year 2020
  - b) **FISCAL YEAR 2020 IMPOSING SPECIAL ASSESSMENTS; ADOPTING AN ASSESSMENT ROLL AND APPROVING THE GENERAL FUND SPECIAL ASSESSMENT METHODOLOGY**
    - I. Public Comment and Testimony
    - II. Board Comment and Consideration
    - III. Consideration of Resolution 2019-11 imposing special assessments, adopting an assessment roll and approving the general fund special assessment methodology.
4. Staff Reports
  - a) Attorney
  - b) Engineer
  - c) Manager
    - I. Field Manager Report
    - II. Financial Statement for the period ended May 31, 2019 (Unaudited)
5. Supervisor's Requests and Audience Comments
6. Adjournment

The second order of business is the consideration of the April 9, 2019 regular meeting minutes.

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The third order of business is two (2) required Public Hearings to consider the adoption of the District's Fiscal Year 2020 Budget, Assessments along with the General Fund Special Assessment Methodology. The first Public Hearing deals with the adoption of the Fiscal Year 2020 Budget which includes both the General Fund operations and the Debt Service Fund for the Series 2005 A Bonds. In the way of background, the Board approved the proposed Fiscal Year 2020 Budget at the April, 2019 meeting, solely for the purpose of permitting the District to move through the process towards this hearing to adopt the Budget and set the final assessment rates for the ensuing Fiscal Year.

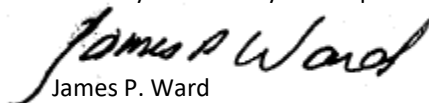
As a suggested form for the Public Hearing – it would be appropriate to formally open the Public Hearing for consideration of the Budget, take a few moments to have the District Manager review the salient points of the Budget for the Public, then seek Public Comment or testimony, and at the conclusion of the Public Comment and testimony to close the Public Hearing by motion of the Board, then to move into the Board's consideration of the Budget and once that is concluded, to consider **Resolution 2019-10** to adopt the annual appropriation and budget for the District. Once this item is concluded, then it would be recommended for the Board to move to the second Public Hearing utilizing the same process as just completed for the Budget Hearing.

This second Public Hearing is a consequence of the Budget Adoption process and sets in place the required documents that are all contained in the Fiscal Year 2020 Budget. **Resolution 2019-11** does essentially three (3) things. First, it imposes the special assessments for the general fund and the debt service fund; second, it arranges for the certification of an assessment roll by the Chairman or his designee, which in this case is the District Manager, to the Charlotte County Tax Collector and permits the District Manager to update the roll as it may be modified as limited by law subsequent to the adoption date of **Resolution 2019-11** and finally it approves the General Fund Special Assessment Methodology.

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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,  
Tern Bay Community Development District

  
James P. Ward  
District Manager

**MINUTES OF MEETING  
TERN BAY  
COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Board of Supervisors of the Tern Bay Community Development District was held on Tuesday, April 9, 2019 at 10:00 a.m. at the Country Inn and Suites, 24244 Corporate Court, Port Charlotte, Florida 33954.

**Present and constituting a quorum:**

Russell Smith	Chairperson
Chris Hasty	Vice Chairperson
Anthony Burdett	Assistant Secretary
Grayson Landers	Assistant Secretary

**Absent:**

David Caldwell	Assistant Secretary
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**Also present were:**

James P. Ward	District Manager
Jay Gaines (via phone)	

**Audience:**

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

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

District Manager James P. Ward called the meeting to order at approximately 10:00 a.m. and all members of the Board were present at roll call with the exception of Mr. David Caldwell. Mr. Grayson Landers joined the Meeting at approximately 10:05 a.m.

**SECOND ORDER OF BUSINESS**

**Consideration of Minutes**

**Consideration of Minutes**

Mr. Ward stated the second order of business was consideration of three sets of Minutes.

**I. December 11, 2018 Landowner Meeting**

Mr. Ward asked the Board to accept the December 11, 2018 Landowner Meeting Minutes for inclusion in the record only.

**On MOTION made by Mr. Russell Smith, seconded by Mr. Chris Hasty, and with all in favor, the December 11, 2018 Landowner Meeting Minutes were accepted for inclusion in the record.**

**II. December 11, 2018 Regular Meeting**

Mr. Ward asked if there were any additions, corrections or deletions for the December 11, 2018 Regular Meeting Minutes. Hearing none, he called for a motion.

**On MOTION made by Mr. Russell Smith, seconded by Mr. Chris Hasty, and with all in favor, the December 11, 2018 Regular Meeting Minutes were accepted.**

**III. Reconsideration of August 14, 2018 Regular Meeting**

Mr. Ward stated the August 14, 2018 Regular Meeting Minutes had been corrected. He asked if there were any new additions, corrections or deletions for the August 14, 2018 Regular Meeting Minutes. Hearing none, he called for a motion.

**On MOTION made by Mr. Russell Smith, seconded by Mr. Chris Hasty, and with all in favor, August 14, 2018 Regular Meeting Minutes were accepted as amended.**

**THIRD ORDER OF BUSINESS**

**Consideration of Resolution 2019-3**

**Consideration of Resolution 2019-3 agreeing to allow Lennar Homes to utilize side lot line easements for the placement of HVAC pads and HVAC units.**

Mr. Ward stated Resolution 2019-3 agreed to allow Lennar Homes to utilize side lot line easements for the placement of HVAC pads and HVAC units in the first plat of Tern Bay. He asked the Board to change this to also allow various necessary facilities within the platted area including pavers, paver pads, lots, lot screens, etc. Mr. Russell Smith stated the intention of the Resolution was to grant permission to Lennar for placement of necessary ancillary items in the easements during construction.

**On MOTION made by Mr. Russell Smith, seconded by Mr. Chris Hasty, and with all in favor, Resolution 2019-3 was adopted as amended and the Chair was authorized to sign.**

**FOURTH ORDER OF BUSINESS**

**Consideration of Resolution 2019-4**

**Consideration of Resolution 2019-4 ratifying the action of the chairman to execute the certificate of amendment and restated declaration of covenants.**

Mr. Ward indicated Resolution 2019-4 ratified the action of the Chairman to execute the certificate of amendment to the restated declaration Lennar recently completed with respect to Tern Bay. He noted enclosed was a copy of the amended and restated Declaration of Covenants, signed by Mr. Smith.

**On MOTION made by Mr. Anthony Burdett, seconded by Mr. Chris Hasty, and with all in favor, Resolution 2019-4 was adopted as above and the Chair was authorized to sign.**

#### **FIFTH ORDER OF BUSINESS**

#### **Consideration of Resolution 2019-5**

**Consideration of Resolution 2019-5 designating the registered agent, registered office and office of record.**

Mr. Ward stated Resolution 2019-5 designated the registered agent, registered office and office of record for Tern Bay Community Development District. He explained later in the Agenda changes would be made to the professional staff; therefore, the Resolution was amended to indicate the registered agent was James P. Ward, the office of record was Mr. Ward's office and the registered office was Banks Engineering at 4161 Tamiami Trail, Port Charlotte, FL.

**On MOTION made by Mr. Russell Smith, seconded by Mr. Chris Hasty, and with all in favor, Resolution 2019-5 was adopted as above and the Chair was authorized to sign.**

#### **SIXTH ORDER OF BUSINESS**

#### **Consideration of Resolution 2019-6**

**Consideration of Resolution 2019-6 amending the board meeting location.**

Mr. Ward explained a new Board Meeting location was discussed at the previous Meeting. He stated Resolution 2019-6 changed the Board Meeting to the on-site sales office. Mr. Russell Smith proposed this item be tabled until the next Board Meeting when all were present. He explained he wanted to ensure there was enough room in the on-site sales office to hold Board Meetings. The Board agreed; the item was tabled.

