

***Pine Air Lakes
Community Development District***

February 23, 2017

Pine Air Lakes

Community Development District

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February 16, 2017

**Board of Supervisors
Pine Air Lakes
Community Development District**

Dear Board Members:

The regular meeting of the Board of Supervisors of **Pine Air Lakes Community Development District** will be held on **February 23, 2017 at 2:00 p.m. at the offices of Coleman, Yovanovich & Koester, P.A., Northern Trust Bank Building, 4001 Tamiami Trail N., Suite 300, Naples, Florida 34103.** Following is a copy of the agenda:

1. Roll Call
2. Approval of the Minutes of the January 26, 2017 Meeting
3. Ratification of the Monitoring Well Installation and Quarterly Report Proposals for the Conservation Area
4. Discussion of Costco Letter Requesting Consent to Warehouse Expansion
5. Staff Reports
 - A. Attorney
 - B. Engineer
 - C. Field Report
 - D. Manager
6. Supervisors Requests and Audience Comments
7. Financial Reports
 - A. Approval of Check Register
 - B. Balance Sheet and Income Statement
8. Adjournment

Enclosed for your review is a copy of minutes of the January 26, 2017 meeting.

The fourth order of business is discussion of Costco letter requesting consent to warehouse expansion. A copy of the letter is enclosed for your review.

The financials are also enclosed. The balance of the agenda is routine in nature and staff will present their reports at the meeting. Any additional documentation will be provided under separate cover or presented at the meeting. I look forward to seeing you at the meeting and in the meantime if you have any questions, please contact me.

Sincerely,


Rich Hans
Manager

cc: Greg Urbancic Andy Tilton David Robson George Fogg

**MINUTES OF MEETING
PINE AIR LAKES
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Pine Air Lakes Community Development District was held on Thursday, January 26, 2017 at 2:00 p.m. Coleman, Yovanovich & Koester, PA, Northern Trust Bank Building, 4001 Tamiami Trail N., Suite 300, Naples, Florida.

Present and constituting a quorum were:

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| Tom Conroy | Chairman |
| Doug Nelson | Assistant Secretary |
| Michael Durant | Assistant Secretary |
| Keith Embree | Assistants Secretary |

Also present were:

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| Rich Hans | District Manager |
| Lisa Derryberry | Governmental Management Services |
| Greg Urbancic | District Counsel |
| George Fogg | IBIS - Field Supervisor |

FIRST ORDER OF BUSINESS

Roll Call

Mr. Hans called the meeting to order and called roll.

SECOND ORDER OF BUSINESS

**Approval of Minutes of the
November 17, 2016 Meeting**

Mr. Hans: The next item is the approval of the minutes from our November 17, 2016 meeting. If anyone has any comments or questions on those we can take those now, and if not, a motion to approve those would be in order.

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| On MOTION by Mr. Nelson seconded by Mr. Durant with all in favor, the Minutes of the November 17, 2016 Meeting were approved. |
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THIRD ORDER OF BUSINESS

Discussion of Letter from South Florida Water Management District - Notice of Submittal and Inspection

Mr. Hans: Item No. 3 is discussion of the letter from South Florida Water Management District and Dave Robson has most of the information on that, and he's on his way, and he said he'd be here by 2:30ish but we can go back to that if he doesn't get here and we can go over, but why don't we skip over that for the time being and go on to the next item.

Mr. Fogg: I can tell you essentially what it is. Dave and I have been in communication but we used to have a shallow monitoring well to provide information that the Water District wanted and somewhere along the way that shallow well disappeared and the monitoring wasn't kept up, and so they were slapping our wrists for that, and also we have a 25 year old problem of an invasive groundcover in the preserve that so far everybody that has tried to get rid of it has failed, and I would love to have the Water District to find a way to solve it themselves but, it's white kyllinga and it's extremely invasive, we'll get it, it's just not happy to leave.

Mr. Durant: Didn't we pay someone to go in there and get rid of the invasive last year?

