

***Lake Harris
Community Development District***

Agenda

October 25, 2023

AGENDA

Lake Harris
Community Development District

219 E. Livingston Street, Orlando, FL 32801
Phone: 407-841-5524 – Fax: 407-839-1526

October 18, 2023

Board of Supervisors
Lake Harris Community
Development District

Dear Board Members:

The meeting of the Board of Supervisors of the Lake Harris Community Development District (“District”) will be held **Wednesday, October 25, 2023, at 9:30 a.m. or shortly thereafter, at the Cooper Memorial Library, 2525 Oakley Seaver Drive, Clermont, Florida.** Following is the advance agenda for the regular meeting:

Board of Supervisors Meeting

1. Roll Call
2. Public Comment Period
3. Approval of Minutes of the August 23, 2023, Board of Supervisors Meeting
4. Consideration of Fiscal Year 2023 Audit Engagement Letter with Grau & Associates
5. Consideration of Proposal for Series 2023 Arbitrage Rebate Computation Services- AMTEC
6. Staff Reports
 - A. Attorney
 - B. Engineer
 - C. District Manager’s Report
 - i. Check Register
 - ii. Balance Sheet and Income Statement
7. Other Business
8. Supervisor’s Requests
9. Adjournment

MINUTES

**MINUTES OF MEETING
LAKE HARRIS
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Lake Harris Community Development District was held on Wednesday, **August 23, 2023** at 9:30 a.m. at Cooper Memorial Library, 2525 Oakley Seaver Drive, Clermont, Florida.

Present and constituting a quorum were:

Tony Iorio	Chairman
Jason Lonas	Vice Chairman
Doug Beasley	Assistant Secretary
Rocky Owen <i>by phone</i>	Assistant Secretary

Also, present were:

George Flint	District Manager, GMS
Sarah Sandy <i>by phone</i>	District Counsel, Kutak Rock
Scott Land <i>by phone</i>	District Engineer, GAI Consultants

The following is a summary of the discussions and actions taken at the August 23, 2023 Lake Harris Community Development District's Regular Board of Supervisor's Meeting.

FIRST ORDER OF BUSINESS

Roll Call

Mr. Flint called the meeting to order at 9:30 a.m. Three Board members were present in person constituting a quorum.

SECOND ORDER OF BUSINESS

Public Comment Period

Mr. Flint stated that there were no members of the public present at the meeting, so the next item followed.

THIRD ORDER OF BUSINESS

**Approval of Minutes of the June 28, 2023
Board of Supervisors Meeting**

Mr. Flint presented the minutes from the June 28, 2023 Board of Supervisors meeting and asked for any comments or corrections from the Board. The Board had no changes to the minutes.

On MOTION by Mr. Iorio, seconded by Mr. Beasley, with all in favor, the Minutes of the June 28, 2023 Board of Supervisor Meeting, were approved.

FOURTH ORDER OF BUSINESS

Public Hearing on Fiscal Year 2024 Budget

Mr. Flint noted the the public hearing is for the purposes of consideration of the adoption of the Fiscal Year 2024 budget and asked for a motion to open the public hearing.

On MOTION by Mr. Iorio, seconded by Mr. Lonas, with all in favor, Opening the Public Hearing, was approved.

A. Public Comment

There were no members of the public present to provide comment.

B. Consideration of Resolution 2023-08 Adopting the Fiscal Year 2024 Budget and Relating to the Annual Appropriations

Mr. Flint presented the resolution to the Board. He stated that the Board had approved a proposed budget previously. The current year actuals have been updated but other than that there had been no substantial changes to the budget since the Board first saw it. Mr. Flint offered to answer any questions the Board may have. Hearing none, there was a motion of approval.

On MOTION by Mr. Lonas, seconded by Mr. Beasley, with all in favor, Resolution 2023-08 Adopting the Fiscal Year 2024 Budget and Relating to the Annual Appropriations, was approved.

Mr. Flint asked for a motion to close the public hearing.

On MOTION by Mr. Iorio, seconded by Mr. Lonas, with all in favor, Closing the Public Hearing, was approved.

FIFTH ORDER OF BUSINESS

Public Hearing on Fiscal Year 2024 Assessments

Mr. Flint asked for a motion to open the public hearing.

On MOTION by Mr. Iorio, seconded by Mr. Beasley, with all in favor, Opening the Public Hearing, was approved.

