

COUNTY LINE DRAINAGE DISTRICT  
ANNUAL LANDOWNERS' MEETING  
AND QUARTERLY MEETING AGENDA  
JULY 8, 2020, at 10:00 A.M.  
HELD IN THE COUNTY LINE  
DRAINAGE DISTRICT OFFICE  
THIS MEETING IS OPEN  
TO THE PUBLIC

District's website: [districtsapecial.org](http://districtsapecial.org)

BOARD OF SUPERVISORS

Mr. Joseph Beale, President  
Mr. Paul Fabry, Supervisor  
Mr. Pat McKenna, Supervisor

FIELD CONSULTANT

Mr. Randy Sebring

EXECUTIVE DIRECTOR

Ms. Dana Clement

- 1) PRESIDENT, CALL MEETING TO ORDER
- 2) MEETING ANNOUNCEMENT
  - a. Secretary Reads Legal Notice.
- 3) ELECTION OF CHAIRPERSON & SECRETARY TO CONDUCT MEETING
  - a. Landowners Elect Chairperson & Secretary.
- 4) CALL FOR PROXIES
  - a. Tabulate-Announce Results.
  - b. Chairperson Declares A Quorum.
- 5) ELECTION OF A SUPERVISOR
  - a. Term Expiration, Mr. Pat McKenna, 2017-2020.
  - b. Elect One Supervisor.  
NOTE: LANDOWNERS CAN PARTICIPATE IN THE  
ELECTION OF THE SUPERVISOR. AFTER THE  
ELECTION, BUSINESS WILL BE TRANSACTED  
BY THE BOARD EXCLUSIVELY.
  - c. Oath of Office.
- 6) ADJOURN ANNUAL LANDOWNERS MEETING
- 7) PRESIDENT CALLS QUARTERLY MEETING TO ORDER
  - a. President calls the Quarterly Meeting to order.
  - b. Election of a new President for 2020/2021 fiscal Year.
  - c. Comments by new President.

CLDD  
ANNUAL LANDOWNERS'/QUARTERLY MEETING  
JULY 8, 2020  
PAGE TWO

8) OLD BUSINESS

- a. Approve the minutes of the quarterly meeting held on January 8, 2020.
- b. Ratify the cancellation of the April 8, 2020 meeting due to COVID-19.
- c. Other.

9) SECRETARY/TREASURER'S REPORT

- a. Financial Reports for January 9, 2020 through July 8, 2020.
- b. Approval and execution of the credit line documents for 2020/2021.
- c. Ratify the president's approval of the audit for year ending September 30, 2019.
- d. Approval of LLW rates increasing from \$200.00 per hour to \$210.00 per hour.
- e. Other.

10) FIELD REPORT

- a. Field Report for January through June 2020.
- b. Herbicide update.
- c. Ratify the cleaning around the pumps and the canals and ditches throughout the District, \$8,125.00.
- d. Other.

11) ENGINEER'S REPORT

- a. Annual Engineer's Report.
- b. Other.

12) ATTORNEY'S REPORT

- a. Legislation updates.
- b. Other.

13) BUDGET 2020/2021

- a. Discussion on draft budget for 2020/2021.
- b. Establish 2020/2021 assessment rate.
- c. Execute 2020/2021 Assessment Resolution.

14) CALL FOR NEW OR OTHER BUSINESS

- a. BMAP Public Education and Outreach.
- b. Appoint new manager/management group.
- c. Appoint new Secretary/Treasurer and Records Management Liaison Officer (RMLO).
- d. Appoint legal firm, auditing firm, and engineering firm for 2020/2021.
- e. Elect a new Records Management Liaison Officer (RMLO).
- f. Execute 2020/2021, Resolution for the Levy and Collection of Non-ad Valorem Assessments.
- g. Renew field consultant, Mr. Randy Sebring for 2020/2021, execute contract.
- h. Meeting dates for fiscal year 2020/2021.
- i. Other.

15) CALL FOR PUBLIC COMMENTS

16) ADJOURN QUARTERLY MEETING

**COUNTY LINE DRAINAGE DISTRICT**  
**BOARD STATUS**  
**ANNUAL LANDOWNERS' MEETING**  
**JULY 8, 2020**

**CURRENT BOARD STATUS**

2017-2020	Mr. Patrick McKenna
2018-2021	Mr. Paul Fabry
2019-2022	Mr. Joseph Beale

**ELECTION DATES**

2020	Mr. Patrick McKenna
2021	Mr. Paul Fabry
2022	Mr. Joseph Beale

COUNTY LINE DRAINAGE DISTRICT  
MEETING MINUTES  
JANUARY 8, 2020 AT 10:00 A.M.  
HELD AT 23351 NORTH RIVER ROAD, ALVA, FLORIDA  
THIS MEETING IS OPEN TO THE PUBLIC  
Website: [districtsarespecial.org/cldd](http://districtsarespecial.org/cldd)

BOARD OF SUPERVISORS

Mr. Joe Beale, President

Mr. Paul Fabry, Supervisor

Mr. Pat McKenna, Supervisor

FIELD CONSULTANT

Mr. Randy Sebring

EXEC. DIRECTOR/SEC.TREAS.

Ms. Dana Clement

OTHERS PRESENT

Mr. D. Murray, Landowner

Mr. Cullum Jeffries, Landowner

Mr. Brandon Lynn, Florida Agri Mgmt.

Mr. Kyle Grandusky, District Engineer, via  
telephone

1) PRESIDENT CALLS THE MEETING TO ORDER

Mr. Beale called the meeting to order at 10:00 a.m.

2) OLD BUSINESS

APPROVE MINUTES OF THE MEETING HELD OCTOBER 9, 2019

Ms. Clement submitted the draft minutes for the quarterly meeting held on October 9, 2019.

Mr. McKenna motioned to approve the minutes of the October 9, 2019 meeting. Mr. Fabry seconded. Motion passed.

3) SECRETARY/TREASURER'S REPORT

a) FINANCIAL REPORTS FOR OCTOBER 10, 2019 THROUGH January 8, 2020

Ms. Clement submitted the financial reports for October 10, 2019 through January 8, 2020, and stated that the District had received 33% of its budgeted tax revenues.

Mr. Fabry motioned to approve the financial report. Mr. McKenna seconded. Motion passed.

b) NEXT MEETING IS APRIL 8, 2020

Ms. Clement said that the next meeting is scheduled to be held on April 8, 2020.

c) UPDATE: DANA CLEMENT'S RETIREMENT

Ms. Clement said that she wants to remind the District that she will be retiring September 30, 2020, and will be handling the administration of the district until that time. Ms. Clement said that there are only two more meetings in which she will be in attendance, the April 8, 2020 and the annual landowners'/quarterly meetings scheduled to be held on July 8, 2020. Ms. Clement said that if the supervisors want her to remain managing the district until September 30, 2020, she will.

Ms. Clement said that Mr. Beale had asked her to prepare a job description which she has done, and preceded to distribute the document.

Mr. Beale asked Ms. Clement what she is planning for her other clients. Ms. Clement said that she is currently speaking with management groups that can assume her management role or the districts will need to advertise and seek an employee. Ms. Clement said that there are serious requirements and date sensitive statutes that must be adhered to.

Ms. Clement said, the Joshua Water Control District (JWCD) no longer wants to supply an office or administrative services to East Charlotte Drainage District (ECDD) or County Line Drainage District (CLDD). Ms. Clement said that this means that CLDD will need to remove their records from the JWCD offices by September 30, 2020.

Mr. Beale said that he will visit with Ms. Clement at her office in Arcadia, and that at the next CLDD meeting, April 8, 2020, he will have some ideas as to where the District will go from that point on.

#### 4) FIELD REPORT

##### a) REVIEW OF THE FIELD REPORT FOR OCTOBER, NOVEMBER AND DECEMBER 2019

Mr. Sebring submitted the field report. There was discussion.

##### b) REPAIRED WASHOUTS IN NORTH DIKE, \$3,800.00

Mr. Sebring said that he had completed the repairs to the North Dike on the lower and top levels.

Mr. McKenna asked Mr. Sebring if he has a mower that he can utilize on the bottom deck, (base) of the North Dike. Mr. Sebring said, that yes, he is able to mow the bottom deck. Mr. McKenna asked Ms. Clement if the Board can approve a single mow on the base of the North Dike, two miles. Ms. Clement said that the funds are in the budget and that no approval is necessary.

Mr. Sebring said that he will go look at the bottom deck of the North Dike to see how bad it is and report back to Mr. McKenna for guidance on how to proceed.

##### c) INSTALLATION OF TWO CULVERTS: SECTION 2, 72" x 50', (\$7,930.00 CULVERT, \$5,635.00 INSTALLATION, AND IN SECTION 12 BETWEEN BLOCKS 4 AND 5, 48" x 40', (\$2,756.00 CULVERT, \$2,570.00 INSTALLATION)

Mr. Sebring said that he had completed the installation of the culverts in Section 2 and Section 12. Total cost for two culverts and their installations, \$18,891.00.

##### d) SECTION 12: REMOVAL OF SPOIL MATERIAL FROM DITCHES

Mr. Sebring said that he had completed the removal of the spoil material on the ditch banks in Section 12. Mr. Fabry said that it looks good.

##### e) GRADED 16 MILES OF ROADWAYS, \$11,500.00

Mr. Sebring said that he had completed the grading of 16 miles of roadways throughout the district, and filled in the holes.

Mr. Fabry motioned to approve the field report. Mr. Beale seconded. Motion passed.

5) ENGINEER'S REPORT

a) SPANISH CREEK PROJECT

Mr. Grandusky said that the Spanish Creek Project is now complete.

b) BMAP (BASIN MANAGEMENT ACTION PLANS)

Mr. Grandusky said, that since the district's last meeting, he submitted a draft of the CLDD's BMAP to the Department of Environmental Protection (DEP) indicating how the CLDD is handling the requirements of BMAP. Mr. Grandusky said that a copy of the draft was sent to Ms. Clement for distribution. Ms. Clement said that each supervisor was sent a copy of the draft. Mr. Grandusky said that DEP has incorporated the CLDD draft BMAP, along with other entities, into its own draft report.

Mr. Grandusky said that DEP has put out a draft BMAP on the Caloosahatchee River and that CLDD and the public have the opportunity to comment on the report until January 15, 2020, but the BMAP must be adopted by January 31, 2020.