#### **SEVENTH ORDER OF BUSINESS**

#### **Acceptance of Termination**

**Acceptance of the termination of Clark & Albaugh, LLP legal services engagement.**

Mr. Ward stated enclosed was a copy of the letter from Scott Clark resigning as General Counsel and Litigation Counsel with respect to this District. He asked for the termination to be accepted for purposes of inclusion in the record.

**On MOTION made by Mr. Russell Smith, seconded by Mr. Chris Hasty, and with all in favor, the termination of Clark & Albaugh, LLP was accepted for inclusion in the record.**

**EIGHTH ORDER OF BUSINESS****Consideration of Resolution 2019-7**

**Consideration of Resolution 2019-7 appointing Coleman, Yovanovich and Koester as general legal representation for the district.**

Mr. Ward stated Resolution 2019-7 appointed Coleman, Yovanovich and Koester as general legal representation for the District and allowed Mr. Greg Urbancic, who represented many of Mr. Ward's other CDDs, to serve as General Counsel for Tern Bay CDD. He noted enclosed was the proposed agreement for services.

**On MOTION made by Mr. Russell Smith, seconded by Mr. Grayson Landers, and with all in favor, Resolution 2019-7 was adopted as above and the Chair was authorized to sign.**

**NINTH ORDER OF BUSINESS****Acceptance of Termination**

**Acceptance of the termination of Morris Engineering and Consulting, LLC as district engineer.**

Mr. Ward stated provided was a copy of the email he received regarding the termination of Morris Engineering and Consulting, LLC. He asked the Board to accept the termination for purposes of inclusion in the record.

**On MOTION made by Mr. Russell Smith, seconded by Mr. Chris Hasty, and with all in favor, the termination of Morris Engineering and Consulting, LLC was accepted for inclusion in the record.**

**TENTH ORDER OF BUSINESS****Consideration of Resolution 2019-8**

**Consideration of Resolution 2019-8 appointing Banks Engineering as the interim District Engineer for the District.**

Mr. Ward stated Chapter 287 of the Statute required the districts to follow the Consultants Competitive Negotiation Act process which included advertising for District Engineers, acceptance of proposals, review of proposals, followed by negotiation with the firm who submitted the best proposal. He noted until this process was completed David Underhill with Banks Engineering, with whom he was familiar, would serve as the Interim District Engineer as appointed by Resolution 2019-8.

**On MOTION made by Mr. Russell Smith, seconded by Mr. Grayson Landers, and with all in favor, Resolution 2019-8 was adopted as above and the Chair was authorized to sign.**

**ELEVENTH ORDER OF BUSINESS****Acceptance of Audited Financial Statement****Acceptance of the Audited Financial Statement for the Fiscal Year ended September 30, 2018.**

Mr. Ward stated Mr. Jay Gaines was on the phone representing the auditing firm. He asked Mr. Gaines to review the Audited Financial Statement for Fiscal Year ended September 30, 2018.

Mr. Jay Gaines stated page 2 of the Audited Financial Statement indicated an unmodified opinion for Tern Bay's governmental activities as of September 30, 2018 and for respective changes in the financial position and the budget area comparison for the General Fund. He reported there was an emphasis of matter due to large transactions involving Bonds. He indicated page 10 was the Statement of Net Position as of September 30, 2018. He noted the CDD had approximately \$45.5 million dollars in total assets, liabilities were approximately \$1.2 million dollars and net position was approximately \$44.3 million dollars; this was directly related to the forgiveness of debt. He noted page 11 was the Statement of Activities which showed a gain on extinguishment of debt of almost \$70 million dollars. He explained this increased the CDD's net position by \$88 million dollars taking the CDD from a negative \$44 million dollar deficit to a positive \$44 million dollar net position. He stated page 12 illustrated day to day operations through funds. He stated page 14 showed during the year there were \$19 million dollars in revenues, \$18 million dollars in surplus, and \$33 million dollars in other financing sources while fund balances went from negative \$52 million dollars to positive \$135,000 dollars. He asked if there were any questions.

Mr. Ward stated there was a provision which indicated once the CDD was out of foreclosure, it must go through a process of determining what impairment of assets occurred since foreclosure which needed to be written off. He stated he would go through this process with the auditors and engineers over the next six months or so and would continue to keep the Board updated in this regard. He called for a motion to accept the Audited Financial Statement for purposes of inclusion in the record.

Mr. Smith asked what the advantage was to taking an impairment loss. Mr. Ward explained the purpose was to accurately reflect the true value of the asset.

**On MOTION made by Mr. Russell Smith, seconded by Mr. Grayson Landers, and with all in favor, the Audited Financial Statement for Fiscal Year ended September 30, 2018 was accepted for inclusion in the record.**

**TWELFTH ORDER OF BUSINESS****Consideration of Resolution 2019-9****Consideration of Resolution 2019-9 Approving the Proposed Budget for Fiscal Year 2020 and Setting a Public Hearing for Tuesday, July 16, 2019 at 10:00 A.M. at the Country Inn and Suites, 24244 Corporate Court, Port Charlotte, Florida 33954.**

Mr. Ward stated Resolution 2019-9 approved the Proposed Budget for Fiscal year 2020 and set the Public Hearing for Tuesday, July 16, 2019 at 10:00 A.M. at the Country Inn and Suites. He explained the budget must be approved for the purpose of setting a Public Hearing. He explained this did not bind the District to the programs, amounts or assessment rates in the budget, but it did set the cap for what the



assessment rate could be. He noted the Budget was substantively different than previous Budgets past as it reflected the Debt Service Fund related to the Bonds which were written off going from approximately \$55 million dollars to \$1,170,000 dollars in Bonds for the platted areas which were within Tern Bay at the sale of the property from SPE to Lennar Homes. He explained the debt remained and the District now had a Debt Service Fund related to the debt. He noted debt service rates going forward did not change as a result of writing off the existing debt; the rate was 5.375% which was a very good rate for the bonds. He stated the General Fund had \$124,000 dollars in overall expenditures during the year and basically listed all services related to operation of the District with the exception of a few electric service bills which were still in the transition process. He explained if the electric service bills transitioned to the Home Owner's Association before the Public Hearing he would be able to reduce the electric service amounts in the General Fund by approximately \$24,000 dollars. He indicated once Resolution 2019-9 was approved the time, date and location of the Hearing could not be changed.

Mr. Smith commented approval of the Budget primarily set the location of the Public Hearing; the Budget could be adjusted. Mr. Ward explained the Debt Service Fund could not be changed, but the General Fund could be reduced; nothing could be increased.

**On MOTION made by Mr. Russell Smith, seconded by Mr. Chris Hasty, and with all in favor, Resolution 2019-9 was adopted as above and the Chair was authorized to sign.**

#### **THIRTEENTH ORDER OF BUSINESS**

#### **Staff Reports**

Mr. Ward stated due to the change in Staff there were no Reports from District Counsel or District Engineering. He noted he did not have a Staff Report, but would answer any questions regarding the enclosed unaudited financial statements.

Mr. Smith asked Mr. Ward to direct Mr. Urbancic, District Counsel, to straighten out the issues with the property slots mentioned by the previous District Counsel. Mr. Ward indicated he would set up a phone call with Mr. Smith and Mr. Urbancic regarding this matter.

#### **FOURTEENTH ORDER OF BUSINESS**

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

There were no Supervisor's Requests.

An Audience Member 22:14 asked if the roads and lakes would be under CDD control. Mr. Ward responded in the affirmative; the CDD controlled the roads and lakes during the existing phase of development. The Audience Member asked about irrigation. Mr. Ward responded the CDD did not control or own irrigation. Discussion ensued regarding irrigation, the CDD not owning irrigation, the impairment of assets process determining what the CDD owned and did not own, whether the lakes were used for irrigation purposes, the existing roads being owned by the CDD not the HOA, water and sewage facilities still owned by the CDD eventually being turned over to the County which was a lengthy process.