C. Public Comment

No members of the public were present to provide comment.

D. Consideration of Resolution 2023-09 Imposing Special Assessments for Fiscal Year 2024 and Certifying an Assessment Roll

Mr. Flint presented the resolution to the Board and stated that there are two exhibits. The budget that was previously approved and the assessment roll. He offered to answer any questions the Board may have. Hearing no questions, he asked for a motion of approval.

On MOTION by Mr. Lonas, seconded by Mr. Beasley, with all in favor, Resolution 2023-09 Imposing Special Assessments for Fiscal Year 2023 and Certifying an Assessment Roll, was approved.

Mr. Flint asked for a motion to close the public hearing.

On MOTION by Mr. Beasley, seconded by Mr. Lonas, with all in favor, Closing the Public Hearing, was approved.

SIXTH ORDER OF BUSINESS

Consideration of Direct Collection Agreement with Hanover 623 Holdings, LLC

Mr. Flint stated that this is a direct collection agreement as some of the assessments are being direct collected as opposed to be placed on roll. Ms. Sandy, District counsel, summarized that this agreement is directly between the District and the developer entity collecting certain assessments off roll from the developer and they are the assessments that are from unplatted properties. The agreement acknowledges the direct collection and an agreement for the collection schedule as well as the enforcement method.

On MOTION by Mr. Iorio, seconded by Mr. Lonas, with all in favor, the Direct Collection Agreement with Hanover 623 Holdings, LLC, was approved.

SEVENTH ORDER OF BUSINESS**Consideration of Deficit Funding Agreement with Hanover 623 Holdings, LLC**

Ms. Sandy presented the agreement and stated that the assessments will be kept at a certain level with the agreement from the developer to deficit fund a portion of the budget. If there are additional funds the developer agrees to pay those on an as needed basis.

On MOTION by Mr. Iorio, seconded by Mr. Beasley, with all in favor, the Deficit Funding Agreement with Hanover 623 Holdings, LLC, was approved.

EIGHTH ORDER OF BUSINESS**Consideration of Resolution 2023-10 Ratifying the Sale of Series 2023 Bonds**

Mr. Flint stated that the Board took various actions to approve a delegation resolution authorizing the Chair and staff to take action to issue bonds. Ms. Sandy added that the resolution will ratify the sale of the bonds and all of the efforts including the documents that were drafted, the final forms that were approved, and the cost of issuance. She offered to answer any questions the Board may have. Hearing no questions, she asked for a motion of approval.

On MOTION by Mr. Lonas, seconded by Mr. Beasley, with all in favor, Resolution 2023-10 Ratifying the Sale of Series 2023 Bonds, was approved.

NINTH ORDER OF BUSINESS**Consideration of Resolution 2023-11 Acknowledging and Ratifying Acquisition of Phase 1 Improvements and Requisition of Funds, Recognizing Developer Contribution, and Approving Unpaid Requisition for Future Requisition**

Ms. Sandy noted that this acknowledges and ratifies the acquisition of Phase 1 improvements. The total acquisition costs for the Phase 1 improvements were \$4,891,471.14 and was below that not to exceed amount that was previously approved. This also recognizes a developer contribution in the amount of \$615,000 offset against the acquisition costs. This was a

requirement as part of the Supplemental Assessment Methodology in order to set the assessment amounts. She offered to answer any questions and asked for a motion of approval.

On MOTION by Mr. Beasley, seconded by Mr. Lonas, with all in favor, Resolution 2023-11 Acknowledging and Ratifying Acquisition of Phase 1 Improvements and Requisition Funds, Recognizing Developer Contribution, and Approving Unpaid Requisition for Future Requisition, was approved.

TENTH ORDER OF BUSINESS

Consideration of Disclosure of Public Financing

Mr. Flint noted that this document is required when the District issues bonds.

**The recording device died at this point in the meeting and all business following was summarized using the District Manager's notes from the meeting.*

On MOTION by Mr. Iorio, seconded by Mr. Lonas, with all in favor, the Disclosure of Public Financing, was approved.

ELEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Sandy had nothing further for the Board.

B. Engineer

Mr. Land had nothing further to report to the Board.

C. District Manager's Report

i. Check Register

Mr. Flint presented the check register to the Board.