Mr. Grandusky said that CLDD did well, in that, DEP has not demanded that CLDD maintain any specific water quality minimums, etc., however; the District will have some responsibilities: 1) Public Outreach (alert landowners of BMAP), 2) assisting FDACS, 3) nutrient controls, canal cleaning and maintaining control structures, all of which are routinely performed at CLDD. Mr. Grandusky said that CLDD has been testing the water within CLDD for years now proving how seriously an issue this is to the district.

Mr. Grandusky reiterated that the BMP will have to be revisited yearly for updates and said that this item should be placed on the annual agenda so that DEP and the public know that CLDD takes the BMAP seriously.

6) CALL FOR NEW OR OTHER BUSINESS

None.

7) ADJOURNMENT

The meeting adjourned at 10:26 a.m.

Respectfully submitted,

Dana Clement  
Secretary/Treasurer

COUNTY LINE DRAINAGE DISTRICT  
FINANCIAL REPORT  
JUNE 23, 2020

	BEGINNING BALANCES	OCTOBER RECEIVED	NOVEMBER RECEIVED	DECEMBER RECEIVED	JANUARY RECEIVED	FEBRUARY RECEIVED	MARCH RECEIVED	APRIL RECEIVED	MAY RECEIVED	JUNE RECEIVED	JULY RECEIVED	AUGUST RECEIVED	SEPTEMBER RECEIVED	FUNDS RECEIVED	TOTAL FUNDS REMAINING
BUDGET: 2019-2020															
CHECKING ACCOUNT-SEACOAST NAT'L BANK		115,546.36	92,677.66	48,597.77	103,321.25	96,101.80	90,237.16	226,825.34	203,290.97	188,726.37	183,136.83	183,136.83	183,136.83		
INCOME															
TAX COLLECTOR	221,459.25	0.00	2,280.44	70,875.06	1,142.29	143.60	147,017.72	0.00	0.00	0.00				221,459.11	
EXCESS FEES	0.00	189.23	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				189.23	
BANK INTEREST	0.00	9.82	8.08	7.84	8.80	7.60	15.19	18.32	17.40	0.00				93.05	
MISCELLANEOUS INCOME	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00	
RESERVE ACCOUNT	90,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00	
CREDIT LINE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00	
TOTAL BALANCES	311,959.25	115,745.41	94,966.18	119,480.67	104,472.34	96,253.00	237,270.07	226,843.66	203,308.37	188,726.37	183,136.83	183,136.83	183,136.83	221,741.39	
EXPENDITURES	AMOUNT	ACTUAL OCTOBER EXPENSES	ACTUAL NOVEMBER EXPENSES	ACTUAL DECEMBER EXPENSES	ACTUAL JANUARY EXPENSES	ACTUAL FEBRUARY EXPENSES	ACTUAL MARCH EXPENSES	ACTUAL APRIL EXPENSES	ACTUAL MAY EXPENSES	ACTUAL JUNE EXPENSES	ACTUAL JULY EXPENSES	ACTUAL AUGUST EXPENSES	ACTUAL SEPTEMBER EXPENSES	TOTAL FUNDS EXPENDED	TOTAL FUNDS REMAINING
EMPLOYEE WAGES	39,500.00	3,038.00	3,038.00	3,038.00	3,038.00	3,038.00	6,076.00	3,038.00	3,038.00	3,038.00				30,380.00	9,120.00
FICA EXPENSE	3,050.00	232.41	232.41	232.41	232.41	232.41	464.82	232.41	232.41	232.41				2,324.10	725.90
EMPLOYEE BENEFITS	2,375.00	182.28	182.28	182.28	182.28	182.28	364.56	182.28	182.28	182.28				1,822.80	552.20
ROAD'S MAINTENANCE	12,500.00	687.50	11,550.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				12,237.50	262.50
CANAL'S MAINTENANCE	30,000.00	0.00	6,550.00	0.00	0.00	0.00	0.00	0.00	8,125.00	0.00				14,675.00	15,325.00
NORTH DIKE MAINTENANCE	42,000.00	7,262.00	3,800.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				11,062.00	30,938.00
OUTSIDE MAINTENANCE LABOR	30,000.00	1,848.85	1,776.85	1,776.85	2,186.80	1,776.85	1,778.20	2,188.60	1,557.31	2,076.85				16,967.16	13,032.84
WEED CONTROL	25,000.00	0.00	0.00	0.00	0.00	0.00	0.00	14,942.90	0.00	0.00				14,942.90	10,057.10
CONTROL STRUCTURES	31,000.00	0.00	18,891.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				18,891.00	12,109.00
FUEL/LUBRICANTS	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00	2,500.00
EQUIPMENT PARTS/REPAIRS	4,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00	4,500.00
SUTA/FUTA ACCOUNT	45.00	8.71	0.00	0.00	9.11	0.00	0.00	12.15	0.00	0.00				29.97	15.03
CONSTRUCTION MATERIALS	500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00	500.00
ATTORNEY FEES	8,500.00	0.00	0.00	0.00	180.00	460.00	140.00	540.00	140.00	60.00				1,520.00	6,980.00
ENGINEERING FEES	8,500.00	1,995.00	0.00	0.00	665.00	0.00	0.00	0.00	0.00	0.00				2,660.00	5,840.00
AUDIT YEAR ENDING 2019	8,510.00	0.00	0.00	7,340.00	0.00	0.00	0.00	0.00	1,157.00	0.00				8,497.00	13.00
TAX COLLECTOR'S FEE	535.00	0.00	256.65	256.65	0.00	0.00	0.00	0.00	0.00	0.00				513.30	21.70
TAX REVENUES DISCOUNTS	8,517.66	0.00	91.22	2,829.23	34.29	4.30	1,471.15	0.00	0.00	0.00				4,430.19	4,087.47
PROPERTY APPRAISER'S FEE	354.00	0.00	0.00	354.00	0.00	0.00	0.00	0.00	0.00	0.00				354.00	0.00
INSURANCE	7,500.00	6,721.00	0.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00				6,821.00	679.00
MEETINGS & MEMBERSHIP'S DUES	750.00	750.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				750.00	0.00
MISCELLANEOUS EXPENSES	900.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00	900.00
OFFICE EXPENSES	8,500.00	120.00	0.00	150.00	1,842.65	0.00	150.00	1,816.70	150.00	0.00				4,229.35	4,270.65
ADA COMPLIANCE	400.00	0.00	0.00	0.00	0.00	0.00	0.00	422.65	0.00	0.00				422.65	-22.65
WATER ANALYSES	6,000.00	222.00	0.00	0.00	0.00	222.00	0.00	177.00	0.00	0.00				621.00	5,379.00
RESERVE	30,022.59	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00	30,022.59
TOTAL BUDGET	311,959.25	23,067.75	46,368.41	16,159.42	8,370.54	6,015.84	10,444.73	23,552.69	14,582.00	5,589.54	0.00	0.00	0.00	154,150.92	157,808.33
CURRENT CASH STATUS		92,677.66	48,597.77	103,321.25	96,101.80	90,237.16	226,825.34	203,290.97	188,726.37	183,136.83	183,136.83	183,136.83	183,136.83		

**LLW****LEWIS  
LONGMAN  
WALKER**Attorneys at Law  
llw-law.com*Reply to: West Palm Beach***MEMORANDUM**

**TO:** County Line Drainage District

**FROM:** Robert P. Diffenderfer

**DATE:** January 15, 2020

**SUBJECT:** 2020 Hourly Billing Rates

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Please find enclosed a copy of our Firm's 2020 Hourly Billing Rates. In setting these new rates, we gave careful consideration to current market conditions. We are confident that the rates are fair and highly competitive within our areas of practice and for our range of experience.

We remain committed to providing you with the best possible legal services. To this end we have assembled one of the best legal teams in Florida. We also continue to make significant investments in technology that help us maintain the standard of service that you expect.

We value your trust and we are committed to validating that trust. Your next month's invoice will reflect these new rates pursuant to our engagement agreement with you. Please do not hesitate to call me if you have any questions, or if you would like to discuss our new rates.

01235451-1

**JACKSONVILLE**

245 Riverside Ave., Suite 150  
Jacksonville, Florida 32202  
T: 904.353.6410  
F: 904.353.7619

**ST. PETERSBURG**

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St. Petersburg, Florida 33701  
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**TALLAHASSEE**