Mr. Fogg: They are working on it, they have been working on it as part of the contract we have for keeping invasives out of the preserve and that's basically our only real, shall we say, unresolved issue. There are other things in there that are a pain but those are more easily controllable. Besides when it's wet in there the water is like 2 or 3 feet deep and it's kind of hard to treat it.

Mr. Nelson: So I was a little confused, are you saying there was a monitoring well, and there isn't now?

Mr. Fogg: It's a shallow well, and they just drive a pipe in down "X" number of feet and where it was, it isn't anymore, I assume it just either broke off or it got pulled out by somebody but it hasn't been around for a while. I remember where it was originally, and it's not there now, and I assumed that the monitoring period had been

successfully completed and that was an incorrect assumption. So we will be, and I'm sure David will have a proposal but we will be putting in a shallow monitoring well and reinstating the monitoring that the District requires.

Mr. Durant: So going back to Rich you lead this off, and presumably the next step is that we're going to get a proposal from Dave to put in the well, continue the monitoring, fix the invasives and get to the bottom of this list of all this other crap that they're talking about what we have to do.

Mr. Hans: That's correct, and I'm not sure if he was able to get any prices for today, he was going to try and have some prices for the well, but I didn't expect it to be too expensive for that, and when he gets here he can go over all of that.

Mr. Durant: The additional stuff other than the wedelia that they listed on the letter, is that just kind of boilerplate stuff?

Mr. Fogg: That's just standard stuff that we get rid of on a regular basis and it hasn't been a particular problem, but it keeps popping up, it's an invasive plant that keeps coming back to visit.

Mr. Durant: Is it going to get worse or better or changed at all as a result of the activity next door and the silt fence and all that stuff?

Mr. Fogg: It won't affect it.

Mr. Durant: What about drainage, is there going to be less drainage?

Mr. Fogg: The only possible thing that might occur is it will get a little more water in the preserve, it's a swamp and the additional water won't make much difference, we already have water coming in to the preserve from the south lake, it overflows into the preserve at this time, and that has never been an issue and is not an issue. What they're putting in on the car dealership, I'm almost positive it won't affect us significantly. We have a berm separating us from their property and granted there will be more runoff because there's a lot of impervious surface but, at the worst it will just add a little more water into the swamp and since we're not doing anything other than keeping the exotics out of there and letting the native animals live there, it's not a problem.

Mr. Nelson: Well probably where we are now with construction next door and the fact that it's in the preserve forever and it's going to be a car dealer or something complimentary forever, we're now at the point where we say, let's make sure that we tweak and engineer it properly so that we inherit an ongoing problem that's worse than it could be.

Mr. Fogg: I think I'm going to have to pass on that to David, I presume that the approval of the permit that they'll adequately cover that.

Mr. Nelson: It should in theory but we have to make sure that someone is protecting our interest to say, it might be a better idea to move that berm or raise the berm or lower it, or do our thing so that everything is working in concert as opposed to, because once that car dealership is done, we're done.

Mr. Fogg: Not quite, there's still the property across the street.

Mr. Nelson: I'm talking about abutting properties.

Mr. Fogg: Probably, there's still one more lot between the car dealership and the storage area.

Mr. Nelson: Ok.

Mr. Durant: So we have to defer to Dave and just make sure that it's being done properly.

Mr. Fogg: As far as I know, David and I had conversations but not about whether there was any problem that might occur but from a general standpoint I don't think we really have, there's nothing that we have that would be detrimentally affected by any additional water that might get on to our area. I just don't perceive it as something that would be significant in any case. By the way I've been working on this project for 25 years.

Mr. Durant: Oh I understand.

Mr. Fogg: And I think we're probably going to be in good shape.

Mr. Urbancic: I think we wait for David Robson because he has to give us a proposal because we need to respond to this South Florida Water Management letter, and we have action we have to take to be in compliance.

Mr. Conroy: Ok.