On MOTION by Mr. Iorio, seconded by Mr. Beasley, with all in favor, the Check Register, was approved.

ii. Balance Sheet and Income Statement

Mr. Flint presented the unaudited financials. There was no action required.

iii. Ratification of Requisitions No. 1-3

On MOTION by Mr. Iorio, seconded by Mr. Lonas, with all in favor, Requisitions No. 1-3, were ratified.

iv. Approval of Requisition No. 4

On MOTION by Mr. Iorio, seconded by Mr. Beasley, with all in favor, Requisition No. 4, was approved.

v. Review of Fiscal Year 2024 Meeting Schedule

On MOTION by Mr. Iorio, seconded by Mr. Lonas, with all in favor, the Fiscal Year 2024 Meeting Schedule, was approved.

TWELFTH ORDER OF BUSINESS Other Business

There being no comments, the next item followed.

THIRTEENTH ORDER OF BUSINESS Supervisor's Requests

There being no comments, the next item followed.

FOURTEENTH ORDER OF BUSINESS Adjournment

On MOTION by Mr. Iorio, seconded by Mr. Beasley, with all in favor, the meeting was adjourned.

Secretary/Assistant Secretary

Chairman/Vice Chairman

SECTION IV



Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road • Suite 280
Boca Raton, Florida 33431
(561) 994-9299 • (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

September 28, 2023

Board of Supervisors
Lake Harris Community Development District
219 East Livingston Street
Orlando, FL 32801

We are pleased to confirm our understanding of the services we are to provide Lake Harris Community Development District, City of Leesburg, Florida ("the District") for the fiscal year ended September 30, 2023, with an option for three (3) additional annual renewals. We will audit the financial statements of the governmental activities and each major fund, including the related notes to the financial statements, which collectively comprise the basic financial statements of Lake Harris Community Development District as of and for the fiscal year ended September 30, 2023, with an option for three (3) additional annual renewals. In addition, we will examine the District's compliance with the requirements of Section 218.415 Florida Statutes. This letter serves to renew our agreement and establish the terms and fee for the 2023 audit.

Accounting principles generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's 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. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding 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 will 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.

The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Budgetary comparison schedule

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that information:

- 1) Compliance with FL Statute 218.39 (3) (c)

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the District and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the District's financial statements. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add emphasis-of-matter or other-matter paragraphs. If our opinion on the financial statements is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or issue a report, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Examination Objective

The objective of our examination is the expression of an opinion as to whether the District is in compliance with Florida Statute 218.415 in accordance with Rule 10.556(10) of the Auditor General of the State of Florida. Our examination will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and will include tests of your records and other procedures we consider necessary to enable us to express such an opinion. We will issue a written report upon completion of our examination of the District's compliance. The report will include a statement that the report is intended solely for the information and use of management, those charged with governance, and the Florida Auditor General, and is not intended to be and should not be used by anyone other than these specified parties. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add emphasis-of-matter or other-matter paragraphs. If our opinion on the District's compliance is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the examination or are unable to form or have not formed an opinion, we may decline to express an opinion or issue a report, or may withdraw from this engagement.

Other Services

We will assist in preparing the financial statements and related notes of the District in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for compliance with Florida Statute 218.415 and will provide us with the information required for the examination. The accuracy and completeness of such information is also management's responsibility. You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. In addition, you will be required to make certain representations regarding compliance with Florida Statute 218.415 in the management representation letter. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Management is responsible for designing, implementing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Grau & Associates and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a cognizant or oversight agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Grau & Associates personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies. Notwithstanding the foregoing, the parties acknowledge that various documents reviewed or produced during the conduct of the audit may be public records under Florida law. The District agrees to notify Grau & Associates of any public record request it receives that involves audit documentation.

Furthermore, Grau & Associates agrees to comply with all applicable provisions of Florida law in handling such records, including but not limited to Section 119.0701, Florida Statutes. Auditor acknowledges that the designated public records custodian for the District is the District Manager ("Public Records Custodian"). Among other requirements and to the extent applicable by law, Grau & Associates shall 1) keep and maintain public records required by the District to perform the service; 2) upon request by the Public Records Custodian, provide the District with the requested public records or allow the records to be inspected or copied within a reasonable time period at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes; 3) ensure that public records which are exempt or confidential, and exempt from public records disclosure requirements, are not disclosed except as authorized by law for the duration of the contract term and following the contract term if Auditor does not transfer the records to the Public Records Custodian of the District; and 4) upon completion of the contract, transfer to the District, at no cost, all public records in Grau & Associate's possession or, alternatively, keep, maintain and meet all applicable requirements for retaining public records pursuant to Florida laws. When such public records are transferred by Grau & Associates, Grau & Associates shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the District in a format that is compatible with Microsoft Word or Adobe PDF formats.