315 South Calhoun St., Suite 830  
Tallahassee, Florida 32301  
T: 850.222.5702  
F: 850.224.9242

**WEST PALM BEACH**

515 North Flagler Dr., Suite 1500  
West Palm Beach, Florida 33401  
T: 561.640.0820  
F: 561.640.8202

**RECEIVED JAN 15 2020***See Things Differently*



**ATTACHMENT 1**

**2020 Hourly Rates**

	<b><u>Rates</u></b>
Shareholders & Senior Attorneys	\$210.00

COUNTY LINE DRAINAGE DISTRICT DRAFT BUDGET WORKSHEET FOR 2020-2021

	CURRENT FISCAL YEAR 2019/2020						FISCAL YEAR 2020/2021	
ACCOUNT TITLES	BUDGET	SPENT in 8 MONTHS	EST. YEAR SPENDING	EST. FUNDS TO END YEAR	EST. ACCT. BAL. Y/E	COMMENTS	FINAL	SECOND DRAFT, JUNE 19, 2020
EMPLOYEE WAGES	39,500.00	30,380.00	39,500.00	9,120.00	0.00	Executive Director.	35,000.00	Management Services
EMPLOYEE BENEFITS	5,470.00	4,176.87	5,470.00	1,293.13	0.00	retirement, 6% of annual salaries, \$2,370.00, social security, 7.65%, \$3,050.00, unemployment taxes, .0010, \$45.00.	0.00	N/A
OUTSIDE MAINT. LABOR	30,000.00	16,968.00	27,000.00	10,032.00	3,000.00	Fl. Agr. Management, est. \$12,000.00 annual for labor. Field consultant, \$18,108.00, I.T. services, (\$650), email & domain name, (\$186) and website (\$45.00).	28,000.00	Fl. Agr. Management, est. \$12,000.00 annual for labor. Field consultant, \$18,108.00.
WEED CONTROL	25,000.00	14,943.00	19,250.00	4,307.00	5,750.00	26 days of application by Ecological Management at \$550 per day, (\$14,300.00), and herbicides, (\$19,000.00).	25,000.00	26 days of application by Ecological Management at \$550 per day, (\$14,300.00), and herbicides, (\$19,000.00).
CONTROL STRUCTURES	31,000.00	18,891.00	25,000.00	6,109.00	6,000.00	Per Randy Sebring	31,000.00	Per Randy Sebring
FUEL/LUBRICANTS	2,500.00	0.00	2,500.00	2,500.00	0.00	Fuel for pumps & heavy equipment. Increase in gas prices. Oil & lubricants.	2,500.00	Fuel for pumps & heavy equipment. Oil & lubricants.
EQUIPMENT PARTS	4,500.00	0.00	1,200.00	1,200.00	3,300.00	Parts, maintenance for all equipment, (\$4,500). Repairs for the Komatsu excavator, (\$20,000).	4,500.00	Repairs and maintenance for pumps.
CONSTRUCTION MATERIALS	500.00	0.00	0.00	0.00	500.00	Lumber for culverts, traffic signs, misc.	500.00	Lumber for culverts, traffic signs, misc.
ATTORNEY FEES	8,500.00	1,520.00	5,500.00	3,980.00	3,000.00	Legal representation.	8,500.00	Legal representation.
ENGINEERING FEES	8,500.00	2,660.00	3,500.00	840.00	5,000.00	Attendance at qtr. Meetings, annual report, general issues.	8,500.00	Attendance at qtr. Meetings, annual report, general issues.
AUDIT FOR YEAR ENDING 2019	8,510.00	8,497.00	8,510.00	13.00	0.00	Audit for year ending September 2019.	8,360.00	Audit for year ending September 2020.
TAX COLLECTOR FEES	535.00	513.30	535.00	21.70	0.00	\$1.45 per parcel x 354 parcels.	535.00	\$1.45 per parcel x 354 parcels.
TAX REVENUES DISCOUNTS	8,517.66	4,430.19	4,500.00	69.81	4,017.66	4% discount for paying assessment early.	7,595.96	4% discount for paying assessment early.
PROPERTY APPRAISER	354.00	354.00	354.00	0.00	0.00	Fee for tax roll preparation	354.00	Fee for tax roll preparation
INSURANCE 2019/2020	7,500.00	6,821.00	6,821.00	0.00	679.00	Egis Insurance, general liability, (\$7,230), Bond for Treasurer, (\$110.00)	7,500.00	Egis Insurance, general liability, (\$7,230), Bond for Treasurer, (\$110.00)
MEMBERSHIP DUES	750.00	750.00	750.00	0.00	0.00	Annual fee to the Department of Economic Opportunity (DEO), (\$175.00), FASD, (\$575.00), other.	750.00	Annual fee to the Department of Economic Opportunity (DEO), (\$175.00), FASD, (\$575.00), other.
MISCELLANEOUS EXPENSES	900.00	0.00	500.00	500.00	400.00	Legal advertisement, credit line interest, other.	900.00	Legal advertisement, credit line interest, other.
OFFICE EXPENSES	8,500.00	4,229.35	8,300.00	4,070.65	200.00	JWCD, (\$7,200.00) office, accounting, etc, office equipment, secretarial services, phone (\$720), postage (\$125), office supplies.	0.00	N/A
ADA COMPLIANCE	400.00	422.65	479.00	56.35	-79.00	ADA compliant website and remediated documents	500.00	ADA compliant website and remediated documents
ROAD'S MAINTENANCE	12,500.00	12,237.50	12,237.50	0.00	262.50	No calcium chloride applications, per the Board, July 10, 2019.	12,500.00	Per Randy Sebring.
CANAL'S MAINTENANCE	30,000.00	14,675.00	30,000.00	15,325.00	0.00	Per Randy Sebring.	30,000.00	Per Randy Sebring.
NORTH DIKE MAINTENANCE	42,000.00	11,062.00	40,586.00	29,524.00	1,414.00	Per the Board of Supervisors at the July 10, 2019 meeting.	40,000.00	Mowing, dirt, etc.
WATER ANALYSES	6,000.00	621.00	3,500.00	2,879.00	2,500.00	Required by SFWMD, Quarterly chloride testing for PZ1 & PZ2, \$147.00 each test (\$1,176.00). Board requested, three surface water analyses at \$1,600.00 each (\$4,800).	6,000.00	Required by SFWMD, Quarterly chloride testing for PZ1 & PZ2, \$147.00 each test (\$1,176.00). Board requested, three surface water analyses at \$1,600.00 each (\$4,800).
RESERVE	30,022.59	0.00	0.00	0.00	30,022.59		30,000.00	
TOTALS	303,441.59	154,151.86	245,992.50	91,840.64	65,966.75		280,899.00	TOTAL
LESS ESTIMATED CARRY-OVER	90,500.00						91,000.00	LESS ESTIMATED CARRY-OVER
BALANCE	212,941.59	SUB-TOTAL					189,899.00	SUB-TOTAL
clbudgetworksheet2020-2021	8,517.66	plus 4% tax collector's early payment discount					7,595.96	4.0% tax collector's early payment discount
	221,459.25	Divided by 3,732.04 acres = \$59.34 per acre for 2019/2020					197,494.96	Divided by 3,732.04 acres = \$52.92 per acre for 2020/2021

Current cash balance on June 19, 2020 is \$183,000.00 less estimated expenditures to complete this fiscal year in the amount of \$91,840.00 = an estimated carry-over of \$91,160.00.

## **ASSESSMENT RESOLUTION**

WHEREAS, The Board of Supervisors of the County Line Drainage District authorized utilization of the uniform method of levy and collection of non-ad valorem assessments pursuant to section Section 197.3632, Florida Statutes, by Resolution dated November 18, 1991, and;

WHEREAS, an agreement was entered into between the Board of Supervisors of the County Line Drainage District and the Lee County Property Appraiser on April 26, 1990, for reimbursement of necessary administrative costs related to the provision of a non-ad valorem assessment roll; and

WHEREAS, an agreement was entered into between the Board of Supervisors of the County Line Drainage District and the Lee County Tax Collector on May 15, 1990, for reimbursement of necessary administrative costs related to the collection of District taxes; and

WHEREAS, the Property Appraiser of Lee County has provided County Line Drainage District the information required by Section 197.3632(3)(b), Florida Statutes, in a timely fashion, and County Line Drainage District has determined that such information is sufficient for the District's purposes.

NOW THEREFORE, be it resolved:

The Board of Supervisors of the County Line Drainage District hereby authorizes that the District assessment shall be assessed on a per acre basis at an amount of \$\_\_\_\_\_ per acre.

Further, be it resolved, that the non-ad valorem assessment roll attached to this Resolution is certified true and correct and is to be sent to the Lee County Tax Collector for collection.

DONE AND ORDERED this 11<sup>th</sup> day of July 2020, at the offices of the County Line Drainage District, Lee County, Florida.

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President, Board of Supervisors  
County Line Drainage District

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Attest:  
Dana Clement, Secretary

## **RESOLUTION**

WHEREAS, Chapter 197, Florida Statutes, provides two viable alternatives for the levy and collection of existing assessments; and

WHEREAS, Section 197.363, Florida Statutes, allows a taxing authority, at the option of the Property Appraiser, to continue to collect special assessments utilizing the county method of tax collection; and

WHEREAS, Section 197.3632, Florida Statutes, allows a taxing authority to utilize a uniform method of levy and collection of non-ad valorem assessments upon passage of a resolution determining to do so; and

WHEREAS, the Property Appraiser may agree to enter into an agreement with the District pursuant to Section 197.363, Florida Statutes, to continue to collect special assessments for 1992 and thereafter pursuant to that section of law; and

WHEREAS, the Board may determine it is in the District's best interest to utilize Section 197.3632, Florida Statutes, for 1992 and years thereafter; and

WHEREAS, the Board determines it is in the best interest of the landowners of the District to authorize utilization of both methods in the discretion of the Board of Supervisors; and

WHEREAS, the legal description of the District, being the real property subject to the levy, is as follows:

In Township 43 South, Range 27 East, Sections 1,2,3,12 that part of Section 11 which lies Easterly of a line 1,720 feet (as measured on the perpendicular) Easterly of the West line of said Section 11, that part of Section 14 lying North of the South 3,160 feet of said Section 14, and the North three-quarters of Section 13, excepting from all the lands herein above described, a parcel of land in Section 13, Township 43, Range 27 East being more specifically described as follows:

From a 4" x 4" concrete monument marking the Northwest corner of said Section 13, bear South 0°13'15" East along the West line of said Section 13, a distance of 2,124.00 feet to the point of beginning; thence run South 89°36'20" East parallel to the South line of said Section 13, a distance of 1,800 feet; thence South 0°13'15" East parallel to the West line of said Section 13, a distance of 2,360.11 feet; thence North 89°36'20" West a distance of 562.68 feet; thence North 0°05'00" West a distance of 524.79 feet; to an intersection thereof with the North line of the South one-half the Southwest one-quarter (South ½ of Southwest ¼) of said Section 13; thence North 89°47'12" West along said North line to the West line of Section 13, Township 43 South, Range 27 East; thence Northerly along the West line of said Section 13 to the point of beginning.

Together with Tract 9 and Tract 10 of Official Record Book 2229 Page 891 (FCC Management Company) being described as follows:

Tract 9:

The South ½ of the East 1/7 of the West 7/17 of the South ¼ of Section 13, Township 43 South, Range 27 East, Lee County, Florida

And

Tract 10:

That portion of the South  $\frac{2}{3}$  of the East  $\frac{1}{2}$  of the East  $\frac{1}{6}$  of the West  $\frac{6}{17}$  of the South  $\frac{1}{4}$  of Section 13, Township 43 South, Range 27 East, Lee County, Florida lying South of the Drainage Ditch.

And also together with Parcel I and Parcel II of Official Record Book 2415 Page 2563 (FCC Management Company) being described as follows:

Parcel I:

That part of the West 60 feet of the East  $\frac{1}{8}$  of the West  $\frac{8}{17}$  of the South  $\frac{1}{4}$ , lying South of the Creek, in Section 13, Township 43 South, Range 27 East, Lee County, Florida.