An Audience Member 26:42 asked whether she would be permitted to use the regular gate for entrance as it was owned by the CDD, or if she would be required to use the visitor's gate as directed by Lennar. Mr. Ward stated he was unfamiliar with Lennar's requirements. Mr. Smith stated if roads were owned by the CDD typically individuals could not be denied access, but an individual could be asked to show identification prior to entry. Discussion ensued regarding road access and Home Owner Association documents pertaining to road access. Mr. Ward explained the CDD signed the HOA document agreeing to the terms of the document; however, the CDD had no right to change or amend the document. He explained only the HOA had these rights. He noted if an individual did not want to be included on an HOA document, said individual should speak with the HOA. Mr. Smith stated if any individual had other questions related to the HOA documents, said individual should consult the HOA.

An Audience Member 33:20 asked where the CDD was in the river clean up process. Mr. Smith responded this has been completed.

**FIFTEENTH ORDER OF BUSINESS**

**Adjournment**

Mr. Ward adjourned the meeting at approximately 10:37 a.m.

**On MOTION made by Mr. Russell Smith, seconded by Mr. Chris Hasty,  
and with all in favor, the meeting was adjourned.**

Tern Bay Community Development District

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

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Russell Smith, Chairperson

## RESOLUTION 2019-10

**THE ANNUAL APPROPRIATION RESOLUTION OF THE TERN BAY COMMUNITY DEVELOPMENT DISTRICT (THE “DISTRICT”) RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2019 AND ENDING SEPTEMBER 30, 2020; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR CONFLICT AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the District Manager has, prior to the fifteenth (15<sup>th</sup>) day in June, 2019, submitted to the Board of Supervisors (the “Board”) a proposed budget for the next ensuing budget year along with an explanatory and complete financial plan for each fund of the Tern Bay Community Development District, pursuant to the provisions of Section 190.008(2)(a), Florida Statutes; and

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

**WHEREAS**, the Board set September 11, 2018, as the date for a public hearing thereon and caused notice of such public hearing to be given by publication pursuant to Section 190.008(2)(a), Florida Statutes; and

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

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

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

### **SECTION 1. BUDGET**

- a. That the Board of Supervisors has reviewed the District Manager’s Proposed Budget, a copy of which is on file with the office of the District Manager and at the District’s Records Office, and hereby approves certain amendments thereto, as shown in Section 2 below.
- b. That the District Manager’s Proposed Budget, attached hereto as Exhibit “A,” as amended by the Board, is hereby adopted in accordance with the provisions of Section 190.008(2)(a), Florida Statutes, and incorporated herein by reference; provided, however, that the comparative figures contained in the adopted budget may be subsequently revised as deemed necessary by the District Manager to

**RESOLUTION 2019-10**

**THE ANNUAL APPROPRIATION RESOLUTION OF THE TERN BAY COMMUNITY DEVELOPMENT DISTRICT (THE "DISTRICT") RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2019 AND ENDING SEPTEMBER 30, 2020; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR CONFLICT AND PROVIDING AN EFFECTIVE DATE.**

reflect actual revenues and expenditures for Fiscal Year 2020 and/or revised projections for Fiscal Year 2020.

- c. That the adopted budget, as amended, shall be maintained in the office of the District Manager and at the District's Records Office and identified as "The Budget for the Tern Bay Community Development District for the Fiscal Year Ending September 30, 2020," as adopted by the Board of Supervisors on July 16, 2019.

**SECTION 2. APPROPRIATIONS**

There is hereby appropriated out of the revenues of the Tern Bay Community Development District, for the fiscal year beginning October 1, 2019, and ending September 30, 2020, the sum of \$233,194.00 to be raised by the levy of assessments and otherwise, which sum is deemed by the Board of Supervisors to be necessary to defray all expenditures of the District during said budget year, to be divided and appropriated in the following fashion:

TOTAL GENERAL FUND	\$ 124,188.00
DEBT SERVICE FUND(S)	\$ 109,006.00
CAPITAL PROJECTS FUND(S)	<u>\$ NONE</u>
<b>TOTAL ALL FUNDS</b>	<b>\$ 233,194.00</b>

**SECTION 3. SUPPLEMENTAL APPROPRIATIONS**

The Board may authorize by resolution, supplemental appropriations or revenue changes for any lawful purpose from funds on hand or estimated to be received within the fiscal year as follows:

- a. Board may authorize a transfer of the unexpended balance or portion thereof of any appropriation item.
- b. Board may authorize an appropriation from the unappropriated balance of any fund.
- c. Board may increase any revenue or income budget amount to reflect receipt of any additional unbudgeted monies and make the corresponding change to appropriations or the unappropriated balance.

The District Manager/Treasurer shall have the power within a given fund to authorize the transfer of any unexpected balance of any appropriation item or any portion thereof, provided such transfers do not exceed Ten Thousand (\$10,000) Dollars previously approved transfers included. Such transfer shall not have the effect of causing a more than \$10,000,

**RESOLUTION 2019-10**

**THE ANNUAL APPROPRIATION RESOLUTION OF THE TERN BAY COMMUNITY DEVELOPMENT DISTRICT (THE "DISTRICT") RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2019 AND ENDING SEPTEMBER 30, 2020; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR CONFLICT AND PROVIDING AN EFFECTIVE DATE.**

previously approved transfers included, to the original budget appropriation for the receiving program. Transfers within a program or project may be approved by the Board of Supervisors.

**SECTION 4. SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

**SECTION 5. CONFLICT.** That all Sections or parts of Sections of any Resolutions, Agreements or actions of the Board of Supervisor's in conflict are hereby repealed to the extent of such conflict.

**SECTION 6. EFFECTIVE DATE.** This Resolution shall take effect upon the passage and adoption of this Resolution by the Board of Supervisors of the Tern Bay Community Development District.

**PASSED AND ADOPTED** this 16<sup>th</sup> day of July, 2019

ATTEST:

**TERN BAY COMMUNITY  
DEVELOPMENT DISTRICT**

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

\_\_\_\_\_  
Russell Smith, Chairperson

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*JPWard and Associates LLC*

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*TOTAL Commitment to Excellence*

# *Tern Bay*

*Community Development District*

*Exhibit A*

*Proposed Budget*

*Fiscal Year 2020*



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*Tern Bay Community Development District*