IF GRAU & ASSOCIATES HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO ITS DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE PUBLIC RECORDS CUSTODIAN AT: C/O GOVERNMENTAL MANAGEMENT SERVICES – CENTRAL FLORIDA LLC, 219 EAST LIVINGSTON STREET ORLANDO, FLORIDA 32801, OR RECORDREQUEST@GMSCFL.COM, PH: (407) 841-5524.

This agreement provides for a contract period of one (1) year with the option of three (3) additional, one-year renewals upon the written consent of both parties. Our fee for these services will not exceed \$5,100 for the September 30, 2023 audit. The fees for the fiscal years 2024, 2025 and 2026 will not exceed \$5,200, \$5,300 and \$5,400, respectively, unless there is a change in activity by the District which results in additional audit work or if Bonds are issued.

We will complete the audit within prescribed statutory deadlines, which requires the District to submit its annual audit to the Auditor General no later than nine (9) months after the end of the audited fiscal year, with the understanding that your employees will provide information needed to perform the audit on a timely basis.

All accounting records (including, but not limited to, trial balances, general ledger detail, vendor files, bank and trust statements, minutes, and confirmations) for the fiscal year ended September 30, 2023 must be provided to us no later than March 1, 2024, in order for us to complete the engagement by June 1, 2024.

Subject to timely receipt of the necessary information, we will submit a preliminary draft audit report by May 15, 2024 for the District's review, and a final draft audit report by June 1, 2024 for the District's review and approval.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. Invoices will be submitted in sufficient detail to demonstrate compliance with the terms of this agreement. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate.

The District has the option to terminate this agreement with or without cause by providing thirty (30) days written notice of termination to Grau & Associates. Upon any termination of this agreement, Grau & Associates shall be entitled to payment of all work and/or services rendered up until the effective termination of this agreement, subject to whatever claims or off-sets the District may have against Grau & Associates.

We will provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2023 peer review report accompanies this letter.

We appreciate the opportunity to be of service to Lake Harris Community Development District and believe this letter accurately summarizes the terms of our engagement and, with any addendum, if applicable, is the complete and exclusive statement of the agreement between Grau & Associates and the District with respect to the terms of the engagement between the parties. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Grau & Associates



Antonio J. Grau

RESPONSE:

This letter correctly sets forth the understanding of Lake Harris Community Development District.

By: _____

Title: _____

Date: _____



FICPA Peer Review Program
Administered in Florida
by The Florida Institute of CPAs



Peer Review
Program

AICPA Peer Review Program
Administered in Florida
by the Florida Institute of CPAs

March 17, 2023

Antonio Grau
Grau & Associates
951 Yamato Rd Ste 280
Boca Raton, FL 33431-1809

Dear Antonio Grau:

It is my pleasure to notify you that on March 16, 2023, the Florida Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is December 31, 2025. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation.

Sincerely,

FICPA Peer Review Committee

Peer Review Team
FICPA Peer Review Committee

850.224.2727, x5957

cc: Daniel Hevia, Racquel McIntosh

Firm Number: 900004390114

Review Number: 594791

SECTION V

**Arbitrage Rebate Computation
Proposal For
Lake Harris
Community Development District
(Lake County, Florida)
\$4,485,000 Special Assessment Bonds,
Series 2023 (2023 Project Area)**





AMTEC

American Municipal Tax-Exempt Compliance

90 Avon Meadow Lane
Avon, CT 06001
(T) 860-321-7521
(F) 860-321-7581

www.amteccorp.com

September 12, 2023

Lake Harris Community Development District
c/o Ms. Katie Costa
Director of Accounting Services
Government Management Services – CF, LLC
6200 Lee Vista Boulevard
Suite 300
Orlando, FL 32822

Re: \$4,485,000 Lake Harris Community Development District (Lake County, Florida),
Special Assessment Bonds, Series 2023 (2023 Project Area)

Dear Ms. Costa:

AMTEC is an independent consulting firm that specializes in arbitrage rebate calculations. We have the ability to complete rebate computations for the above-referenced Lake Harris Community Development District (the “District”) Series 2023 (2023 Project Area) bond issue (the “Bonds”). We do not sell investments or seek an underwriting role. As a result of our specialization, we offer very competitive pricing for rebate computations. Our typical fee averages less than \$1,000 per year, per issue and includes up to five years of annual rebate liability reporting.