And

Parcel II:

The Southeast  $\frac{1}{4}$  of the Southwest  $\frac{1}{4}$  of Section 13, Township 43 South, Range 27 East, Tropical River Groves, Lee County, Florida, more particularly described as follows:

Beginning at the Southwest corner of said Section 13, thence run North  $90^{\circ}00'00''$  East along the Southerly line of said Section 13 (said Southerly line being also the centerline of State Road No. 78), for 1717.71 feet; thence run North for 33.00 feet to a point on the Northerly right-of-way line of said State Road No. 78 and the point of beginning of the lands herein described from said point of beginning run North  $90^{\circ}00'00''$  West along said Northerly right-of-way line for 191.53 feet; thence run North  $2^{\circ}51'45''$  East for 116.20 feet; thence run North  $18^{\circ}47'54''$  East for 123.32 feet; thence run North  $21^{\circ}18'45''$  East for 184.13 feet; thence run North  $42^{\circ}16'54''$  East for 112.81 feet; thence run South  $0^{\circ}22'20''$  East for 487.81 feet to the point of beginning.

And also together with Official Record Book 1934 Page 579 (County Line Drainage District) being described as follows:

The East one half (E  $\frac{1}{2}$ ) of the Southeast quarter (SE  $\frac{1}{4}$ ) of the Southeast quarter (SE  $\frac{1}{4}$ ) of the Southeast quarter (SE  $\frac{1}{4}$ ) of Section 15, Township 43 South, Range 27 East, lying and being in Lee County, Florida.

And also together with Official Record Book 2121 Page 2508 (County Line Drainage District) being described as follows:

A tract of land lying in the Southeast  $\frac{1}{4}$  of Section 15, Township 43 South, Range 27 East, Lee County, Florida, being more particularly described as follows:

Commencing at the Southeast corner of said Section 15; thence North 00°11'01" East (basis of bearings is assumed), along the East line of said Section 15, a distance of 640.86 feet, to the Southeast corner of the Northeast ¼, Southeast ¼, Southeast ¼ of Section 15, and the point of beginning of the lands herein described:

Thence continue North 00°11'18" East, along said East line a distance of 751.04 feet; thence North 89°36'22" West, A distance of 135.00 feet; thence South 00°11'18" West, a distance of 752.65 feet to the South line of the Northeast ¼, Southeast ¼, Southeast ¼ of said Section 15; thence North 89°42'46" East, along the South line of said fraction, a distance of 135.00 feet to the point of beginning

And also together with part of Official Record Book 2515 Page 3593 (Winding Brook Corporation) being described as follows:

That portion of the South one-quarter (1/4) of said Section 13 lying Northerly of the creek and Easterly of the following described line:

From a 4" x 4" concrete monument marking the Northwest corner of said Section 13, bear South 0°13'15" East along the West line of Section 13, a distance of 2,124 feet, thence run South 89°36'20" East parallel to the South line of said Section 13 a distance of 1,800.00 feet to the point of beginning of the above referenced line; thence South 0°13'15" East parallel to the West line of said Section 13 to the intersection with the Aforesaid Creek.

NOW THEREFORE, it is too resolved:

The Board of Supervisors of County Line Drainage District hereby authorizes:

- a. Utilization of Section 197.3632, Florida Statutes, for the levy and collection of District special assessments, provided the Lee County Property Appraisers are agreeable to utilization of said law or,
- b. Utilization of Section 197.363, Florida Statutes, in the event no agreement can be reached with the Lee County Property Appraisers with respect to utilization of Section 197.3632 or in the event the Board of Supervisors of the District desires to utilize Section 197.363, Florida Statutes.

DONE AND ORDERED this 8<sup>th</sup> day of July 2020, at the offices of County Line Drainage District, Lee County, Florida.

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President, Board of Supervisors  
County Line Drainage District

## **FIELD CONSULTANT AGREEMENT**

THIS AGREEMENT is entered into this 8th day of July 2020, between County Line Drainage District (hereinafter “District”), a political subdivision of the State of Florida, whose address is 23351 North River Road, Alva, Florida 33920, and Randy Sebring doing business as Sebring Tractor Service, Inc. (hereinafter collectively referred to as “Consultant”), an independent contractor, authorized to do business in Florida, whose address is 6920 State Road 66, Sebring, Florida 33875.

### **SECTION I. – BACKGROUND INFORMATION**

1. The District is a public body and political subdivision of the State of Florida, organized pursuant to Chapter 298, Florida Statutes, and special act, that provides drainage and water control services within Lee County.
2. The District operates and maintains a series of agricultural ditches and canals that provides drainage, irrigation and flood control services to a rural area consisting predominately of citrus groves in Lee County.
3. At the October 10, 2007, Board of Supervisors meeting, following the resignation of the District’s field consultant, the District’s Board determined that the District needs to employ a part-time field consultant as an independent contractor to provide certain maintenance, inspection, supervision and operation services over the water control and conveyance structures located within the District on a monthly schedule.
4. Randy Sebring doing business as Sebring Trucking Services, Inc. (“Consultant”) are qualified independent contractors and expressed an interest in providing the field consultant services within the District.
5. The District desires to enter into this agreement with the independent contractor for field consulting services pursuant to the terms and conditions included herein.

### **SECTION II – FIELD CONSULTING SERVICES PROVIDED**

The District requires certain maintenance, inspection, supervision and operation services over the property and water control conveyance structures located within the District on a monthly schedule. The specific list of the field consulting services needed by the District is set forth in Exhibit A, attached hereto and incorporated into this agreement. Consultant shall provide the services set forth in Exhibit A, on a weekly or bi-weekly basis for up to 80 hours per month. Consultant will use the District’ equipment to perform the services and activities set forth in Exhibit A. If work in excess of the services set forth on Exhibit A is needed, the Consultant will notify the District’s Executive Director and/or Board of Supervisors of the need for additional work. The District may request verbal and/or written quotes for any jobs in excess of the services set forth in Exhibit A. Nothing in this agreement shall prohibit the Consultant, as owner

of Sebring Tractor, Inc., from submitting a response to the District's requests for quotes and, if accepted by the District, performing the additional work for additional payment from the District.

### **SECTION III – COMPENSATION**

The total amount to be expended by the District for the services set forth in Exhibit A shall not exceed **\$1,495.00** a month during the term beginning October 1, 2020 through July 14, 2021. The District shall pay the independent contractor for his services in monthly installments on or before the last day of each month.

### **SECTION IV – TERM**

This agreement shall commence on the effective date set forth above. The agreement shall expire on July 14, 2021. The District may, at the discretion of the Board of Supervisors renew this agreement on or before its annual/quarterly meeting, held in July of each year.

### **SECTION V – TERMINATION**

Either party to this agreement may terminate this agreement with thirty (30) days written notice to the other party. Any amount due and owing under the agreement through the date of termination, shall be paid by the District within thirty (30) days of the termination.

### **SECTION VI – INSURANCE, LIABILITY & LICENSE**

Consultant is responsible for securing Certificates of Insurance from its liability insurer and its workers compensation insurer. Consultant must maintain comprehensive general liability in the minimum amount of \$250,000.00. Consultant shall be solely responsible for obtaining any and all licenses or other state certification needed to drive and operate heavy machinery, including but not limited to track hoes and loader.



## **SECTION VII– INDEPENDENT CONTRACTOR**

Consultant and District agree that the consultant is an independent contractor. As such, the District is not responsible for the Consultant's income tax withholdings, pension or retirement benefits, health or workers compensation insurance or any other benefit that might accrue to a District employee. Nothing in this agreement shall limit or otherwise impair the Consultant's ability to bid or respond to any requests for quotes for additional work needed by the District.

## **SECTION VIII –INDEMNIFICATION**

To the extent authorized by law, each party agrees to indemnify and save harmless the other party from any and all claims by and on behalf of persons, firms or corporation arising from the conduct or acts of negligence of that party or anyone claiming by through or under that party under the terms of this agreement or arising from any breach or defaults on the part of that party to the other party in the performance of any provision of this agreement.

## **SECTION IX – ATTORNEY'S FEES AND COSTS**

In the event of any dispute over the terms of this agreement, the prevailing party in such litigation, including all appeals, shall receive from the non-prevailing party, attorney's fees, costs and expenses in such amount as the Court determines reasonable.

## **SECTION X – GOVERNING LAW; VENUE**

This agreement shall be construed and enforced in accordance with the laws of the State of Florida. Venue for any dispute shall be Lee County, Florida.

## **SECTION XI – MODIFICATION; ASSIGNMENT**

This agreement shall only be modified or changed by the written agreement of both parties to this agreement. Further, the agreement is not assignable without the consent of the other party.

## **SECTION XII – NOTICE**

Any notice required to be given in writing pursuant to the terms of this agreement shall be provided by hand delivery or first-class mail to:

# PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$100,000.00	06-29-2020	06-29-2022	LOC44550944	RC-C 4a / 24	1605	***	
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "*****" has been omitted due to text length limitations.							

**Borrower:** County Line Drainage District  
12008 NE Hwy 70  
Arcadia, FL 34266

**Lender:** Crews Bank & Trust  
North Arcadia Office  
400 N Brevard Avenue  
Arcadia, FL 34266  
(863) 494-2220

**Principal Amount: \$100,000.00**

**Interest Rate: 5.000%**

**Date of Note: June 29, 2020**

**PROMISE TO PAY.** County Line Drainage District ("Borrower") promises to pay to Crews Bank & Trust ("Lender"), or order, in lawful money of the United States of America, the principal amount of One Hundred Thousand & 00/100 Dollars (\$100,000.00) or so much as may be outstanding, together with interest on the unpaid outstanding principal balance of each advance, calculated as described in the "INTEREST CALCULATION METHOD" paragraph using an interest rate of 5.000% per annum. Interest shall be calculated from the date of each advance until repayment of each advance. The interest rate may change under the terms and conditions of the "INTEREST AFTER DEFAULT" section.

**PAYMENT.** Borrower will pay this loan in full immediately upon Lender's demand. If no demand is made, Borrower will pay this loan in one payment of all outstanding principal plus all accrued unpaid interest on June 29, 2022. In addition, Borrower will pay regular semi-annual payments of all accrued unpaid interest due as of each payment date, beginning December 29, 2020, with all subsequent interest payments to be due on the same day of each half-year after that. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; and then to any late charges. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

**MAXIMUM INTEREST RATE.** Under no circumstances will the interest rate on this Note exceed (except for any higher default rate shown below) the lesser of 18.000% per annum or the maximum rate allowed by applicable law.

