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Of the Circuit Court**

**This Instrument Prepared by
and returned to:**

**Pine Island Community Development District
c/o Governmental Management Services
201 East Pine Street, Suite 950
Orlando, FL 32801**

**PINE ISLAND
COMMUNITY DEVELOPMENT DISTRICT**

**Disclosure of Public Financing and Maintenance of
Improvements to Real Property Undertaken by the Pine Island
Community Development District**

Revised 2-5-09

**Board of Supervisors
PINE ISLAND
Community Development District**

Ralph Zeigler
Chairman

Marty Pawlikowski
Vice Chairman

Charlie Hardiman
Assistant Secretary

Sam Labban
Assistant Secretary

Brian Warner
Assistant Secretary

George S. Flint
District Manager
Governmental Management Services-Central Florida, LLC.
201 East Pine Street, Suite 950
Orlando, FL 32801
(407) 841-5524

District records are on file at the District Office and the Pine Island CDD Office, Monteverde, Florida, and are available for public inspection upon request during normal business hours.

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INTRODUCTION

On behalf of the Board of Supervisors of the Pine Island Community Development District, the following information is provided to give you a description of the District's services, the assessments, fees and charges that have been levied within the District to pay for certain community infrastructure, and the manner in which the District is operated. The Pine Island Community Development District is a unit of special-purpose local government created pursuant to and existing under the provisions of Chapter 190, Florida Statutes. The District provides facilities and community services, which would otherwise be the responsibility of the private sector, a homeowners association, or another unit of local government. Unlike city and county governments, the District has only certain limited powers and responsibilities. Pursuant to statute, these powers and responsibilities include construction, operation and/or maintenance of certain types of infrastructure, which may include roads and streetlights, water management and drainage control facilities, bridges, culverts, parks and recreational facilities.

The District is here to serve the needs of the community and we encourage your participation in District activities.

DISCLOSURE OF PUBLIC FINANCING AND MAINTENANCE OF IMPROVEMENTS TO REAL PROPERTY UNDERTAKEN BY THE PINE ISLAND COMMUNITY DEVELOPMENT DISTRICT

Under Florida law, community development districts are required to take affirmative steps to provide for the full disclosure of information relating to the public financing and maintenance of improvements to real property undertaken by such districts. The law specifically provides that this information shall be made available to all persons currently residing within the District and to all prospective District residents. The following information describing the **Pine Island Community Development District** and the assessments, fees and charges that have been levied within the District to pay for certain community infrastructure is provided to fulfill this statutory requirement.

What is the District and how is it governed?

The District is an independent special taxing district established June 14, 2004, by rule of the Florida Land and Water Adjudicatory Commission. A local unit of special-purpose government created pursuant to and existing under the provisions of Chapter 190, Florida Statutes, the District encompasses approximately 1,805 acres of land adjacent to County Road 455 in Lake County. The District provides an alternative means for planning, financing, constructing, operating and maintaining various public improvements and community facilities within its jurisdiction.

The District is governed by a five-member Board of Supervisors, the members of which must be residents of the State and citizens of the United States. Members are elected by the landowners of the District. Pursuant to the provisions of Chapter 190, the Board will transition to be filled and elected by qualified electors. A "qualified elector" in this instance is any person at least 18 years of age who is a citizen of the United States, a legal resident of Florida and of the District, and who is also registered with the Supervisor of Elections to vote in Lake County.

Board meetings are noticed in the Orlando Sentinel Newspaper and are conducted in a public forum in which public participation is invited. Consistent with Florida's public records laws, the records of the District are always available for public inspection during normal business hours, at the District Office and the CDD Office at Pine Island. Elected members of the Board are similarly bound by the State's open meetings law and are subject to the same disclosure requirements as other elected officials under the State's ethics laws.

What infrastructure improvements does the District provide?

Infrastructure improvements necessary for the development of residential and commercial tracts within the District include stormwater management and systems to include reclaimed, sanitary, and sewer water. Each of these infrastructure improvements is more fully detailed below.