**FOURTH ORDER OF BUSINESS Discussion of Costco Letter
Requesting Consent to Warehouse
Expansion**

Mr. Hans: Alright, so let's move on to item No. 4 and we'll come back to No. 3 when Dave gets here. Item No. 4 is the discussion of a letter requesting consent to a warehouse expansion from Costco. In your packets is a copy of the letter, and as a property owner within their tract, they need to get the approval from all the surrounding properties and the CDD is one of them. So I don't know if there is any objection to the expansion as far as affecting our property but the biggest thing I see is, they're adding 7,400 square feet and we had the whole issue with who controls the development rights, who's allocating to them, and where are they getting their 7,400 additional feet.

Mr. Urbancic: Well that would be my thought as well, as to the extent we were to say we don't care, I think we ought to at least put a qualifier saying we have no idea whether these development rights are available or exist and are available for you to use.

Mr. Conroy: Right, and in the same token that if you add 7,000 feet you're going to be taxed for another 7,000 feet.

Mr. Urbancic: Yes, that's right.

Mr. Fogg: And it could affect our drainage system. I have no idea where that 7,000 feet is going but it could significantly affect the drainage because we have a main connected drain pipe from the Costco lake to the south lake that goes basically along the canal.

Mr. Conroy: Well then should we just start off with a, before we make any decision we want to see your plans, so we may want to qualify it with the fact that if you do it, we need to make sure you have the proper development rights or where are they getting the opinion on the development rights, your tax base is going to go up but before you do anything we need to make sure it doesn't affect our stormwater management system.

Mr. Fogg: I can already tell you the answer to that one. I didn't see the plan for it, but it's in a retention type or just a landscape space that Costco has, I've seen that space probably 100 times.

Mr. Conroy: It's just a shaded area there?

Mr. Fogg: Yes, the tire guys are here and this is just landscaped area in here so it's not adding any more, it's adding some more impervious surface, but our drain canal, I have drain pipes that go from here down to about in here and in fact we have a drain swale right at this point in here that Dick's Sporting Goods just reworked and it seems to be working fine. I don't think it would be a significant additional but it could impact the drainage to some extent, other than that, I don't see anything that would affect the areas that we take care of on a regular basis.

Mr. Nelson: If I'm reading this right, the section that they're expanding is a little planter along the side of the building.

Mr. Fogg: Yes, it's a little planting area, and they're moving the service road, or their access road over to the south just a trifle, and I can't tell

Mr. Nelson: It doesn't look like they're changing this plane at all.

Mr. Fogg: No, they're not touching that but this is pervious surface now, and so you would have more run off from that.

Mr. Nelson: There's going to be more runoff, the engineer is going to want some additional water management.

Mr. Stevens: Greg you'll be composing this?

Mr. Urbancic: I can, yes. It sounds like where you guys are going is this is an initial response, so we're not consenting anything, it's a request for more information, and oh by the way, these are some of the issues that we've already identified.

Mr. Stevens: Does it make sense to reference a request to coordinate all of their plans and calculations with the CDD engineer and mention Johnson Engineering specifically so that we can understand the potential impact on drainage and setbacks, etc. I don't know who they're going to use, I suppose a large national account but we may want to just request/require that they communicate with our guy so that those questions

like, is this going to have an impact, what are your calculations, on their nickel but run it by Dave so he says this is not going to be a problem at all.

Mr. Urbancic: If they run their corporate real estate like two corporations I've recently been involved in, they have no idea that there are limits, but the industry MO is build more and ask questions later, so we need to put them on notice and also about this, is there going to be a cost, they're going to be charged more for the CDD by square foot, or just say you know you're charged by the square footage if there's available, you're going to pay.

Mr. Conroy: Ok.

Mr. Urbancic: Are you good with that?

Mr. Conroy: Yes.

Mr. Urbancic: I'll send them the letter.

Mr. Conroy: Ok.

FIFTH ORDER OF BUSINESS

Staff Reports

Mr. Hans: Alright, moving on to Staff Reports, under attorney, Greg?