**INTEREST CALCULATION METHOD.** Interest on this Note is computed on a 365/365 simple interest basis; that is, by applying the ratio of the interest rate over the number of days in a year (365 for all years, including leap years), multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method.

**PREPAYMENT.** Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments of accrued unpaid interest. Rather, early payments will reduce the principal balance due. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: Crews Bank & Trust, 400 N Brevard Avenue Arcadia, FL 34266.

**LATE CHARGE.** If a payment is 11 days or more late, Borrower will be charged 5.000% of the unpaid portion of the regularly scheduled payment or \$1,000.00, whichever is less.

**INTEREST AFTER DEFAULT.** Upon default, including failure to pay upon final maturity, the interest rate on this Note shall be increased to 18.000% per annum. However, in no event will the interest rate exceed the maximum interest rate limitations under applicable law.

**DEFAULT.** Each of the following shall constitute an event of default ("Event of Default") under this Note:

**Payment Default.** Borrower fails to make any payment when due under this Note.

**Other Defaults.** Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

**Default in Favor of Third Parties.** Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Insolvency.** The dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

**Change In Ownership.** Any change in ownership of twenty-five percent (25%) or more of the common stock of Borrower.

**Adverse Change.** A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

**Insecurity.** Lender in good faith believes itself insecure.



**PROMISSORY NOTE  
(Continued)**

**Cure Provisions.** If any default, other than a default in payment, is curable and if Borrower has not been given a notice of a breach of the same provision of this Note within the preceding twelve (12) months, it may be cured if Borrower, after Lender sends written notice to Borrower demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

**LENDER'S RIGHTS.** Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

**ATTORNEYS' FEES; EXPENSES.** Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender the amount of these costs and expenses, which includes, subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

**JURY WAIVER.** Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

**GOVERNING LAW.** This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Florida without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of Florida.

**CHOICE OF VENUE.** If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of DeSoto County, State of Florida.

**RIGHT OF SETOFF.** To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the debt against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

**COLLATERAL.** Borrower acknowledges this Note is secured by BY PLEDGED FUNDS DERIVED FROM ASSESSMENTS AS DESCRIBED IN A PREVIOUSLY EXECUTED SECURITY AGREEMENTS DATED JULY 1, 2013, AND JULY 3, 2015. ALL THE TERMS AND CONDITIONS OF WHICH ARE HEREBY INCORPORATED AND MADE A PART OF THIS PROMISSORY NOTE.

**LINE OF CREDIT.** This Note evidences a revolving line of credit. Advances under this Note may be requested orally by Borrower or as provided in this paragraph. All oral requests shall be confirmed in writing on the day of the request. All communications, instructions, or directions by telephone or otherwise to Lender are to be directed to Lender's office shown above. The following person or persons are authorized to request advances and authorize payments under the line of credit until Lender receives from Borrower, at Lender's address shown above, written notice of revocation of such authority: **Joseph Beale, Authorized Signer of County Line Drainage District ; Patrick McKenna, Authorized Signer of County Line Drainage District ; and Paul Erwin Fabry, Authorized Signer of County Line Drainage District .** Borrower agrees to be liable for all sums either: (A) advanced in accordance with the instructions of an authorized person or (B) credited to any of Borrower's accounts with Lender. The unpaid principal balance owing on this Note at any time may be evidenced by endorsements on this Note or by Lender's internal records, including daily computer print-outs. Lender will have no obligation to advance funds under this Note if: (A) Borrower or any guarantor is in default under the terms of this Note or any agreement that Borrower or any guarantor has with Lender, including any agreement made in connection with the signing of this Note; (B) Borrower or any guarantor ceases doing business or is insolvent; (C) any guarantor seeks, claims or otherwise attempts to limit, modify or revoke such guarantor's guarantee of this Note or any other loan with Lender; (D) Borrower has applied funds provided pursuant to this Note for purposes other than those authorized by Lender; or (E) **Lender in good faith believes itself insecure.**

**FINANCIAL DISCLOSURE.** In the event of a non-monetary default for which Bank does not accelerate the loan, including, but not limited to, failure of the Maker and/or guarantors to provide annual financial statements, tax returns, rent rolls or other financial information as required by the loan documents, the applicable interest rate for the loan, for a period beginning ten (10) days after written notice of such default and ending upon the curing of said noticed default, shall increase one quarter of one percent (0.25%) for the first ninety (90) days of said default and increase an additional one quarter of one percent (0.25%) during each ninety (90) day period thereafter, during which time the noticed default continues. The default interest rates shall apply to the outstanding principal balance of the loan. Upon the curing of the noticed default, the interest rate on the loan shall revert to the initially agreed upon interest rate effective on the date on which the default is cured. Any increase in interest rate as provided herein shall never exceed the maximum rate allowed by law.

**ADDITIONAL TERMS. DURING THE TERM OF THE LOAN, THE LENDER REQUIRES AND THE BORROWER AGREES TO MAINTAIN A PRINCIPAL BALANCE OF \$1,000.00 OR LESS FOR 30 CONSECUTIVE DAYS.**

**PRIOR NOTE.** THIS IS A RENEWAL OF EXISTING PROMISSORY NOTE NUMBER LOC44550944.

**SUCCESSOR INTERESTS.** The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

**NOTIFY US OF INACCURATE INFORMATION WE REPORT TO CONSUMER REPORTING AGENCIES.** Borrower may notify Lender if Lender reports any inaccurate information about Borrower's account(s) to a consumer reporting agency. Borrower's written notice describing the specific inaccuracy(ies) should be sent to Lender at the following address: Crews Bank & Trust 400 N Brevard Ave P.O. Box 1400 Arcadia, FL 34266.

**GENERAL PROVISIONS.** This Note is payable on demand. The inclusion of specific default provisions or rights of Lender shall not preclude Lender's right to declare payment of this Note on its demand. If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Borrower does not agree or intend to pay, and Lender does not agree or intend to contract for, charge, collect, take, reserve or receive (collectively referred to herein as "charge or collect"), any amount in the nature of interest or in the nature of a fee for this loan, which would in any way or event (including demand, prepayment, or acceleration) cause Lender to charge or collect more for this loan than the maximum Lender would be permitted to charge or collect by federal law or the law of the State of Florida (as applicable). Any such excess interest or unauthorized fee shall, instead of anything stated to the contrary, be applied first to reduce the principal balance of this loan, and when the principal has been paid in full, be refunded to Borrower. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without

**PROMISSORY NOTE  
(Continued)**

the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

**PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE.**

**BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.**

**BORROWER:**

**COUNTY LINE DRAINAGE DISTRICT**

By: \_\_\_\_\_  
Joseph Beale, Authorized Signer of County Line  
Drainage District

By: \_\_\_\_\_  
Patrick McKenna, Authorized Signer of County Line  
Drainage District

By: \_\_\_\_\_  
Paul Erwin Fabry, Authorized Signer of County Line  
Drainage District



# DISBURSEMENT REQUEST AND AUTHORIZATION

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$100,000.00	06-29-2020	06-29-2022	LOC44550944	RC-C 4a / 24	1605	***	
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "*****" has been omitted due to text length limitations.							

**Borrower:** County Line Drainage District  
12008 NE Hwy 70  
Arcadia, FL 34266

**Lender:** Crews Bank & Trust  
North Arcadia Office  
400 N Brevard Avenue  
Arcadia, FL 34266  
(863) 494-2220

**LOAN TYPE.** This is a Fixed Rate (5.000%) Nondisclosable Revolving Line of Credit Loan to a Corporation for \$100,000.00 due on demand and, if no demand, on June 29, 2022. This is a secured renewal of the following described indebtedness: THIS IS A RENEWAL OF EXISTING PROMISSORY NOTE NUMBER LOC44550944.

**PRIMARY PURPOSE OF LOAN.** The primary purpose of this loan is for:

- ☐ Personal, Family, or Household Purposes or Personal Investment.  
☒ Business (Including Real Estate Investment).

**SPECIFIC PURPOSE.** The specific purpose of this loan is: Loan Renewal.

**DISBURSEMENT INSTRUCTIONS.** Borrower understands that no loan proceeds will be disbursed until all of Lender's conditions for making the loan have been satisfied. Please disburse the loan proceeds of \$100,000.00 as follows:

Undisbursed Funds:	\$100,000.00
Note Principal:	\$100,000.00

**CHARGES PAID IN CASH.** Borrower has paid or will pay in cash as agreed the following charges:

Prepaid Finance Charges Paid in Cash:	\$0.00
Other Charges Paid in Cash:	\$200.00
\$200.00 Document Preparation Fee	
Total Charges Paid in Cash:	\$200.00

**FINANCIAL CONDITION.** BY SIGNING THIS AUTHORIZATION, BORROWER REPRESENTS AND WARRANTS TO LENDER THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT AND THAT THERE HAS BEEN NO MATERIAL ADVERSE CHANGE IN BORROWER'S FINANCIAL CONDITION AS DISCLOSED IN BORROWER'S MOST RECENT FINANCIAL STATEMENT TO LENDER. THIS AUTHORIZATION IS DATED JUNE 29, 2020.

**BORROWER:**

**COUNTY LINE DRAINAGE DISTRICT**

By: \_\_\_\_\_  
Joseph Beale, Authorized Signer of County Line  
Drainage District

By: \_\_\_\_\_  
Patrick McKenna, Authorized Signer of County Line  
Drainage District

By: \_\_\_\_\_  
Paul Erwin Fabry, Authorized Signer of County Line  
Drainage District

# ERRORS AND OMISSIONS AGREEMENT

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$100,000.00	06-29-2020	06-29-2022	LOC44550944	RC-C 4a / 24	1605	***	
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "*****" has been omitted due to text length limitations.							

**Borrower:** County Line Drainage District  
12008 NE Hwy 70  
Arcadia, FL 34266

**Lender:** Crews Bank & Trust  
North Arcadia Office  
400 N Brevard Avenue  
Arcadia, FL 34266  
(863) 494-2220

**LOAN NO.:** LOC44550944

The undersigned Borrower for and in consideration of the above-referenced Lender funding the closing of this loan agrees, if requested by Lender or Closing Agent for Lender, to fully cooperate and adjust for clerical errors, any or all loan closing documentation if deemed necessary or desirable in the reasonable discretion of Lender to enable Lender to sell, convey, seek guaranty or market said loan to any entity, including but not limited to an investor, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, Federal Housing Authority or the Department of Veterans Affairs.