Firm History

AMTEC was incorporated in 1990 and maintains a prominent client base of colleges and universities, school districts, hospitals, cities, state agencies and small-town bond issuers throughout the United States. We currently compute rebate for more than 7,000 bond issues and have delivered thousands of rebate reports. The IRS has never challenged our findings.

Southeast Client Base

We provide arbitrage rebate services to over 350 bond issues aggregating more than \$9.1 billion of tax-exempt debt in the southeastern United States. We have recently performed computations for the Magnolia West, East Park, Palm Coast Park, Windward and Town Center at Palm Coast Park Community Development Districts. Additionally, we are exclusive rebate consultant to Broward County and the Town of Palm Beach in Florida. Nationally, we are rebate consultants for the City of Tulsa (OK), the City of Lubbock (TX) and the States of Connecticut, Montana, Mississippi, West Virginia, Vermont and Alaska.

We have prepared a Proposal for the computation of arbitrage for the District’s Bonds. We have established a “bond year end” of July 6th, based upon the anniversary of the closing date of the Bonds in July 2023.

Proposal

We are proposing rebate computation services based on the following:

- \$4,485,000 Series 2023 (2023 Project Area) Bonds
- Fixed Rate Debt
- Acquisition & Construction, Debt Service Reserve, Cost of Issuance & Debt Service Accounts.

Should the Tax Agreement require rebate computations for any other accounts, computations will be extended to include those accounts at no additional cost to the District.

Our guaranteed fee for rebate computations for the Series 2023 (2023 Project Area) Bonds is \$450 per year and will encompass all activity from July 6, 2023, the date of the closing, through July 6, 2028, the end of the 5th Bond Year and initial Computation Date. The fee is based upon the size as well as the complexity. Our fee is payable upon your acceptance of our rebate reports, which will be delivered shortly after the report dates specified in the following table.

AMTEC's Professional Fee – \$4,485,000 Series 2023 (2023 Project Area) Bonds

Report Date	Type of Report	Period Covered	Fee
June 30, 2024	Rebate and Opinion	Closing – June 30, 2024	\$ 450
June 30, 2025	Rebate and Opinion	Closing – June 30, 2025	\$ 450
June 30, 2026	Rebate and Opinion	Closing – June 30, 2026	\$ 450
June 30, 2027	Rebate and Opinion	Closing – June 30, 2027	\$ 450
July 6, 2028	Rebate and Opinion	Closing – July 6, 2028	\$ 450

In order to begin, we are requesting copies of the following documentation:

1. Arbitrage Certificate or Tax Regulatory Agreement
2. IRS Form 8038-G
3. Closing Memorandum
4. US Bank statements for all accounts from July 6, 2023, the date of the closing, through each report date

AMTEC's Scope of Services

Our standard engagement includes the following services:

- Review of all bond documents and account statements for possible rebate exceptions;
- Computation of the rebate liability and/or the yield restricted amount, in accordance with Section 148 of the Internal Revenue Code, commencing with the date of the closing through required reporting date of the Bonds;
- Independent calculation of the yield on the Bonds to ensure the correct basis for any rebate liability. This effort provides the basis for our unqualified opinion;
- Reconciliation of the sources and uses of funds from the bond documentation;

- Calculation and analysis of the yield on all investments, subject to the Regulations, for each computation period;
- Production of rebate reports, indicating the above stated information, and the issuance of the AMTEC Opinion;
- Recommendations for proactive rebate management;
- Commingled funds, transferred proceeds and yield restriction analyses, if necessary;
- Preparation of IRS Form 8038-T and any accompanying documentation, should a rebate payment be required;
- We will discuss the results of our Reports with you, your auditors, and our continued support in the event of an IRS inquiry; and
- We guarantee the completeness and accuracy of our work.

The District agrees to furnish AMTEC with the required documentation necessary to fulfill its obligation under the scope of services. The District will make available staff knowledgeable about the bond transactions, investments and disbursements of bond proceeds.

The District agrees to pay AMTEC its fee after it has been satisfied that the scope of services, as outlined under the Proposal, has been fulfilled. AMTEC agrees that its fee is all-inclusive and that it will not charge the District for any expenses connected with this engagement.