A. Attorney

Mr. Urbancic: No separate report today.

Mr. Conroy: Alright, that was quick, good next?

B. Engineer

Mr. Hans: We're up to engineer, so we'll skip over that until Dave gets here.

C. Field Report

Mr. Hans: Moving on to field report, George?

Mr. Fogg: Yes, I don't believe I've shown you these plans that we bid for that planting that we have to do, or somebody has to do when the lake was expanded and they never put the planting in.

Mr. Conroy: Can we hand out these?

Mr. Fogg: Yes, those are handouts, and I have a bigger pretty picture here for you guys, so that we can all look at it. There are two things and I'm going to make this very brief but I think you'd want to see what it is that we are proposing based on the Board's comments and prior to that you said let's use farming trees rather than going to native, and these trees that you see along the edge are the ones that I'm putting in here and they're basically color coded in here, with the exception that we're putting some cypress out on this Boulevard.

Mr. Conroy: But we don't have any right to put anything here right now, do we?

Mr. Stevens: We don't.

Mr. Fogg: Well Dick's Sporting Goods stops right here.

Mr. Hans: Yes but the whole property, it's owned by a different entity, the only thing we have is an easement over the water for drainage.

Mr. Conroy: But not overall all the water, I don't think over all the water, I think just the old part, nothing that they have constructed.

Mr. Hans: Yes, right, we still need to get that piece.

Mr. Conroy: I think we've got it up to about here.

Mr. Hans: Yes, you're right.

Mr. Urbancic: And I should have reported that, actually I did have a report. I've gotten no response from my letter to the attorney, the current Dick's owner. As to that, all the outstanding things, and the money that they owe us, so no response at all.

Mr. Conroy: Ok having to share some stuff on that then I guess we can talk about that?

Mr. Urbancic: Yes, if you want to.

Mr. Conroy: Ok, well here's the current update. We have a contract to buy the lake and the contract says we'll take care of it.

Mr. Nelson: We being someone other than this entity on the table.

Mr. Conroy: Yes, I'm sorry, South Real Estate Group is the contractor by the lake.

Mr. Urbancic: Ok.

Mr. Conroy: Then I don't know if it's going to go, South Real Estate has a contract to that piece of property, and the lake, and it's conditioned upon having everything the CDD wants will be done by the ultimate purchaser. So Scott was not interested in really working with us, the ultimate buyer would have to work with us contractually, and give us easements over everything and do all the things that we want to have done, including I think an easement over this piece of property and an easement over that piece of property.

Mr. Stevens: And the timing of that is?

Mr. Conroy: The timing of that would be, if the buyer came through with it, it would be by the middle of April.

Mr. Fogg: What would they be buying the lake for?

Mr. Conroy: Because they want to fill part of it, using the Thirsty Duck, and you put parking over it.

Mr. Fogg: That would be interesting whether that can be accomplished because I remember from being involved in this for so long that we had to build that center lake because that was the required lake surface that was needed and this was built in here.

Mr. Conroy: And this was using Thirsty Duck, according to Dave Robson you could do it.

Mr. Fogg: Ok, as long as somebody has.

Mr. Conroy: I understand, and without Thirsty Duck you can't do it because it's maxed out now.

Mr. Fogg: Yes.

Mr. Conroy: But the Thirsty Duck devise apparently can do it.

Mr. Fogg: So that would be expanding something in here?

Mr. Conroy: 1.5 acres of lake would be filled for parking and business would go on there, and then conditioned upon everything we want getting done.

Mr. Nelson: So we don't want to spend any money on trees.

Mr. Fogg: No.

Mr. Conroy: Right now I think we want to not spend any money on anything, in the first place I don't think we have a right to spend money on some of these trees, but we will get I think whatever the CDD reasonably wants, hopefully if this goes through reasonably quickly. Now if it doesn't, and if the buyer terminates, then we're back to Scott Fisher who doesn't want to do anything, but I think we've got a small reprieve if this buyer goes through. I like to plan.