Stormwater Management

The water management facilities consist of dry and wet retention ponds, culverts, and control structures. These facilities are designed to prevent flooding and to maintain the quality of storm water runoff in accordance with regulatory standards. The water management facilities attenuate, direct and absorb excess runoff from the lands within the District. The District is responsible for the operation and maintenance of the system. The Pine Island CDD constructed and maintains the retention ponds in the CDD. Ponds on the golf course are owned and maintained by the golf course owner, with appropriate easements granted to the CDD.

Water & Sewer Utility

The District constructed facilities to manage drinking, reclaimed, sanitary, and storm water. There were no utility facilities on site, so these improvements were completely funded by the District. The constructed improvements include water mains, a lift station, force mains, and sewers. Other local governments provide retail utility services to the lands within the District, and the facilities constructed or acquired by the District for that purpose have been transferred to those local governments for ownership, operation and maintenance.

Bonds, Assessments, Fees, and Charges

The costs of infrastructure improvements were financed by the District through the sale of bonds. Remaining principal on the Bonds as of November 1, 2008 is as follows:

- Stormwater Management Bonds \$21,850,000
- Water & Sewer Utility Bonds \$ 3,560,000

Constructions of the stormwater management improvements and water and sewer utility improvements have been completed and there are no further requirements to issue debt.

The primary source of payment for the Stormwater Management Bonds is the annual levy of benefit special assessments against lands within the District which benefit from the construction, acquisition, establishment, and operation of the District's stormwater management and control systems and facilities. The bonds are secured equally and ratably being a first lien and pledge of benefit special assessments levied on the lands within the District.

All areas are assessed equally for drainage improvements based upon the average density of the proposed ultimate residential land uses. The stormwater management bond assessment is \$2,000 per residential assessment unit and \$1,000 per commercial assessment unit.

Payment for the Water & Sewer Utility Revenue Bonds is secured by revenues from connection fees of \$8,455 for water and wastewater. In addition, there is a one-time fee for the Allowance for Funds Prudently Invested (AFPI) of \$1,532 and a wastewater grinder pump fee of \$3,029. Residents are then charged for the cost of the water and wastewater based on a rate schedule which is adopted by the Board of Supervisors and adjusted annually for inflation.

There is also an operations and maintenance assessment levied against CDD properties. The funds received from this assessment are used to comply with all the required compliance issues dictated in the Florida Statutes. In addition, this is used to maintain all CDD responsibilities in the District. This includes the retention ponds, culverts, and control structures. The operations and maintenance assessment is adopted annually in a public hearing pursuant to Chapter 190, Florida Statutes, and can vary annually based upon the adopted budget. For updated information on the current operations and maintenance assessment, please contact the District Office.

Method of Collection

The District's benefit and maintenance assessments appear on that portion of the annual real estate tax bill entitled "non-ad valorem assessments," and will be collected by the County Tax Collector in the same manner as County and other ad valorem taxes. Each property owner must pay both County and other ad valorem taxes and District non-ad valorem assessments at the same time. Property owners will, however, be entitled to the same discounts as provided for ad valorem taxes. As with any tax bill, if all taxes and assessments due are not paid within the prescribed time limit, the tax collector is required to sell tax certificates which, if not timely redeemed, may result in the loss of title to the property.

This description of the Pine Island Community Development District's operation, services and financing structure is intended to provide assistance to landowners and purchasers concerning the important role that the District plays in providing infrastructure improvements essential to the development of new communities. If you have questions or would simply like additional information about the District, please contact:

George S. Flint, District Manager
Governmental Management Services – Central Florida, LLC.
Pine Island Community Development District
201 East Pine Street, Suite 950
Orlando, FL 32801
(407) 841-5524

Revised February 5, 2009.

IN WITNESS WHEREOF, this Disclosure of Public Financing and Maintenance of Improvements to Real Property Undertaken has been executed as of the ____ day of _____, 20____, and recorded in the Official Records of Lake County, Florida.

**PINE ISLAND COMMUNITY
DEVELOPMENT DITRICT**

By: _____
Chairman

Witness

Witness

Print Name

Print Name

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 20____, by _____, Chairman of the Pine Island Community Development District, who is personally know to me or who has produced _____ as identification, and did [] or did not [] take the oath.

Notary Public, State of Florida

Print Name: _____

Commission No.: _____

My Commission Expires: _____