The parties have executed this Agreement on _____, 2023.

Lake Harris
Community Development District

Consultant: American Municipal Tax-Exempt
Compliance Corporation



By: _____

By: Michael J. Scarfo
Senior Vice President

SECTION VI

SECTION C

SECTION 1

Lake Harris Community Development District

Summary of Check Register

August 10, 2023 to September 30, 2023

Fund	Date	Check No.'s	Amount
General Fund			
	8/14/23	35-37	\$ 6,871.55
	9/6/23	38-39	\$ 4,703.16
	9/11/23	40-41	\$ 4,030.76
Total Amount			\$ 15,605.47

CHECK DATE	VEND#INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNTCHECK..... AMOUNT #
9/11/23	00001	9/01/23 20	202309 310-51300-34000		*	3,125.00	
			MANAGEMENT FEES-SEP23				
		9/01/23 20	202309 310-51300-35200		*	100.00	
			WEBSITE ADMIN-SEP23				
		9/01/23 20	202309 310-51300-35100		*	150.00	
			INFORMATION TECH-SEP23				
		9/01/23 20	202309 310-51300-31300		*	291.67	
			DISSEMINATION SVCS-SEP23				
		9/01/23 20	202309 310-51300-51000		*	.09	
			OFFICE SUPPLIES				
		9/01/23 20	202309 310-51300-42000		*	1.90	
			POSTAGE				
		9/01/23 20	202309 310-51300-42500		*	17.10	
			COPIES				
GOVERNMENTAL MANAGEMENT SERVICES							3,685.76 000041
-----							-----
TOTAL FOR BANK A						15,605.47	
TOTAL FOR REGISTER						15,605.47	

SECTION 2

Lake Harris
Community Development District

Unaudited Financial Reporting
September 30, 2023



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3	<u>Series 2023 Debt Service Fund</u>
4	<u>Series 2023 Capital Project Fund</u>
5	<u>Month to Month</u>
6	<u>Long Term Debt Report</u>

Lake Harris
Community Development District
Combined Balance Sheet
September 30, 2023

	<i>General Fund</i>	<i>Debt Service Fund</i>	<i>Capital Projects Fund</i>	<i>Totals Governmental Funds</i>
Assets:				
Cash:				
Operating Account	\$ 7,611	\$ -	\$ -	\$ 7,611
Series 2023:				
Reserve	\$ -	\$ 308,247	\$ -	\$ 308,247
Interest	\$ -	\$ 77,762	\$ -	\$ 77,762
Revenue	\$ -	\$ 597	\$ -	\$ 597
Construction	\$ -	\$ -	\$ 10,918	\$ 10,918
Cost of Issuance	\$ -	\$ -	\$ 104	\$ 104
Prepaid Expenses	\$ 5,200	\$ -	\$ -	\$ 5,200
Total Assets	\$ 12,811	\$ 386,606	\$ 11,022	\$ 410,438
Liabilities:				
Accounts Payable	\$ 7,011	\$ -	\$ -	\$ 7,011
Total Liabilities	\$ 7,011	\$ -	\$ -	\$ 7,011
Fund Balance:				
Assigned:				
Debt Service - Series 2023	\$ -	\$ 386,606	\$ -	\$ 386,606
Capital Projects Fund	\$ -	\$ -	\$ 11,022	\$ 11,022
Unassigned	\$ 5,800	\$ -	\$ -	\$ 5,800
Total Fund Balances	\$ 5,800	\$ 386,606	\$ 11,022	\$ 403,427
Total Liabilities & Fund Balance	\$ 12,811	\$ 386,606	\$ 11,022	\$ 410,438

Lake Harris
Community Development District
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
For The Period Ending September 30, 2023