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*Table of Contents*

*Budget*

	<i>Page</i>
<i>General Fund</i>	<i>1-6</i>
<i>Debt Service Fund</i>	<i>7-8</i>



*JPWard and Associates LLC*

*TOTAL Commitment to Excellence*

**Tern Bay  
Community Development District  
General Fund - Budget  
Fiscal Year 2020**

Description	Anticipated			
	Fiscal Year 2019 Adopted Budget	Actual at 02/28/2019	Year End 09/30/19	Fiscal Year 2020 Budget
<b>Revenues and Other Sources</b>				
Carryforward	\$ -	\$ -	\$ -	\$ -
Interest Income - General Account	\$ -	\$ -	\$ -	\$ -
<b>Special Assessment Revenue</b>				
Special Assessment - On-Roll	\$ 159,812	\$ 150,324	\$ 150,324	\$ 124,188
Special Assessment - Off-Roll	\$ -	\$ -	\$ -	\$ -
Miscellaneous Revenue	\$ -	\$ 900	\$ 900	\$ -
<b>Total Revenue &amp; Other Sources</b>	<b>\$ 159,812</b>	<b>\$ 151,224</b>	<b>\$ 151,224</b>	<b>\$ 124,188</b>
<b>Appropriations and Other Uses</b>				
<b>Legislative</b>				
Board of Supervisor's Fees	\$ 6,000	\$ -	\$ -	\$ -
<b>Executive</b>				
Professional - Management	\$ 31,300	\$ 14,375	\$ 31,300	\$ 34,500
<b>Financial and Administrative</b>				
Audit Services	\$ 6,000	\$ -	\$ 5,350	\$ 6,000
Accounting Services	\$ 12,000	\$ 5,000	\$ 12,000	\$ 12,000
Assessment Roll Services	\$ 9,000	\$ 3,333	\$ 9,000	\$ 9,000
Arbitrage Rebate Fees	\$ 500	\$ 500	\$ 500	\$ 500
Financial & Administrative-Other	\$ -	\$ -	\$ -	\$ -
<b>Other Contractual Services</b>				
Recording and Transcription	\$ -	\$ -	\$ -	\$ -
Legal Advertising	\$ 4,000	\$ 785	\$ 2,500	\$ 2,500
Trustee Services	\$ 3,500	\$ -	\$ 3,500	\$ 3,500
Dissemination Agent Services	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Bank Service Fees	\$ 500	\$ 129	\$ 500	\$ 500
<b>Travel and Per Diem</b>	\$ -	\$ -	\$ -	\$ -
<b>Communications and Freight Services</b>				
Telephone	\$ -	\$ -	\$ -	\$ -
Postage, Freight & Messenger	\$ 450	\$ 65	\$ 200	\$ 400
<b>Insurance</b>	\$ 9,400	\$ 8,768	\$ 8,768	\$ 8,900
<b>Meeting Room Rental</b>	\$ -	\$ 200	\$ 500	\$ 400
<b>Printing and Binding</b>	\$ 200	\$ 363	\$ 500	\$ 500
<b>Web Site Maintenance</b>	\$ 1,600	\$ 250	\$ 2,000	\$ 2,000
<b>Office Supplies</b>	\$ -	\$ -	\$ -	\$ -
<b>Subscriptions and Memberships</b>	\$ 175	\$ 175	\$ 175	\$ 175
<b>Legal Services</b>				
General Counsel	\$ 10,000	\$ 852	\$ 3,000	\$ 4,000
Foreclosure Counsel	\$ -	\$ 3,504	\$ 3,504	\$ -
<b>Other General Government Services</b>				
Engineering Services - General	\$ 15,000	\$ 8,850	\$ 10,000	\$ 5,000
<b>Wastewater Services</b>				
Electric Service	\$ 2,000	\$ 310	\$ 620	\$ 620
<b>Stormwater Management Services</b>				
<b>Repairs &amp; Maintenance</b>				
Lake Banks/Outfall Control Structures	\$ -	\$ -	\$ -	\$ -



**Tern Bay  
Community Development District  
General Fund - Budget  
Fiscal Year 2020**

Description	Fiscal Year 2019 Adopted Budget	Actual at 02/28/2019	Anticipated Year End 09/30/19	Fiscal Year 2020 Budget
<b>Aquatic Weed Control</b>				
Lake Spraying	\$ -	\$ -	\$ -	\$ -
Lake Vegetation Removal	\$ -	\$ -	\$ -	\$ -
Upland Monitoring & Maint	\$ -	\$ -	\$ -	\$ -
<b>Other Physical Environment</b>				
<b>Professional Services</b>				
Field Manager Services	\$ 12,000	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -	\$ -
Contingencies	\$ -	\$ -	\$ -	\$ -
<b>Assessments - Charlotte County</b>	\$ -	\$ -	\$ -	\$ -
<b>Road &amp; Street Facilities</b>				
<b>Field Management Services</b>				
<b>Street Lights</b>				
Electric Service	\$ 12,000	\$ 3,284	\$ 6,500	\$ 12,000
<b>Repairs &amp; Maintenance</b>	\$ -	\$ -	\$ -	\$ -
<b>Economic Environment</b>				
Professional Services - Appraisal	\$ -	\$ -	\$ -	\$ -
<b>Landscaping Services</b>				
<b>Electric Service</b>	\$ 12,000	\$ 4,673	\$ 9,000	\$ 12,000
<b>Repairs &amp; Maintenance</b>				
Common Area Maintenance	\$ -	\$ 4,549	\$ 4,549	\$ -
Material Replacement	\$ -	\$ -	\$ -	\$ -
Mulch Installation	\$ -	\$ -	\$ -	\$ -
Landscape Lighting	\$ -	\$ -	\$ -	\$ -
<b>Irrigation System</b>				
<b>Pumps, Wells &amp; Line Distribution System</b>				
Routine Maintenance	\$ -	\$ 6,518	\$ 10,000	\$ -
Well Testing/Meter Reading	\$ -	\$ -	\$ -	\$ -
<b>Line Distribution System</b>				
Routine Maintenance	\$ -	\$ -	\$ -	\$ -
<b>Other Fees and Charges</b>				
Discounts and Tax Collector Fees	\$ 11,187	\$ -	\$ -	\$ 8,693
<b>Total Appropriations</b>	<b>\$ 159,812</b>	<b>\$ 67,485</b>	<b>\$ 124,966</b>	<b>\$ 124,188</b>

**Tern Bay  
Community Development District  
General Fund - Budget  
Fiscal Year 2020**

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**Revenues and Other Sources**

Carryforward	\$	-
Interest Income - General Account	\$	-

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**Appropriations**

**Legislative**

Board of Supervisor's	\$	-
<p>The Board's fees are statutorily set at \$200 for each meeting of the Board of Supervisor's not to exceed \$4,800 for each Fiscal Year. The Board of Supervisor's has waived their legislative fees.</p>		

**Executive**

Professional - Management	\$	34,500
<p>The District retains the services of a professional management company - <b>JPWard and Associates, LLC</b> - which specializes in Community Development Districts. The firm brings a wealth of knowledge and expertise to Tern Bay.</p>		

**Financial and Administrative**

Audit Services	\$	6,000
<p>Statutorily required for the District to undertake an independent examination of its books, records and accounting procedures.</p>		
Accounting Services	\$	12,000
<p>To provide all of the required financial accounting functions for the District, including but not limited to such items as Budget preparation, establishing Government Fund Accounting System, prepare all required state reports, preparation of daily accounting services, such as bill payments, assessment collection receipts, financial statement preparation.</p>		
Assessment Roll Services	\$	9,000
<p>To provide for the on-going maintenance of the District's Assessment Rolls and Lien Book.</p>		
Arbitrage Rebate Fees	\$	500
<p>Federal Compliance - this fee is paid for an in-depth analysis of the District's earnings on all of the funds in trust for the benefit of the Bondholder's to insure that the earnings rate does not exceed the interest rate on the Bond's.</p>		

**Other Contractual Services**

Recording and Transcription	\$	-
<p>This line item has been deleted and incorporated into the Management Fee.</p>		
Legal Advertising	\$	2,500
Trustee Services	\$	3,500
<p>With the issuance of the District's Bonds, the District is required to maintain the accounts established for the Bond Issue with a bank that holds trust powers in the State of Florida. The primary purpose of the trustee is to safeguard the assets of the Bondholder's, to insure the timely payment of the principal and interest due on the Bonds, and to insure the investment of the funds in the trust are made pursuant to the requirements of the trust.</p>		
Dissemination Agent Services	\$	1,000

**Tern Bay  
Community Development District  
General Fund - Budget  
Fiscal Year 2020**

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With the issuance of the District's Bonds, the District is required to report on a periodic basis the same information that is contained in the Official Statement that was issued for the Bonds. These requirements are pursuant to requirements of the Securities and Exchange Commission and sent to national repositories.