The undersigned Borrower does hereby so agree and covenant in order to assure that this loan documentation executed this date will conform and be acceptable in the marketplace in the instance of transfer, sale or conveyance by Lender of its interest in and to said loan documentation.

DATED effective this June 29, 2020

**BORROWER:**

**COUNTY LINE DRAINAGE DISTRICT**

By: \_\_\_\_\_  
Joseph Beale, Authorized Signer of County Line  
Drainage District

By: \_\_\_\_\_  
Patrick McKenna, Authorized Signer of County Line  
Drainage District

By: \_\_\_\_\_  
Paul Erwin Fabry, Authorized Signer of County Line  
Drainage District

**TO THE DISTRICT:**

County Line Drainage District  
Attention: President, Board of Supervisors  
23351 North River Road  
Alva, Florida 33920

- AND -

County Line Drainage District  
Attention: Executive Director  
12008 NE Highway 70  
Arcadia, FL 34266-4267

**TO THE CONSULTANT:**

Randy Sebring

d/b/a/

**SEBRING TRACTOR SERVICE, INC.**

**COUNTY LINE DRAINAGE DISTRICT**

\_\_\_\_\_  
Mr. Randy Sebring  
Authorized Agent

\_\_\_\_\_  
President, Board of Supervisors

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

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

**COUNTY LINE  
DRAINAGE DISTRICT**

**ALVA, FLORIDA**

**General Purpose Financial Statements**

**For the Year Ended  
September 30, 2019**

-  
**Baggett, Reutimann & Associates, CPAs, PA  
Certified Public Accountants**



**COUNTY LINE DRAINAGE DISTRICT**  
**General Purpose Financial Statements**  
**September 30, 2019**

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**COUNTY LINE DRAINAGE DISTRICT**

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## **Independent Auditor's Report**

February 22, 2020

Honorable Board of Supervisors  
County Line Drainage District  
Alva, Florida

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities of the County Line Drainage District (the "District") as of and for the fiscal year ended September 30, 2019, and related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

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

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

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities of the County Line Drainage District as of September 30, 2019, and the respective changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages M1 through M5 and 17-18 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide assurance.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 22, 2020, on our consideration of the County Line Drainage District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County Line Drainage District's internal control over financial reporting and compliance.

Baggett, Reutimann & Associates, CPAs, PA

## **Management's Discussion and Analysis**

# **COUNTY LINE DRAINAGE DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2019**

The management of County Line Drainage District (the "District") would like to offer the readers of the District's financial statements this discussion and analysis of the District's financial activities during the fiscal year ended September 30, 2019. We encourage readers to consider the information presented in this discussion and analysis in conjunction with the District's financial statements, which follow this section.

## **FINANCIAL AND DISTRICT HIGHLIGHTS**

### **Financial Highlights**

- The assets of the District exceeded its liabilities at the end of the fiscal year ended September 30, 2019 by \$459,650.
- The District's total net position decreased by \$81,987.
- The District's total revenues were \$185,325 for the fiscal year ended September 30, 2019.
- Total expenses for all of the District's activities were \$267,312 for the fiscal year.

### **District Highlights**

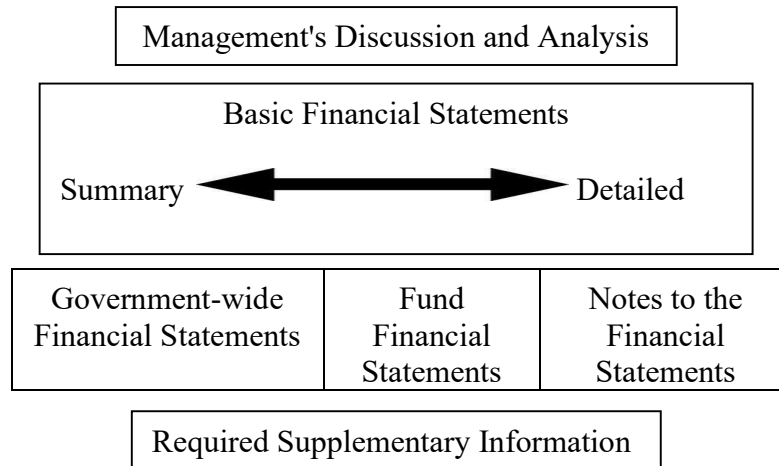
There was 2,800 feet of canal cleaned and herbicides were applied over 80 miles of canals. Ditch banks mowed was 6 miles and 2 miles of roadways were graded.

## **USING THIS ANNUAL REPORT**

This discussion and analysis is intended to serve as an introduction to County Line Drainage District's basic financial statements. The District's annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements themselves consist of three components: government-wide financial statements, fund financial statements, and notes to the basic financial statements. These statements present different views of the District:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the District's overall financial status.
- The fund financial statements focus on individual parts of the District's government, reporting the District's operations on a different basis of accounting than the government-wide statements.
- The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

**COUNTY LINE DRAINAGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
(Continued)**



**Government-wide Financial Statements**

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

One of the most important questions asked about the District's finances is "Is the District as a whole better off or worse off as a result of the year's activities?" The statement of net position and the statement of activities report information about the District as a whole and about its activities in a way that helps answer this question.

The statement of net position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Other non-financial factors should be considered, however, such as the condition of the District's capital assets (equipment, lift pumps, etc.) to assess the overall health of the District.

The statement of activities presents information showing how the government's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flow in future fiscal periods.

# COUNTY LINE DRAINAGE DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

## **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like state and local governments, uses fund accounting to ensure and demonstrate legal compliance with finance-related legal requirements. The District has one fund, a governmental fund.

The District's basic services are reported in a governmental fund, which focuses on how money flows into and out of the fund and the balances left at year-end that are available for spending. This fund is reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. The differences between government-wide activities (reported in the statement of net position and the statement of activities) and the governmental fund are reconciled on separate schedules on pages 4 and 6.

## **FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE**

Assets exceeded liabilities by \$459,650 for the fiscal year ended September 30, 2019, and is reported as net position.

The District uses capital assets to provide services to its landowners; accordingly, these assets are not available for future spending.

### **County Line Drainage District's Net Position September 30,**

	2019	2018	Percentage Changes
Current and Other Assets	\$ 115,546	\$ 186,168	-38%
Capital Assets, Net of Accumulated Depreciation	345,032	370,727	-7%
Total Assets	460,578	556,895	-17%
Current Liabilities	928	15,258	-94%
Noncurrent Liabilities	-	-	0%
Total Liabilities	928	15,258	-94%
Net Position:			
Invested in Capital Assets, Net of Related Debt	345,032	355,827	-3%
Unrestricted	114,618	185,810	-38%
Total Net Position	<u>\$ 459,650</u>	<u>\$ 541,637</u>	<u>-15%</u>



**COUNTY LINE DRAINAGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
(Continued)**

**County Line Drainage District's Changes in Net Position  
September 30th**

	<u>2019</u>	<u>2018</u>	<u>Percentage Changes</u>
Revenues			
Program Revenues			
Charges for Services	\$ 185,141	\$ 218,037	-15%
General Revenues			
Other Miscellaneous	184	7,104	-97%
Total Revenues	<u>185,325</u>	<u>225,141</u>	<u>-18%</u>
Expenses			
General Government			
Physical Environment	267,010	175,184	52%
Interest on Long-Term Debt	302	931	-68%
	<u>267,312</u>	<u>176,115</u>	<u>52%</u>
Increase (Decrease) in Net Position	(81,987)	49,026	-267%
Net Position - Beginning of Year	<u>541,637</u>	<u>492,611</u>	<u>10%</u>
Net Position - End of Year	<u><u>\$ 459,650</u></u>	<u><u>\$ 541,637</u></u>	<u><u>-15%</u></u>

**BUDGETARY HIGHLIGHTS**

The District adopted the fiscal year 2018/2019 budget on July 11, 2018, and decreased the assessment from \$51.38 per acre to \$49.53 per acre.

The actual expenditures for the fiscal year ended September 30, 2019 were \$256,517.

**COUNTY LINE DRAINAGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
(Continued)**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

The following summarizes the District's capital assets and accumulated depreciation, for the fiscal year ended September 30, 2019.

Land	\$ 53,012
Machinery & Equipment	209,702
Culverts	<u>399,798</u>
	\$ 662,512
Less Accumulated Depreciation	<u>(317,480)</u>
Totals	<u><u>\$ 345,032</u></u>

**Debt**

The District entered into a \$75,000 loan agreement on August 4, 2014, collateralized by all property and assets of the District. The loan bears an interest rate of 4%, amortized over 60 monthly payments of \$1,381, including interest, with the final payment being due on August 4, 2019. The outstanding balance on this loan as of September 30, 2019 was \$0.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our readers with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the District's Executive Director, Dana Clement, 12008 N.E. Highway 70, Arcadia, Florida 34266; [dclement@jwcd.org](mailto:dclement@jwcd.org); 863-494-3800.