	Adopted	Prorated Budget	Actual	
	Budget	Thru 09/30/23	Thru 09/30/23	Variance
<u>Revenues:</u>				
Developer Contributions	\$ 135,210	\$ 135,210	\$ 49,024	\$ (86,186)
Total Revenues	\$ 135,210	\$ 135,210	\$ 49,024	\$ (86,186)
<u>Expenditures:</u>				
<u>General & Administrative:</u>				
Supervisor Fees	\$ 12,000	\$ 12,000	\$ 800	\$ 11,200
FICA Expense	\$ 900	\$ 900	\$ 61	\$ 839
Engineering	\$ 15,000	\$ 15,000	\$ 4,548	\$ 10,453
Attorney	\$ 25,000	\$ 25,000	\$ 9,173	\$ 15,827
Annual Audit	\$ 4,000	\$ 4,000	\$ 3,000	\$ 1,000
Assessment Administration	\$ 5,000	\$ 5,000	\$ -	\$ 5,000
Arbitrage	\$ 450	\$ 450	\$ -	\$ 450
Dissemination	\$ 5,000	\$ 5,000	\$ 583	\$ 4,417
Trustee Fees	\$ 3,600	\$ 3,600	\$ -	\$ 3,600
Management Fees	\$ 37,500	\$ 37,500	\$ 21,875	\$ 15,625
Information Technology	\$ 1,800	\$ 1,800	\$ 1,800	\$ -
Website Maintenance	\$ 1,200	\$ 1,200	\$ 2,850	\$ (1,650)
Telephone	\$ 300	\$ 300	\$ -	\$ 300
Postage & Delivery	\$ 1,000	\$ 1,000	\$ 46	\$ 954
Insurance	\$ 5,000	\$ 5,000	\$ 5,000	\$ -
Printing & Binding	\$ 1,000	\$ 1,000	\$ 96	\$ 904
Legal Advertising	\$ 10,000	\$ 10,000	\$ 1,182	\$ 8,818
Other Current Charges	\$ 5,000	\$ 5,000	\$ 123	\$ 4,877
Office Supplies	\$ 625	\$ 625	\$ 1	\$ 624
Travel Per Diem	\$ 660	\$ 660	\$ -	\$ 660
Dues, Licenses & Subscriptions	\$ 175	\$ 175	\$ 175	\$ -
Total Expenditures	\$ 135,210	\$ 135,210	\$ 51,313	\$ 83,897
Excess (Deficiency) of Revenues over Expenditures	\$ -		\$ (2,288)	
Fund Balance - Beginning	\$ -		\$ 8,088	
Fund Balance - Ending	\$ -		\$ 5,800	

Lake Harris

Community Development District

Debt Service Fund Series 2023

Statement of Revenues, Expenditures, and Changes in Fund Balance

For The Period Ending September 30, 2023

	Adopted Budget	Prorated Budget Thru 09/30/23	Actual Thru 09/30/23	Variance
Revenues:				
Interest	\$ -	\$ -	\$ 2,959	\$ 2,959
Total Revenues	\$ -	\$ -	\$ 2,959	\$ 2,959
Expenditures:				
Interest Expense - 11/1	\$ -	\$ -	\$ -	\$ -
Principal Expense - 5/1	\$ -	\$ -	\$ -	\$ -
Interest Expense - 11/1	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ -	\$ -	\$ -	\$ -
Excess (Deficiency) of Revenues over Expenditures	\$ -	\$ -	\$ 2,959	
Other Financing Sources/(Uses):				
Bond Proceeds	\$ -	\$ -	\$ 386,009	\$ 386,009
Transfer In/(Out)	\$ -	\$ -	\$ (2,362)	\$ (2,362)
Total Other Financing Sources/(Uses)	\$ -	\$ -	\$ 383,647	\$ 383,647
Net Change in Fund Balance	\$ -		\$ 386,606	
Fund Balance - Beginning	\$ -		\$ -	
Fund Balance - Ending	\$ -		\$ 386,606	

Lake Harris
Community Development District
Capital Projects Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
For The Period Ending September 30, 2023

	Adopted Budget	Prorated Budget Thru 09/30/23	Actual Thru 09/30/23	Variance
<u>Revenues:</u>				
Interest	\$ -	\$ -	\$ 21,421	\$ 21,421
Total Revenues	\$ -	\$ -	\$ 21,421	\$ 21,421
<u>Expenditures:</u>				
Capital Outlay	\$ -	\$ -	\$ 3,811,080	\$ (3,811,080)
Capital Outlay - Cost of Issuance	\$ -	\$ -	\$ 287,681	\$ (287,681)
Developer Reimbursement	\$ -	\$ -	\$ 7,906	\$ (7,906)
Total Expenditures	\$ -	\$ -	\$ 4,106,668	\$ (4,106,668)
Excess (Deficiency) of Revenues over Expenditures	\$ -		\$ (4,085,246)	
<u>Other Financing Sources/(Uses):</u>				
Bond Proceed	\$ -	\$ -	\$ 4,098,991	\$ 4,098,991
Issue Discount	\$ -	\$ -	\$ (5,085)	\$ (5,085)
Transfer In/(Out)	\$ -	\$ -	\$ 2,362	\$ 2,362
Total Other Financing Sources/(Uses)	\$ -	\$ -	\$ 4,096,268	\$ 4,096,268
Net Change in Fund Balance	\$ -		\$ 11,022	
Fund Balance - Beginning	\$ -		\$ -	
Fund Balance - Ending	\$ -		\$ 11,022	