Bank Service Fees	\$	500
<b>Travel and Per Diem</b>	\$	-
<b>Communications and Freight Services</b>		
Telephone	\$	-
Postage, Freight & Messenger	\$	400
<b>Insurance</b>	\$	8,900
<b>Meeting Room Rental</b>	\$	400
<b>Printing and Binding</b>	\$	500
<b>Web Site Maintenance</b>	\$	2,000
<b>Office Supplies</b>	\$	-
<b>Subscriptions and Memberships</b>	\$	175
<b>Legal Services</b>		
General Counsel	\$	4,000
<p>    The District's general council provides on-going legal representation relating to issues such as public finance, public bidding, rulemaking, open meetings, public records, real property dedications, conveyances and contracts. In this capacity, they provide services as "local government lawyers".</p>		
<b>Other General Government Services</b>		
Engineering Services - General	\$	5,000
<p>    The District's engineering firm provides a broad array of engineering, consulting and construction services, which assists the District in crafting solutions with sustainability for the long term interests of the Community while recognizing the needs of government, the environment and maintenance of the District's facilities.</p>		
<b>Wastewater Services</b>		
Electric Service	\$	620
<p>    FP&amp;L Service to three (3) Lift Stations</p>		
<b>Stormwater Management Services</b>		
<b>Repairs &amp; Maintenance</b>		
Lake Banks/Outfall Control Structures	\$	-
<p>        For wash-outs that may occur during the year (Anticipated one cleaning for FY 2016)</p>		
Lake Spraying	\$	-
Lake Vegetation Removal	\$	-
Upland Monitoring & Maint	\$	-
<p>    In Fiscal Year 2011 the District requested and was granted an extension by the SWFWMD to provide the required monitoring reports on portions of the acres of wetlands of the District. This summer we will have an inspection, and further monitoring requirements will be determined at that time. As such, we recommend budgeting sufficient funds to carry out both the maintenance requirements and reporting requirements under the permit, if required.</p>		

Description of Event	Amount
----------------------	--------

**Tern Bay  
Community Development District  
General Fund - Budget  
Fiscal Year 2020**

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Ongoing Maintenance (two (2) Events Yearly	\$	-
Monitoring Report SWFMD (if required)	\$	-
<b>Total:</b>	<u>\$</u>	<u>-</u>

**Other Physical Environment**

**Professional Services**

Field Manager Services \$ -

The District retains the services of CAS Asset Management to provide a variety of services, including but not limited to coordination of on-site vendors, inspections of District Assets, etc.

Insurance \$ -

This line item has been deleted and incorporated into another Insurance line item as noted in this Budget.

Contingencies \$ -

To account for any unforeseen expenses during the Year.

**Assessments - Charlotte County** \$ -

Charlotte County levies a stormwater assessment on certain property in the County and the property owned by the District is subject to the Assessments.

**Road & Street Facilities**

Street Lights

Electric Service \$12,000

The District has installed Street Lights in a portion of the Community, the lights are leased from Florida Power & Light and the District pays a monthly fee to amortize the cost of the system. In addition, the District pays FP&L for the associated electric use.

Phase 1 - Lease Charges \$6,500

Phase 2 - Use Charges \$5,500

**Total** **\$12,000**

Repairs & Maintenance \$ -

Pavement Repairs \$ -

This line item is for any miscellaneous road repairs required.

Bridge Repairs \$ -

The District owns four (4) wooden bridges, this covers cleaning and re-sealing.

**Economic Environment**

Professional Services - Appraisal \$ -

In Fiscal Year 2011 the Bondholder's retained a firm to provide certain information related to the valuation of the Tern Bay property, which was paid for from Trust Funds. The District is unaware of any other work being undertaken by the Bondholder's, a line item budget for this service will not be utilized.

**Landscaping Services**

**Electric Service** \$ 12,000

Florida Power & Light Costs associated with both the Pumps and Well system along with the Line Distribution System.

**Repairs & Maintenance**

Common Area Maintenance \$ -

**Tern Bay  
Community Development District  
General Fund - Budget  
Fiscal Year 2020**

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The District retains the services of a qualified landscape contractor to maintain certain landscaped area within the community.

Material Replacement	\$	-
Mulch Installation	\$	-
Landscape Lighting	\$	-

**Irrigation System**

**Pumps, Wells & Line Distribution System**

Routine Maintenance	\$	-
Well Testing/Meter Reading		

This line item has been deleted and incorporated into the routine maintenance line item.

**Line Distribution System**

Routine Maintenance	\$	-
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This line item has been deleted and incorporated into the routine maintenance line item.

**Other Fees and Charges**

Discounts and Tax Collector Fees 4% Discount permitted by law for early payment along with 2% each for the Tax Collector and Property Appraiser Fees.	\$	8,693
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**Total Appropriations: \$ 124,188**

Tern Bay  
Community Development District  
Debt Service Fund - Budget  
Fiscal Year 2020

Description	Fiscal Year 2019 Adopted Budget	Actual at 02/28/2019	Anticipated Year End 09/30/19	Fiscal Year 2020 Budget
<b>Revenues and Other Sources</b>				
Carryforward				
Interest Income	\$ 75	\$ -	\$ -	\$ -
<b>Special Assessment Revenue</b>				
Special Assessment - On-Roll	\$ 109,006	\$ 102,109	\$ 109,006	\$ 109,006
Special Assessment - Off-Roll	\$ -	\$ -	\$ -	\$ -
Miscellaneous Revenue		\$ 900	\$ 900	\$ -
<b>Total Revenue &amp; Other Sources</b>	<b>\$ 109,081</b>	<b>\$ 103,009</b>	<b>\$ 109,906</b>	<b>\$ 109,006</b>
<b>Appropriations</b>				
<b>Debt Service</b>				
<b>Principal Debt Service - Mandatory</b>				
Series 2005 A Bonds	\$ 35,000	\$ -	\$ 35,000	\$ 35,000
<b>Principal Debt Service - Early Redemptions</b>				
Series 2005 A Bonds	\$ -	\$ -	\$ -	\$ -
<b>Interest Expense</b>				
Series 2005 A Bonds	\$ 62,888	\$ 31,443	\$ 62,888	\$ 62,888
<b>Other Fees and Charges</b>				
Discounts and Other Fees	\$ 7,131	\$ -	\$ 7,131	\$ 7,131
<b>Total Appropriations</b>	<b>\$ 105,019</b>	<b>\$ 31,443</b>	<b>\$ 105,019</b>	<b>\$ 105,019</b>