## **Basic Financial Statements**

**COUNTY LINE DRAINAGE DISTRICT**

**Statement of Net Position**

**September 30, 2019**

---

**Assets**

Current Assets

Cash	\$ 115,546
------	------------

Total Current Assets	<u>115,546</u>
----------------------	----------------

Non-Current Assets

Capital Assets not being depreciated	53,012
--------------------------------------	--------

Capital Assets being depreciated, Net	<u>292,020</u>
---------------------------------------	----------------

Total Non-Current Assets	345,032
--------------------------	---------

Total Assets	<u>460,578</u>
--------------	----------------

**Liabilities**

Current Liabilities

Accounts Payable	928
------------------	-----

Due within One Year	<u>-</u>
---------------------	----------

Total Current Liabilities	928
---------------------------	-----

Non-Current Liabilities

Due within more than One Year	<u>-</u>
-------------------------------	----------

Total Non-Current Liabilities	-
-------------------------------	---

Total Liabilities	<u>928</u>
-------------------	------------

**Net Position**

Invested in Capital Assets, Net of Related Debt	345,032
---	---------

Unrestricted	<u>114,618</u>
--------------	----------------

Total Net Position	<u><u>\$ 459,650</u></u>
--------------------	--------------------------

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

**COUNTY LINE DRAINAGE DISTRICT**  
**Statement of Activities**  
**September 30, 2019**

---

Function/Program Activities	Expenses	Program Revenues	Net (Expense) Revenue & Changes in Net Position
		Charges for Services	
Governmental Activities:			
Physical Environment	\$ (267,010)	\$ 185,141	\$ (81,869)
Interest on Long-Term Debt	(302)	-	(302)
Total Governmental Activities	<u>\$ (267,312)</u>	<u>\$ 185,141</u>	<u>\$ (82,171)</u>
General Revenues:			
Investment Income			\$ 184
Gain on Equipment Disposal			-
Total General Revenues			<u>184</u>
Change in Net Position			(81,987)
Net Position, October 1, 2018			<u>541,637</u>
Net Position, September 30, 2019			\$ 459,650

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

**COUNTY LINE DRAINAGE DISTRICT**

**Balance Sheet  
September 30, 2019**

---

	<u>General Fund</u>
<u>ASSETS</u>	
Cash	<u>\$ 115,546</u>
Total Assets	<u><u>\$ 115,546</u></u>
 <u>LIABILITIES AND FUND BALANCE</u>	
Liabilities:	
Accounts Payable	\$ 928
 Fund Balance:	
Unreserved & Unassigned	114,618
Restricted	<u>-</u>
Total Fund Balance	<u>114,618</u>
 Total Liabilities and Fund Balance	<u><u>\$ 115,546</u></u>

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

**CONTY LINE DRAINAGE DISTRICT**  
**Reconciliation of the Balance Sheet to**  
**The Statement of Net Position**  
**September 30, 2019**

---

Total Government Fund Balance (Page 3)	\$ 114,618
--	------------

Amounts reported for governmental activities in the  
Statement of Net Position are different because:

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

Cost of Assets	\$ 662,512	
Less accumulated depreciation	<u>(317,480)</u>	345,032

Long-term liabilities are not due and payable in the  
current period and, therefore, are not reported  
in the governmental funds. As of September 30, 2018,  
long-term liabilities are comprised of the following:

Loan Payable	<u>-</u>
--------------	----------

Total Net Position (Page 1)	<u><u>\$ 459,650</u></u>
-----------------------------	--------------------------

**COUNTY LINE DRAINAGE DISTRICT**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**September 30, 2019**

---

	<u>General Fund</u>
Revenues:	
Non-Ad Valorem Assessments	\$ 184,946
Miscellaneous Income	195
Investment Income	184
Total Revenues	<u>185,325</u>
Expenditures:	
Current:	
Physical Environment	
Personal Services	42,946
Operating	198,372
Capital Outlay	-
Debt Service	
Principal	14,897
Interest	302
Total Expenditures	<u>256,517</u>
Net Change in Fund Balance	(71,192)
Fund Balance, October 1, 2018	<u>185,810</u>
Fund Balance, September 30, 2019	<u><u>\$ 114,618</u></u>

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



**COUNTY LINE DRAINAGE DISTRICT**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in**  
**Fund Balance to the Statement of Activities**  
**For the Year Ended September 30, 2019**

---

Net Change in Fund Balances - Total Governmental Fund (Page 5) \$ (71,192)

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

Governmental fund reports capital outlay as expenditures.  
However, in the Statement of Activities, the cost of capital  
assets are allocated over their estimated useful life and  
reported as depreciation expense. Additionally, dispositions  
of capital assets have different effects on the two statements,  
as well. These differences are as follows:

Expenditures for Capital Assets	-
Current Year Depreciation	(25,695)
Net Cost of Fixed Assets Disposed	-

Principal payments on long-term debt is reported as an  
expenditure on the Statement of Revenues, Expenditures, and  
Changes in Fund Balance; however, it has no effect on  
Net Position

14,900

Change in Net Position (Page 2) \$ (81,987)

**COUNTY LINE DRAINAGE DISTRICT**  
**Notes to Basic Financial Statements**  
**September 30, 2019**

---

**NOTE 1. Summary of Significant Accounting Policies**

County Line Drainage District (the "District") was originally incorporated and created under Chapter 67-723 of the laws of the State of Florida by decree of the Circuit Court of Lee County on August 4, 1967. The District was created for the purpose of reclaiming the lands within its boundaries and for the further purpose of water control and water supply to improve said lands and make these lands available, acceptable and habitable for settlement and agriculture.

The District is administered by a three member Board of Supervisors (the "Board"), composed of owners of land in the District. The supervisors are each elected to a three-year term. Length of service is staggered so that one supervisor is elected or re-elected at the annual landowners' meeting in July.

The accounting policies of the District conform to generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of these accounting policies are summarized below.

**A. Defining the Financial Reporting Entity:** In accordance with Governmental Accounting Standards Board Statement Number 14, the financial reporting entity includes the primary government, organizations for which the primary government is financially accountable and other organizations which, if excluded, would cause the reporting entity's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority to an organization's board and, either displays the ability to impose its will on that organization, or the possibility that the organization will impose or provide a financial burden or benefit to the primary government.

The District has no such organizations to include.

**B. Governmental Accounting Standards Board Statement Number 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments":** The District implemented the provisions of Statement Number 34 for the fiscal year ending September 30, 2004 which established new financial reporting requirements for state and local governments. The Statement established specific standards for the basic financial statements, management's discussion and analysis (MD&A), and certain required supplementary information. As part of this Statement, there is a reporting requirement regarding infrastructure (land, buildings, and equipment etc.). All major general assets that were acquired or significantly reconstructed, or that received significant improvements, in fiscal years ending after June 30, 1980 were required to be retroactively reported and all newly acquired or improved infrastructure assets must be prospectively reported effective as of the date of implementation of this statement.

**COUNTY LINE DRAINAGE DISTRICT**  
**Notes to Basic Financial Statements**  
**September 30, 2019**

---

**NOTE 1. Summary of Significant Accounting Policies (Continued)**

**B. Governmental Accounting Standards Board Statement Number 34, “Basic Financial Statements - and Management’s Discussion and Analysis - for State and Local Governments”: (Continued)**

The basic financial statements include both government-wide and fund financial statements. The government-wide statements are presented using a full accrual, economic resource basis, which incorporates long-term assets and receivables and long-term liabilities. Governmental activities include the General Fund. The District has no business-type activities.

The government-wide Statement of Activities reports the gross and net cost for the basic services of the District that is otherwise supported by general government revenue. The expenses for the category are reduced by program revenues to ascertain the net costs for that function. Program revenues are defined as charges for services, operating grants, and capital grants that specifically relate to a specific program function. Charges for services include revenues arising from charges to customers or applicants who purchase, use, or directly benefit from the goods, services, or privileges provided. Operating grants and capital grants consist of revenues received from other governments, organizations, or individuals that are specifically attributable to a program and are restricted for either operating expenditures/expenses or capital expenditures/expenses associated with a specific program.

The fund financial statements are very similar to the financial statements presented in the previous model. The emphasis in the new model is on major funds. All funds maintained by the District are considered major funds in accordance with the new reporting model requirements.

**C. Measurement Focus:** The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund statements are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. The measurement focus is the determination of financial position and sources and uses of resources, rather than net income determination.

**D. Fund Accounting:** The District organizes its accounting system on the basis of funds, each of which is considered a separate accounting entity with a self-balancing set of accounts.

The fund utilized by the District is a governmental fund and consists of the General Fund.

**COUNTY LINE DRAINAGE DISTRICT**  
**Notes to Basic Financial Statements**  
**September 30, 2019**

---

**NOTE 1. Summary of Significant Accounting Policies (Continued)**

**D. Fund Accounting (Continued)**

Governmental Fund

General Fund

The General Fund accounts for the general activities of the County Line Drainage District and finances those activities not otherwise designated to be recorded and financed separately.

Storage Water Project Contract Fund

The Storage Water Project Contract Fund is used to account for specific revenues that have been provided by the state and are restricted to expenditures for specific purposes.

**E. Basis of Accounting:** Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

The government-wide financial statements are presented on an accrual basis of accounting. The governmental funds in the fund financial statements are presented on a modified accrual basis of accounting.

Under the modified accrual basis, revenues are recognized in the accounting period when they become measurable and available (susceptible to accrual). Revenues are generally considered available when they are received in cash (unless legally restricted to some future period) or when earned and expected to be collected soon enough after year-end to pay liabilities of the current period. The District defines the length of time used for “available” for purposes of revenue recognition as 60 days. Revenues that are susceptible to accrual include interest revenue, state revenue sharing entitlements, and intergovernmental grants. Expenditures are recorded at the time the related fund liabilities are incurred. Debt service expenditures are recorded only when payment is due. Under the accrual basis, revenues are recognized in the period when earned and expenses are recognized in the period when incurred.

**F. Assets, Liabilities, and Fund Equity:**

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand, time and demand deposits, and short-term investments with original maturities of less than three months from the date of acquisition.

**COUNTY LINE DRAINAGE DISTRICT**  
**Notes to Basic Financial Statements**  
**September 30, 2019**

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**NOTE 1. Summary of Significant Accounting Policies (Continued)**

**F. Assets, Liabilities, and Net Position or Equity (Continued)**

The nature of investments is governed by the provisions of Florida Statutes Chapter 218. Under this statute, authorized investments are limited, unless otherwise authorized by law or ordinance, to the local government surplus funds trust fund, money market funds, direct or unconditionally guaranteed obligations of the United States Government, obligations of certain government agencies, interest bearing time deposits or savings accounts and certificates of deposit. At September 30, 2019, the District had no investments.

Capital Assets

Capital assets, which includes property, plant and equipment, and infrastructure assets (e.g., culverts), are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Capital assets of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land Improvements	30
Machinery and Equipment	5-8
Culverts	20
Roads	30

The District had not elected to retroactively apply the capitalization requirements of GASB Statement No. 34 to major general infrastructure assets acquired since 1980. Infrastructure assets include drainage systems and similar assets that are immovable and of value only to the District.

**COUNTY LINE DRAINAGE DISTRICT**  
**Notes to Basic Financial Statements**  
**September 30, 2019**

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**NOTE 1. Summary of Significant Accounting Policies (Continued)**

**F. Assets, Liabilities, and Net Position or Equity (Continued)**

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. In the fund financial statements, the face amount of debt issued is reported as another financing source.