Lake Harris
Community Development District
Month to Month

	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sept	Total
Revenues:													
Developer Contributions	\$ 5,125	\$ -	\$ 5,511	\$ -	\$ 5,345	\$ 1,564	\$ 5,283	\$ 2,161	\$ 7,028	\$ 7,087	\$ 4,703	\$ 5,217	\$ 49,024
Total Revenues	\$ 5,125	\$ -	\$ 5,511	\$ -	\$ 5,345	\$ 1,564	\$ 5,283	\$ 2,161	\$ 7,028	\$ 7,087	\$ 4,703	\$ 5,217	\$ 49,024
Expenditures:													
General & Administrative:													
Supervisor Fees	\$ -	\$ 200	\$ -	\$ -	\$ 200	\$ -	\$ -	\$ -	\$ 200	\$ -	\$ 200	\$ -	\$ 800
FICA Expense	\$ -	\$ 15	\$ -	\$ -	\$ 15	\$ -	\$ -	\$ -	\$ 15	\$ -	\$ 15	\$ -	\$ 61
Engineering	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,035	\$ 345	\$ 925	\$ 863	\$ 1,035	\$ 345	\$ -	\$ 4,548
Dissemination Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 292	\$ 292	\$ 583
Attorney	\$ 379	\$ 202	\$ -	\$ 2,156	\$ 434	\$ -	\$ 2,362	\$ 843	\$ 1,828	\$ 970	\$ -	\$ -	\$ 9,173
Audit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000	\$ -	\$ -	\$ -	\$ 3,000
Management Fees	\$ 1,563	\$ 1,563	\$ 1,563	\$ 1,563	\$ 1,563	\$ 1,563	\$ 1,563	\$ 1,563	\$ 1,563	\$ 1,563	\$ 3,125	\$ 3,125	\$ 21,875
Information Technology	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 1,800
Website Maintenance	\$ -	\$ 1,850	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 2,850
Telephone	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Postage & Delivery	\$ 14	\$ 1	\$ 4	\$ 11	\$ 6	\$ 1	\$ 2	\$ 2	\$ 2	\$ 1	\$ 1	\$ 2	\$ 46
Insurance	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000
Printing & Binding	\$ 2	\$ 6	\$ -	\$ 0	\$ 47	\$ -	\$ -	\$ 2	\$ 15	\$ 6	\$ -	\$ 17	\$ 96
Legal Advertising	\$ 105	\$ 122	\$ -	\$ 114	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 840	\$ -	\$ 1,182
Other Current Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38	\$ 38	\$ 46	\$ 123
Office Supplies	\$ 0	\$ 0	\$ 0	\$ -	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1
Travel Per Diem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dues, Licenses & Subscriptions	\$ 175	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 175
Total Expenditures	\$ 7,387	\$ 4,109	\$ 1,817	\$ 4,094	\$ 2,514	\$ 2,849	\$ 4,521	\$ 3,585	\$ 7,735	\$ 3,863	\$ 5,107	\$ 3,732	\$ 51,313
Excess (Deficiency) of Revenues over Expenditures	\$ (2,262)	\$ (4,109)	\$ 3,695	\$ (4,094)	\$ 2,831	\$ (1,285)	\$ 761	\$ (1,423)	\$ (707)	\$ 3,224	\$ (404)	\$ 1,485	\$ (2,288)

Lake Harris

Community Development District

Long Term Debt Report

Series 2023, Special Assessment Revenue Bonds		
Interest Rate:	4.700%, 5.375%, 5.625%	
Maturity Date:	5/1/2053	
Reserve Fund Definition	Maximum Annual Debt Service	
Reserve Fund Requirement	\$308,247	
Reserve Fund Balance	\$308,247	
Bonds Outstanding - 7/6/2023		\$4,485,000
Current Bonds Outstanding		\$4,485,000