**Tern Bay  
Community Development District  
Debt Service Schedule - Series 2005 A**

Description	Principal	Coupon Rate	Interest	Annual Debt Service
Par Debt Outstanding (After Lennar Purchase)	\$ 1,170,000	5.375%		
11/1/2018			\$ 31,443.75	
5/1/2019	\$ 35,000	5.375%	\$ 31,443.75	\$ 97,888
11/1/2019			\$ 30,503.13	
5/1/2020	\$ 40,000	5.375%	\$ 30,503.13	\$ 101,006
11/1/2020			\$ 29,428.13	
5/1/2021	\$ 40,000	5.375%	\$ 29,428.13	\$ 98,856
11/1/2021			\$ 28,353.13	
5/1/2022	\$ 45,000	5.375%	\$ 28,353.13	\$ 101,706
11/1/2022			\$ 27,143.75	
5/1/2023	\$ 45,000	5.375%	\$ 27,143.75	\$ 99,288
11/1/2023			\$ 25,934.38	
5/1/2024	\$ 50,000	5.375%	\$ 25,934.38	\$ 101,869
11/1/2024			\$ 24,590.63	
5/1/2025	\$ 50,000	5.375%	\$ 24,590.63	\$ 99,181
11/1/2025			\$ 23,246.88	
5/1/2026	\$ 55,000	5.375%	\$ 23,246.88	\$ 101,494
11/1/2026			\$ 21,768.75	
5/1/2027	\$ 55,000	5.375%	\$ 21,768.75	\$ 98,538
11/1/2027			\$ 20,290.63	
5/1/2028	\$ 60,000	5.375%	\$ 20,290.63	\$ 100,581
11/1/2028			\$ 18,678.13	
5/1/2029	\$ 60,000	5.375%	\$ 18,678.13	\$ 97,356
11/1/2029			\$ 17,065.63	
5/1/2030	\$ 65,000	5.375%	\$ 17,065.63	\$ 99,131
11/1/2030			\$ 15,318.75	
5/1/2031	\$ 70,000	5.375%	\$ 15,318.75	\$ 100,638
11/1/2031			\$ 13,437.50	
5/1/2032	\$ 75,000	5.375%	\$ 13,437.50	\$ 101,875
11/1/2032			\$ 11,421.88	
5/1/2033	\$ 75,000	5.375%	\$ 11,421.88	\$ 97,844
11/1/2033			\$ 9,406.25	
5/1/2034	\$ 80,000	5.375%	\$ 9,406.25	\$ 98,813
11/1/2034			\$ 7,256.25	
5/1/2035	\$ 85,000	5.375%	\$ 7,256.25	\$ 99,513
11/1/2035			\$ 4,971.88	
5/1/2036	\$ 90,000	5.375%	\$ 4,971.88	\$ 99,944
11/1/2036			\$ 2,553.13	
5/1/2037	\$ 95,000	5.375%	\$ 2,553.13	\$ 100,106
<b>Total:</b>	<b>\$ 1,170,000</b>		<b>\$ 725,625</b>	<b>\$ 1,895,625</b>

**RESOLUTION 2019-11**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE TERN BAY COMMUNITY DEVELOPMENT DISTRICT IMPOSING SPECIAL ASSESSMENTS, CERTIFYING AN ASSESSMENT ROLL AND APPROVING THE GENERAL FUND SPECIAL ASSESSMENT METHODOLOGY; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR CONFLICT AND PROVIDING AN EFFECTIVE DATE.**

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

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

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

**WHEREAS**, the Board of Supervisors (the “Board”) of the District hereby determines to undertake various operations and maintenance activities described in the District’s budget for Fiscal Year 2020 (“Operations and Maintenance Budget”), attached hereto as Exhibit “A” and incorporated by reference herein; and

**WHEREAS**, the District must obtain sufficient funds to provide for the operation and maintenance of the services and facilities provided by the District as described in the District’s budget for Fiscal Year 2019; and

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

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

**WHEREAS**, the District has previously levied an assessment for debt service, which the District desires to collect on the tax roll for those properties currently subject to the Debt Assessments pursuant to the Uniform Method and which is also indicated on Exhibit “A” and “B” the Budget and Methodology respectively; and

**WHEREAS**, Chapter 197, Florida Statutes, provides a mechanism pursuant to which such special assessments may be placed on the tax roll and collected by the local tax collector (“Uniform Method”); and

**WHEREAS**, the District has previously evidenced its intention to utilize this Uniform Method; and

**WHEREAS**, the District has approved an Agreement with the Property Appraiser and Tax Collector of the County to provide for the collection of the special assessments under the Uniform Method; and



## RESOLUTION 2019-11

### **A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE TERN BAY COMMUNITY DEVELOPMENT DISTRICT IMPOSING SPECIAL ASSESSMENTS, CERTIFYING AN ASSESSMENT ROLL AND APPROVING THE GENERAL FUND SPECIAL ASSESSMENT METHODOLOGY; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR CONFLICT AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, it is in the best interests of the District to proceed with the imposition of the special assessments for operations and maintenance on platted lots in the amount contained in the budget; and

**WHEREAS**, the District desires to collect on the tax roll for all properties for the General Fund and for those properties subject to the District's Series 2006A assessments those platted lots currently not subject to the District's foreclosure action pursuant to the Uniform Method and which the General Fund assessment is also indicated on Exhibit "A" and "B" the Budget and Methodology respectively; and

**WHEREAS**, it is in the best interests of the District to adopt the General Fund Special Assessment Methodology of the Tern Bay Community Development District (the "Methodology") attached to this Resolution as Exhibit "B" and incorporated as a material part of this Resolution by this reference: and

**WHEREAS**, it is in the best interests of the District to adopt the General Fund Assessment Roll of the Tern Bay Community Development District (the "Assessment Roll") attached to this Resolution as Table 1 contained in Exhibit "B" and incorporated as a material part of this Resolution by this reference, and to certify the portion of the Assessment Roll on those properties identified in Exhibit "A" and Exhibit "B" for on-roll status to the County Tax Collector pursuant to the Uniform Method; and

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

### **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE TERN BAY COMMUNITY DEVELOPMENT DISTRICT:**

**SECTION 1. BENEFIT.** The provision of the services, facilities, and operations as described in Exhibit "A" and "B" the Budget and Methodology respectively confer a special and peculiar benefit to the lands within the District, which benefits exceed or equal the costs of the assessments. The allocation of the costs to the specially benefitted lands is shown in Exhibit "B".

**SECTION 2. ASSESSMENT IMPOSITION.** A special assessment for operation and maintenance as provided for in Chapter 190, Florida Statutes, is hereby imposed and levied on benefitted lands within the District in accordance with Exhibit "B" the Methodology. The lien of the special assessments for operations and maintenance imposed and levied by this Resolution shall be effective upon passage of this Resolution.

**SECTION 3. COLLECTION AND ENFORCEMENT; PENALTIES; INTEREST.** The collection of the previously levied debt service assessments, and operation and maintenance special assessments on those properties identified in Exhibit "A" and Exhibit "B" as on-roll, shall be at the same time and in the same manner as County taxes in accordance with the Uniform Method.

**RESOLUTION 2019-11**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE TERN BAY COMMUNITY DEVELOPMENT DISTRICT IMPOSING SPECIAL ASSESSMENTS, CERTIFYING AN ASSESSMENT ROLL AND APPROVING THE GENERAL FUND SPECIAL ASSESSMENT METHODOLOGY; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR CONFLICT AND PROVIDING AN EFFECTIVE DATE.**

**SECTION 4. ASSESSMENT ROLL.** The District's Assessment Roll, attached to this Resolution as Table 1 to Exhibit "B," is hereby certified. That portion of the District's Assessment Roll which includes developed lands and platted lots is hereby certified to the County Tax Collector and shall be collected by the County Tax Collector in the same manner and time as County taxes. The proceeds therefrom shall be paid to the Tern Bay Community Development District.

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

**SECTION 6. Conflict.** That all Sections or parts of Sections of any Resolutions, Agreements or actions of the Board of Supervisor's in conflict are hereby repealed to the extent of such conflict.

**SECTION 7. SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

**SECTION 8. EFFECTIVE DATE.** This Resolution shall take effect upon the passage and adoption of this Resolution by the Board of Supervisors of the Tern Bay Community Development District.