Mr. Fogg: I just wanted to point out that this is following the Board's direction, this is what I strongly would recommend that approach that we use, whatever the configuration is.

Mr. Conroy: Yes, the ultimate configuration.

Mr. Fogg: We would need to make a couple of minor adjustments.

Mr. Conroy: And I'm quite confident that we can go to the buyer and say, you see those trees, and you see this, here's what we want you to do.

Mr. Fogg: Then there is another thing that I wanted to mention that we haven't talked about since this lake has been expanded, this little fountain that we have in here looks mighty puny and I am recommending, and this has nothing to do with reimbursement but we might be able to tack it on to this buyer, is that we put 3 fountains in here and make it look far more significant and attractive. More or less the same types of fountains that we have in the airport lake.

Mr. Conroy: Well my guess is if these guys come through, they're going to own this lake, and they're going to want to put decking out here.

Mr. Fogg: Oh they're going to want something.

Mr. Conroy: So you'd have covered patio seating outside, they'd probably love fountains.

Mr. Fogg: By the way I would further recommend, and by the way this sketch in here shows what that would look like if these were in here. If this stuff was going through, and you're apparently dealing with it, I would suggest just as a point that a fourth fountain be put somewhere in here.

Mr. Conroy: In the middle of the parking lot?

Mr. Fogg: Well depending on where it is but, on the access road to Costco and this area, wherever it's appropriate to come out here and put a fourth fountain because then it enhances everybody in that whole complex there.

Mr. Conroy: I don't know how they're going to do it, my speculations they're going to go from here, 1 ½ acres and then connect because I don't think you can go out here and leave a little sliver of lake, I think you have to just fill it in from this side, and Dave's company worked on it.

Mr. Fogg: Then he'll know what it's going to be, of course it used to be down here, so they might want to come back down.

Mr. Conroy: They can't do that, there's a restrictive covenant against anything but the lake right there which is unfortunate.

Mr. Fogg: Ok.

Mr. Conroy: And we need to get everyone's permission to have that done and we're not going to do it, we're not going to get it, the only one you can fill is over here.

Mr. Fogg: Then all I would suggest at this time is for David and I to have the Board's direction of what you would like us to try to make sure that we get to enhance the quality of the whole project.

Mr. Conroy: I think that Dave is working with the buyers, and his company is working with the buyer.

Mr. Fogg: Ok but from aesthetic standpoint I'm just saying, is what I presented here something that you would like to see us try to get.

Mr. Conroy: I like that, I think it's fine.

Mr. Nelson: Sure but I think what Tom's saying is that this could all be decking over here so it's going to have to all be reconfigured.

Mr. Fogg: Oh I know that, but is the approach that I have here what you would like to see?

Mr. Conroy: Yes, I think these are pretty good, those look nice, they're flowering trees, I think they'll look pretty.

Mr. Nelson: And I think probably more importantly you've got people willing to cooperate to get things done, and you have the CDD that really doesn't want to spend any money, so if you could make it all happen you're going to be the hero.

Mr. Stevens: Which suspends everything for 100 days at least.

Mr. Fogg: And I'm not asking for approval, I'm asking for direction.

Mr. Stevens: And I think your direction is going to be, to piggyback on what Doug is saying, if you've got a new kid in the neighborhood and they're coming in and they're looking for aesthetics, I think we're going to be able to say, well good news, we have a plan, some nice trees lined up, we think maybe you ought to triple the fountains, we've got some flower and tree suggestions, and I think they're going to say, bring it, we're trying to get more customers.

Mr. Conroy: I think we've got an opportunity to get everything we want, we need new easements over this land, we don't have them right now. They're going to want stuff from us, like permission to fill, which we may or may not be able to give them. I don't exactly know how that all works but, whatever we want to try to do we can get done, and if Greg and Rich and Dave and George want to get together and say, here's our wish list of things we want for this lake, easements, trees, whatever it is, we have an opportunity to get those now, so we should probably try to make that wish list and then we'll move on, and that way address everything in your letter, plus anything else we see is valuable.