Non-Ad Valorem Assessments

The collection of non-ad valorem assessments is consolidated in the Office of the Charlotte County Tax Collector (the "Tax Collector"). Assessments are levied on November 1st of each year, or as soon thereafter as the tax roll is certified by the County Property Appraiser and delivered to the Tax Collector. All unpaid assessments levied become delinquent April 1st of the following year. Discounts are allowed for early payment at a maximum rate of 4%. Non-ad valorem assessment revenues are recognized when they become available. At September 30, 2019, unpaid delinquent assessments are not material and have not been recorded by the District.

Net Position

The government-wide financial statements utilize a net position presentation. Net position is presented in three components - invested in capital assets (net of related debt), restricted, and unrestricted.

- Invested in Capital Assets (net of related debt) - This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings attributable to the acquisition, construction, or improvement of those assets. The component does not include the portion of debt attributable to the unspent proceeds.
- Restricted - This component consists of net position that has constraints placed on it either externally by third parties (creditors, grantors, and contributors) or by law through constitutional provisions of enabling legislation. The District would typically use restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use of these funds.
- Unrestricted - This component consists of net position that does not meet the definition of "invested in capital assets, net of related debt" and "restricted". Designations of net position made by the District's management are included in this component because these types of constraints are internal and management can remove or modify them.

**COUNTY LINE DRAINAGE DISTRICT**  
**Notes to Basic Financial Statements**  
**September 30, 2019**

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**NOTE 1. Summary of Significant Accounting Policies (Continued)**

**F. Assets, Liabilities, and Net Position or Equity (Continued)**

Fund Balance

In the fund financial statements, fund balance for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Under GASB 54 requirements, fund balance is reported in five possible components - nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable - This component includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted - This component includes amounts reported as restricted when constraints placed on the use of the resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed - This component includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's Commissioners. Such amounts cannot be used for any other purpose unless the government removes or changes the specific use by taking the same type of action it employed to previously commit those amounts.
- Assigned - This component is used to report the government's intent to use the amount for specific purpose, but is neither restricted nor committed.
- Unassigned - This component is the residual classification for the general fund. This amount represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first and the unrestricted resources (committed, assigned, and unassigned) as they are needed. When unrestricted resources (committed, assigned, and unassigned) are available for use, it is the District's policy to use committed resources first, then assigned, and then unassigned as they are needed.

**G. Use of Estimates:**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

**COUNTY LINE DRAINAGE DISTRICT**  
**Notes to Basic Financial Statements**  
**September 30, 2019**

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**NOTE 2. Deposits**

In addition to insurance provided by the Federal Depository Insurance Corporation, all deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds.

This is done in compliance with Section 280, Florida Statutes, which provides that in the event of a default by any such bank or savings and loan association, all participating banks and savings and loan associations throughout the State would be obligated to reimburse the District for any loss.

**NOTE 3. Line of Credit**

The District, in July 2015, entered into an agreement for a revolving line of credit with a financial institution for \$100,000 for which it makes monthly interest payments at a fixed rate of 5.00% if funds are withdrawn, with the principal balance due in July 2019. During the fiscal year, the District did not make any draws or repayments. There was no outstanding balance at September 30, 2019.

**NOTE 4. Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which that District carries commercial insurance. The District is also covered by Florida Statutes under the Doctrine of Sovereign Immunity which effectively limits the amount of liability of the District to individual claims of \$100,000/\$200,000 for all claims relating to the same accident. There were no changes in insurance coverage from the prior year, and there were no settlements that exceeded insurance coverage.

**NOTE 5. Interlocal Agreement**

The District, pursuant to an interlocal agreement, paid \$8,231 to Joshua Water Control District for reimbursements and administrative services during the fiscal year.

**NOTE 6. Related Party Transactions**

The District paid Florida Agri-Management Company, a major landowner within the District, \$3,048 during the fiscal year for repair and maintenance-related services.



**COUNTY LINE DRAINAGE DISTRICT**  
**Notes to Basic Financial Statements**  
**September 30, 2019**

**NOTE 7. Capital Assets**

Capital assets activity for the year ended September 30, 2019 was as follows:

	Beginning Balance 10/01/2018	Additions	Deletions	Ending Balance 09/30/2019
Capital Assets not being Depreciated:				
Land	\$ 53,012	\$ -	\$ -	\$ 53,012
Total Capital Assets not being Depreciated	53,012	-	-	53,012
Capital Assets being Depreciated:				
Machinery and Equipment				
Lift Pumps	166,174	-	-	166,174
Motors	34,783	-	-	34,783
Equipment	-	-	-	-
Canker System	8,745	-	-	8,745
Water Storage	-	-	-	-
Culverts	399,798	-	-	399,798
Total Capital Assets being Depreciated	609,500	-	-	609,500
Less Accumulated Depreciation	(291,785)	(25,695)	-	(317,480)
Total Capital Assets being depreciated, net	317,715	(25,695)	-	292,020
Governmental Activities - Capital Assets, net	\$ 370,727	\$ (25,695)	\$ -	\$ 345,032

Depreciation expense of \$25,695 was charged to Physical Environment for the fiscal year ended September 30, 2019.

**COUNTY LINE DRAINAGE DISTRICT**  
**Notes to Basic Financial Statements**  
**September 30, 2019**

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**NOTE 8. Long-Term Liabilities**

The following is a summary of changes in long-term liabilities for the fiscal year September 30, 2019:

	Beginning Balance 10/01/2018	Additions	Deletions	Ending Balance 09/30/2019	Due Within One Year
Ditch Pump Loan Payable	<u>\$ 14,900</u>	<u>\$ -</u>	<u>\$ (14,900)</u>	<u>\$ -</u>	<u>\$ -</u>

Loan Payable

As of September 30, 2019 loans payable are comprised of the following:

\$75,000 Operating loan payable to a financing institution, with 60 monthly payments of \$1,381 including interest at a fixed rate of 4%. The final payment was paid on August 4, 2019. The outstanding balance as of September 30, 2019 is \$0.

**NOTE 9. Implementation of GASB Statement No. 45**

The Governmental Accounting Standards Board has issued Statement No. 45, "Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions (OPEB)." This Statement changes the manner in which a governmental entity funds and records its post-retirement benefit costs other than pensions.

The District does not offer any insurance (medical, dental, and prescription drugs) benefits to its current or former employees and, therefore, there is no actuarially determined net OPEB obligation at September 30, 2019.

**NOTE 10. Subsequent Events**

The District's management has evaluated events and transactions for potential recognition or disclosure through February 22, 2020, the date the financial statements were available to be issued.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**COUNTY LINE DRAINAGE DISTRICT  
BUDGETARY COMPARISON SCHEDULE**

**General Fund  
For the Year Ended September 30, 2019**

	Original	Final	Actual	Variance with Final Budget Positive/(Negative)
Revenues:				
Assessments	\$ 184,838	\$ 184,838	\$ 184,946	\$ 108
Miscellaneous Income	-	-	195	195
Interest Income	-	-	184	184
Total Revenues	184,838	184,838	185,325	487
Expenditures:				
Physical Environment	298,338	298,338	256,517	41,821
Net Change in Fund Balance	(113,500)	(113,500)	(71,192)	42,308
Fund Balance, October 1, 2018	113,500	113,500	185,810	72,310
Fund Balance, September 30, 2019	\$ -	\$ -	\$ 114,618	\$ 114,618

**COUNTY LINE DRAINAGE DISTRICT**  
**Notes to Budgetary Comparison Schedule**  
**Fiscal Year Ended September 30, 2019**

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**Note 1. Budgets and Budget Accounting**

State of Florida Statutes require that, for each fiscal year, a special district make appropriations which will not exceed the amount to be received from taxation and other available sources. The District annually adopts an operating budget for the general fund. The procedures for establishing budgetary data are as follows:

- In July of each year, at the Annual Landowners' Meeting, the District Manager submits a draft operating budget to the Board for the next fiscal year commencing the following October 1. The proposed budget includes expenditures and the means of financing them. The budget is adopted by the Board.

Budgets are adopted on the modified accrual basis of accounting, consistent with accounting principles generally accepted in the United States. All appropriations lapse at fiscal year end unless encumbered or specifically designated to be carried forward to the subsequent year. Changes or amendments to the total budgeted expenditures of the District must be approved by the Board. Accordingly, the legal level of control is at the fund level.

**Other Reports**  
**and**  
**Management Letter**

**Independent Auditor's  
Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements Performed in  
Accordance with *Government Auditing Standards***

February 22, 2020

Honorable Board of Supervisors  
County Line Drainage District  
Alva, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities of County Line Drainage District (the "District"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 22, 2020.

**Internal Control Over Financial Reporting**

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

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

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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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

Baggett, Reutimann & Associates, CPAs, PA





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## MANAGEMENT LETTER

February 22, 2020

Honorable Board of Supervisors  
County Line Drainage District  
Alva, Florida

### Report on the Financial Statements

We have audited the financial statements of the County Line Drainage District (the "District") as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated February 22, 2020.

### Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, *Rules of the Auditor General*.

### Other Reports and Schedules

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which are dated February 22, 2020, should be considered in conjunction with this management letter.

### Prior Audit Findings

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

### **Official Title and Legal Authority**

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the basic financial statements. The District discloses this information in the notes to the basic financial statements.

### **Financial Condition**

Section 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require that we apply appropriate procedures and report the results of our determination as to whether or not the County Line Drainage District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

### **Special District Component Units**

Section 10.554(1)(i)5.d., *Rules of the Auditor General*, requires that we determine whether or not a special district that is a component unit of a county, municipality, or special district, provided financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

### **Other Matters**

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we have no recommendations to improve financial management.

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

### **Purpose of this Letter**

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

Baggett, Reutimann & Associates, CPAs, PA

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
WITH SECTION 218.415, FLORIDA STATUTES**

February 22, 2020

Honorable Board of Supervisors  
County Line Drainage District  
Alva, Florida

We have examined the County Line Drainage District's (the "District") compliance with Section 218.415, Florida Statutes regarding the investment of public funds during the period ended September 30, 2019, as required by Section 10.556, *Rules of the Auditor General*. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) and accordingly, included examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination of the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2019.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the District, its management, and is not intended to be and should not be used by anyone other than these specified parties. However, this letter is a matter of public record and its distribution is not limited.

Baggett, Reutimann & Associates, CPAs PA