**PASSED AND ADOPTED** this 16<sup>th</sup> day of July, 2019.

ATTEST:

**TERN BAY COMMUNITY DEVELOPMENT  
DISTRICT**

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

\_\_\_\_\_  
Russell Smith, Chairperson

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*Tern Bay Community Development District*

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*Financial Statements*

*May 31, 2019*



*Prepared by:*

***JPWARD AND ASSOCIATES LLC***

*2900 NORTHEAST 12TH TERRACE*

*SUITE 1*

*OAKLAND PARK, FLORIDA 33334*

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*Tern Bay Community Development District*

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*Table of Contents*

	<i>Page</i>
<i>Balance Sheet—All Funds</i>	<i>1-2</i>
<i>Statement of Revenue, Expenditures and Changes in Fund Balance</i>	
<i>General Fund</i>	<i>3-5</i>
<i>Debt Service Fund—Series 2005 Bonds</i>	<i>6</i>

*JPWard & Associates LLC*

*2900 Northeast 12th Terrace*

*Suite 1*

*Oakland Park, Florida 33334*

*Phone: (954) 658-4900*

**Tern Bay Community Development District  
Balance Sheet  
for the Period Ending May 31, 2019**

Description	Governmental Funds				Totals	(Memorandum Only)
	Series 2005 Bonds		Account Groups			
	General Fund	Debt Service Fund	General Long Term Debt	General Fixed Assets		
<b>Assets</b>						
<b>Cash and Investments</b>						
General Fund - Invested Cash	\$ 94,004	\$ -	\$ -	\$ -	\$	94,004
Capital Project Fund - Series 2007						
Construction Account	-	-	-	-		-
Working Capital Account	-	-	-	-		-
Debt Service Fund						
Interest Account	-	-	-	-		-
Sinking Account	-	-	-	-		-
Reserve Account A	-	50,649	-	-		50,649
Reserve Account B	-	-	-	-		-
Revenue	-	48,386	-	-		48,386
Prepayment Account	-	-	-	-		-
<b>Due from Other Funds</b>						
General Fund	-	-	-	-		-
Debt Service Fund	-	-	-	-		-
Capital Project Fund	-	-	-	-		-
<b>Accounts Receivable-Bond Holder Funding</b>	-	-	-	-		-
<b>Accrued Interest Receivable</b>	-	-	-	-		-
<b>Assessments Receivable</b>	-	-	-	-		-
<b>Prepaid Expenses</b>	-	-	-	-		-
<b>Amount Available in Debt Service Funds</b>	-	-	99,035	-		99,035
<b>Amount to be Provided by Debt Service Funds</b>	-	-	1,070,965	-		1,070,965
<b>Investment in General Fixed Assets (net of depreciation)</b>	-	-	-	45,419,499		45,419,499
<b>Total Assets</b>	<b>\$ 94,004</b>	<b>\$ 99,035</b>	<b>\$ 1,170,000</b>	<b>\$ 45,419,499</b>	<b>\$</b>	<b>46,782,539</b>

**Tern Bay Community Development District  
Balance Sheet  
for the Period Ending May 31, 2019**

Description	Governmental Funds				Totals	(Memorandum Only)
	Series 2005 Bonds		Account Groups			
	General Fund	Debt Service Fund	General Long Term Debt	General Fixed Assets		
<b>Liabilities</b>						
<b>Accounts Payable &amp; Payroll Liabilities</b>	\$ -	\$ -	\$ -	\$ -	\$ -	-
<b>Notes and Loans Payable - Current Portion</b>						
Note Payable-Oppenheimer Funds	-	-	-	-	-	-
<b>Due to Other Funds</b>						
General Fund	-	-	-	-	-	-
Debt Service Fund	-	-	-	-	-	-
Capital Projects Fund	-	-	-	-	-	-
<b>Deferred Revenue</b>	-	-	-	-	-	-
<b>Due to Other Governments</b>	-	-	-	-	-	-
<b>Bonds Payable</b>						
Current Portion	-	-	35,000	-	-	35,000
Long Term	-	-	1,135,000	-	-	1,135,000
<b>Total Liabilities</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,170,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>1,170,000</u>
<b>Fund Equity and Other Credits</b>						
<b>Investment in General Fixed Assets</b>	-	-	-	45,419,499	-	45,419,499
<b>Fund Balance</b>						
<b>Restricted</b>						
Beginning: October 1, 2018 (Audited)		93,183	-	-		93,183
Results from Current Operations		5,852	-	-		5,852
<b>Unassigned</b>						
Beginning: October 1, 2018 (Audited)	41,701	-	-	-		41,701
Results from Current Operations	52,303	-	-	-		52,303
<b>Total Fund Equity and Other Credits</b>	<u>\$ 94,004</u>	<u>\$ 99,035</u>	<u>\$ -</u>	<u>\$ 45,419,499</u>	<u>\$ -</u>	<u>45,612,538</u>
<b>Total Liabilities, Fund Equity and Other Credits</b>	<u>\$ 94,004</u>	<u>\$ 99,035</u>	<u>\$ 1,170,000</u>	<u>\$ 45,419,499</u>	<u>\$ -</u>	<u>46,782,539</u>

Prepared by:

**JPWARD and Associates, LLC**

**Tern Bay Community Development District  
General Fund  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Through May 31, 2019**

Description	October	November	December	January	February	March	April	May	Year to Date	Total Annual Budget	% of Budget
<b>Revenue and Other Sources</b>											
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	N/A
<b>Interest</b>											
Interest - General Checking	-	-	-	-	-	-	-	-	-	-	N/A
Miscellaneous Revenue	-	900	-	-	-	-	-	-	900	-	N/A
<b>Special Assessment Revenue</b>											
Special Assessments - On-Roll	-	958	3,833	145,532	-	-	244	47	150,614	148,625	101%
Special Assessments - Off-Roll	-	-	-	-	-	-	-	-	-	0	
Interfund Group Transfers In	-	-	-	-	-	-	-	-	-	0	#DIV/0!
<b>Total Revenue and Other Sources:</b>	<b>\$ -</b>	<b>\$ 1,858</b>	<b>\$ 3,833</b>	<b>\$ 145,532</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 244</b>	<b>\$ 47</b>	<b>\$ 151,514</b>	<b>\$ 148,625</b>	<b>102%</b>
<b>Expenditures and Other Uses</b>											
<b>Legislative</b>											
Board of Supervisor's - Fees	-	-	-	-	-	-	-	-	-	\$ 6,000	0%
<b>Executive</b>											
Professional Management	2,875	2,875	2,875	2,875	2,875	2,875	2,875	2,875	23,000	31,300	73%
<b>Financial and Administrative</b>											
Audit Services	-	-	-	-	-	5,350	-	-	5,350	6,000	89%
Accounting Services	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	8,000	12,000	67%
Assessment Roll Services	667	667	667	667	667	667	667	667	5,333	9,000	59%
Arbitrage Rebate Services	500	-	-	-	-	-	-	-	500	500	100%
Real Estate Advisor	-	-	-	-	-	-	-	-	-	-	N/A
<b>Other Contractual Services</b>											
Legal Advertising	557	-	229	-	-	104	-	-	890	4,000	22%
Trustee Services	-	-	-	-	-	-	-	-	-	3,500	0%
Dissemination Agent Services	-	-	-	1,000	-	-	-	-	1,000	1,000	100%
Bank Services	8	41	27	42	11	-	-	29	158	500	32%
Travel and Per Diem	-	-	-	-	-	-	-	-	-	-	N/A
<b>Communications &amp; Freight Services</b>											
Postage, Freight & Messenger	-	9	40	9	7	8	46	49	168	450	37%
Insurance	8,768	-	-	-	-	-	-	-	8,768	9,400	93%
Rentals & Leases	100	-	100	-	-	-	100	-	300	-	N/A
Printing & Binding	201	-	162	-	-	176	463	-	1,003	200	501%
Web Site Development	50	50	50	50	50	50	50	50	400	1,600	25%
Subscription & Memberships	175	-	-	-	-	-	-	-	175	175	100%
<b>Legal Services</b>											
Legal - General Counsel	-	-	57	285	510	210	683	263	2,007	10,000	20%

**Tern Bay Community Development District**  
**General Fund**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Through May 31, 2019**