Mr. Fogg: From my standpoint if everybody agrees with that approach using this would be, we'll say basically establishing our aesthetic wish list and then whatever David has to have from an engineering standpoint.

Mr. Conroy: No I think it's good, I think those trees are beautiful, I think it would be great.

Mr. Fogg: And these are all reflective of the plant material we have on the median and other places in the development.

Mr. Conroy: I think your timing is perfect.

Mr. Fogg: I think we could end up with something that is really quite exceptional.

Mr. Conroy: Right and these buyers, they want something exceptional.

Mr. Urbancic: It sounds like it would be good, we put them on notice, we'll hold off and we'll see what happens to that real estate closing, but this sounds like we're going to have some conversations coming out within the timeframes.

Mr. Conroy: And if it falls through then we just have bang on Scott Fisher, but if it doesn't we're good.

Mr. Fogg: I presume at this moment that we haven't heard anything from Dick's Sporting Goods on that drainage swale behind their facilities and the irrigation that's in there, that drainage swale I think is in our property.

Mr. Hans: No, we have an easement for drainage, it's in their property, so they're responsible for maintaining it, it's theirs. So it's a drainage easement for us, the water is supposed to run through there and we have access to a pipe that goes underneath there possibly, but it's their property.

Mr. Fogg: They're maintaining it as of this point.

Mr. Hans: Yes, they need to, we don't want to take it on if we don't have to, let them do it.

Mr. Fogg: So at this point we continue to not do anything until they mess it up.

Mr. Hans: Right, if they do something that affects the drainage, then we worry about it.

Mr. Fogg: A couple of other quick things, the big storm that we had last week knocked over a royal palm tree that was dead so it was going to be replaced anyway and it's still on the replacement list, and we had a driver who couldn't quite figure out that he shouldn't drive over the median and knocked out one of our large magnolia trees, and I'm getting a price to replace it. The Sheriff's office has a report on the accident and we will get a copy of that but I doubt that the cost of me pushing it much further is going to be justified. I'm getting a price of replacing the plant material and it might cost more to try to get the material from the Sheriff's office and go after the insurance company than it would take to replace it.

Mr. Urbancic: What kind of dollars are you talking about for a magnolia tree?

Mr. Fogg: Oh this one, those are big trees, but I'm not going to be replacing it with the same size, probably about \$500, so we're not talking about a massive amount of money, it's an incidental, it may be \$600 or \$700 by the time they take care of repairing the grass or anything else.

Mr. Urbancic: It would be a simple claim to the property damage on the insurance of the driver, if you had that information, it would probably cost \$100 to chase, but you have to make that economic decision.

Mr. Nelson: I think it's worth at least a letter from you guys.

Mr. Hans: Well typically they'll give you the police report for free.

Mr. Fogg: Right that might cost \$2.00.

Mr. Hans: And on there it has the insurance company, and if it's their fault they have to pay, and they have the insurance company on there, we send it to the insurance company and they'll pay, but just fix it, save the receipts, and they'll reimburse, we don't have to get the approval first.

Mr. Fogg: Right, and I just haven't gone down to the Sheriff's office to pick it up that's all.

Mr. Conroy: Alright so you'll do that then?

Mr. Fogg: I'll get the report.

Mr. Conroy: Put the tree in, send your receipts, and he'll send a letter.

Mr. Hans: Just send me the report.

Mr. Stevens: Is the royal palm an insurable event? Is that an expensive tree?

Mr. Fogg: No, we didn't even put it in, it was put in by the car dealership. It was dead, but it was put in by the car dealership and we're just going to replace it since it's been there.

Mr. Durant: When a royal palm falls during a storm nobody seems to care, but if it were to fall and knock a car out, do we have additional liability with other royal palms that may or may not be dead?

Mr. Hans: Yes we have liability insurance that would cover if the royal palm fell on a car and caused damage.