Description	October	November	December	January	February	March	April	May	Year to Date	Total Annual Budget	% of Budget
Legal - Foreclosure Counsel	-	-	-	-	-	-	-	-	-	-	N/A
Legal - Trustee Counsel	-	-	-	-	-	-	-	-	-	-	N/A
Legal - Ryan Golf Counsel	-	-	-	-	-	-	-	-	-	-	N/A
DRI NOPC	-	-	-	-	-	-	-	-	-	-	N/A
Legal - TB LLC Counsel	-	-	-	-	-	-	-	-	-	-	N/A
Eminent Domain Counsel	-	-	-	-	3,504	627	-	-	4,131	-	N/A
<b>Comprehensive Planning Services</b>	-	-	-	-	-	-	-	-	-	-	N/A
<b>Other General Government Services</b>											
Engineering Services - General Fund	-	1,575	1,800	2,625	2,850	1,425	2,325	-	12,600	15,000	84%
Engineering Services - Traffic	-	-	-	-	-	-	-	-	-	-	N/A
NOPC Fees	-	-	-	-	-	-	-	-	-	-	N/A
Contingencies	-	-	-	-	-	-	-	-	-	-	N/A
<b>Other Public Safety</b>											
<b>Professional Services</b>											
Charlotte County Sheriff's Patrol	-	-	-	-	-	-	-	-	-	-	N/A
<b>Wastewater Services</b>											
<b>Utility Services</b>											
Electric Service	-	73	76	78	83	74	78	77	538	2,000	27%
<b>Stormwater Management System</b>											
<b>Repairs &amp; Maintenance</b>											
Lake Banks	-	-	-	-	-	-	-	-	-	-	N/A
<b>Aquatic Weed Control</b>											
Lake Spraying	-	-	-	-	-	-	-	-	-	-	N/A
Upland Monitoring & Maintenance	-	-	-	-	-	-	-	-	-	-	N/A
<b>Other Physical Environment</b>											
<b>Professional Services</b>											
Field Manager Services	-	-	-	-	-	-	-	-	-	12,000	0%
Contingencies	-	-	-	-	-	-	-	-	-	-	N/A
Assessments -Charlotte County	-	-	-	-	-	-	-	-	-	-	N/A
<b>Road &amp; Street Facilities</b>											
<b>Professional Services</b>											
	-	-	-	-	-	-	-	-	-	-	N/A
<b>Street Lights</b>											
<b>Electric Service</b>											
Electric Service	481	332	1,303	825	344	1,306	825	492	5,907	12,000	49%
<b>Repairs &amp; Maintenance</b>											
	-	-	-	-	-	-	-	-	-	-	N/A
<b>Economic Environment</b>											
<b>Landscaping Services</b>											



**Tern Bay Community Development District  
General Fund  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Through May 31, 2019**

Description	October	November	December	January	February	March	April	May	Year to Date	Total Annual Budget	% of Budget
<b>Electric Service</b>	-	1,428	1,118	1,158	970	1,160	1,225	858	7,917	12,000	66%
<b>Repairs &amp; Maintenance</b>											
Common Area Maintenance	-	-	-	-	4,549	-	-	-	4,549	-	N/A
Material Replacement	-	-	-	-	-	-	-	-	-	-	N/A
Mulch Installation	-	-	-	-	-	-	-	-	-	-	N/A
Landscape Lighting	-	-	-	-	-	-	-	-	-	-	N/A
<b>Pumps &amp; Wells</b>											
Routine Maintenance	-	-	870	5,648	-	-	-	-	6,518	-	N/A
<b>Line Distribution System</b>											
Routine Maintenance	-	-	-	-	-	-	-	-	-	-	N/A
<b>Total Expenditures and Other Uses:</b>	<b>\$ 15,382</b>	<b>\$ 8,049</b>	<b>\$ 10,374</b>	<b>\$ 16,261</b>	<b>\$ 17,419</b>	<b>\$ 15,032</b>	<b>\$ 10,335</b>	<b>\$ 6,359</b>	<b>99,211</b>	<b>\$ 148,625</b>	<b>67%</b>
Net Increase/ (Decrease) in Fund Balance	(15,382)	(6,191)	(6,541)	129,271	(17,419)	(15,032)	(10,091)	(6,313)	52,303	-	
Fund Balance - Beginning	41,701	26,320	20,129	13,588	142,859	125,440	110,408	100,317	41,701	41,701	
<b>Fund Balance - Ending</b>	<b>\$ 26,320</b>	<b>\$ 20,129</b>	<b>\$ 13,588</b>	<b>\$ 142,859</b>	<b>\$ 125,440</b>	<b>\$ 110,408</b>	<b>\$ 100,317</b>	<b>\$ 94,004</b>	<b>94,004</b>	<b>\$ 41,701</b>	

**Statement Notes:**

1. A majority of the funds to pay on-going operations and maintenance expenses come from the Debt Service and Capital Projects Fund.

**Tern Bay Community Development District**  
**Debt Service Fund - Series 2005 Bonds**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Through May 31, 2019**

Description	October	November	December	January	February	March	April	May	Year to Date	Total Annual Budget	% of Budget
<b>Revenue and Other Sources</b>											
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Miscellaneous Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Interest Income</b>											
Reserve Account	67	76	76	82	87	79	88	86	639	40	N/A
Prepayment Account	-	-	-	-	-	-	-	-	-	-	N/A
Revenue Account	52	64	17	19	72	178	199	194	794	35	N/A
<b>Special Assessment Revenue</b>											
Special Assessments - On-Roll	-	651	2,604	98,854	-	-	166	32	102,306	101,875	100%
Special Assessments - Off-Roll	-	-	-	-	-	-	-	-	-	-	#DIV/0!
<b>Extraordinary Items (Gain)</b>											
Operating Transfers In (From Other Funds)	-	-	-	-	-	-	-	-	-	-	N/A
<b>Total Revenue and Other Sources:</b>	<b>\$ 118</b>	<b>\$ 791</b>	<b>\$ 2,697</b>	<b>\$ 98,956</b>	<b>\$ 158</b>	<b>\$ 257</b>	<b>\$ 452</b>	<b>\$ 311</b>	<b>\$ 103,739</b>	<b>\$ 101,950</b>	<b>102%</b>
<b>Expenditures and Other Uses</b>											
<b>Debt Service</b>											
<b>Principal Debt Service - Mandatory</b>											
Series 2005 Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,000	\$ 35,000	\$ 35,000	100%
<b>Principal Debt Service - Early Redemptions</b>											
Series 2005 Bonds	-	-	-	-	-	-	-	-	-	-	N/A
<b>Interest Expense</b>											
Series 2005A Bonds	-	31,444	-	-	-	-	-	31,444	62,888	62,888	100%
Series 2005B Bonds	-	-	-	-	-	-	-	-	-	-	N/A
<b>Trustee Services</b>											
Operating Transfers Out (To Other Funds)	-	-	-	-	-	-	-	-	-	-	N/A
<b>Total Expenditures and Other Uses:</b>	<b>\$0</b>	<b>\$31,444</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$66,444</b>	<b>\$97,888</b>	<b>\$ 97,888</b>	<b>100%</b>
Net Increase/ (Decrease) in Fund Balance	118	(30,653)	2,697	98,956	158	257	452	(66,133)	5,852	4,062	
Fund Balance - Beginning	93,183	93,302	62,649	65,346	164,301	164,459	164,716	165,168	93,183	93,183	
<b>Fund Balance - Ending</b>	<b>\$ 93,302</b>	<b>\$ 62,649</b>	<b>\$ 65,346</b>	<b>\$ 164,301</b>	<b>\$ 164,459</b>	<b>\$ 164,716</b>	<b>\$ 165,168</b>	<b>\$ 99,035</b>	<b>\$ 99,035</b>	<b>\$ 97,245</b>	

**Statement Notes:**

1. Bonds in Default since end of capitalized interest period.
2. Bondholder's have directed Trustee to transfer funds received from on-roll assessments to pay on-going operating and maintenance expenses.
3. Operating Transfers Out are funds transferred directly to the Capital Projects Fund to pay on-going operating and maintenance expenses.
3. Off-Roll Assessments were billed on or before November 15, 2014, however, the District does not expect those property owner's to pay these assessments.