Mr. Durant: I'm just thinking maybe a quick survey of, do we have trees that are, like you said it was going to fall anyways and we knew it was dead.

Mr. Fogg: Oh we were planning to take it out.

Mr. Durant: Do we have any other in that scenario that we're at risk for?

Mr. Fogg: No.

Mr. Durant: Ok.

Mr. Fogg: We have some dead royal poincianas, but we do have a contract with our maintenance people to replace them. You wouldn't even know they're dead because they're semi-deciduous but they'll be replaced within the next probably 4 weeks or maybe sooner. The reason they haven't been replaced at this point is we're trying to find some decent replacement sized trees that don't cost us an arm and a leg.

Mr. Nelson: I think what the point was is that we're going to have to be a little more proactive, if we see something that needs to be replaced we can't leave it, if you just take them out, and then you replace them weeks later I think that's probably more prudent than waiting until you've found the replacement to knock it down.

Mr. Fogg: Oh the royal poincianas are not completely dead, they're just dying and they are going to be removed within the next couple of weeks, they're basically defoliated, they're not breaking up but, we keep on top of that constantly, I don't let any issue linger, although when you drive down the road everything looks healthy and growing and that's because we keep on top of it, and our contractor is very good about taking care of whatever we direct him to do.

Mr. Conroy: And I assume that if you have another royal palm that dies, you take it out without checking with us, right?

Mr. Fogg: Yes, I wasn't checking, I was just telling you that it did get knocked over.

Mr. Conroy: I understand, my thought would be, we probably ought to try and take it out before a storm can knock it over, would that make sense? If we know a royal palm is dead, let's take it out, let's not wait for a storm to knock it over.

Mr. Fogg: We would, I already have directed the maintenance people before the storm happened, and it was on their list to do, it just hadn't gotten done yet.

Mr. Conroy: Got it, ok good. Anything else?

Mr. Fogg: No sir.

Mr. Conroy: Ok. Next Rich.

D. Manager

Mr. Hans: Ok moving on to manager, nothing really to report. Our next meeting is the 23rd of February. If we have items we'll meet on February 23rd, we may have items to come back with on that South Florida Water Management District stuff, but I doubt it.

**SIXTH ORDER OF BUSINESS Supervisors Requests and
Audience Comments**

Mr. Hans: Supervisors requests, anything from our Supervisors today? Not hearing any, we can let the record reflect we have no audience for any audience comments.

SEVENTH ORDER OF BUSINESS Financial Reports

- A. Approval of Check Register**
- B. Balance Sheet and Income Statement**

Mr. Hans: So moving on to financial reports. We have our check register and the balance sheet and income statement. If there are any questions or discussions on those we can take those, and if not, a motion to approve would be in order. Nothing really to point out that's unusual on the financials.

Mr. Conroy: Alright.

Mr. Hans: Then just a motion approving the check register, and the balance sheet and income statement would be in order.

On MOTION by Mr. Conroy seconded by Mr. Nelson with all in favor, the Check Register, Balance Sheet and Income Statement were approved.

Mr. Hans: Then just to go back up to the discussion on the South Florida Water Management letter, being that we don't have Dave here, I think we should get at least direction from the Board to move forward with what we need to do to cure that violation.

Mr. Conroy: Yes absolutely.

Mr. Hans: I don't think the well is more than \$2,000 at this point to go ahead and do that, and the monitoring I think is already part of Johnson Engineering's responsibility since they do they annual monitoring, so we could add that, and we'll find out what it costs to do that, if it is additional.

Mr. Conroy: Fine.

Mr. Hans: So I guess just a motion directing staff to move forward with curing that violation would be in order.

On MOTION by Mr. Nelson seconded by Mr. Conroy with all in favor, directing staff to proceed with the cure to the violation relating to the South Florida Water Management District letter that was received and find out the cost of the annual monitoring, if any was approved.

EIGHTH ORDER OF BUSINESS Adjournment

Mr. Hans: If there is no other District business, a motion to adjourn would be in order, or Greg do you want to talk about that other item?

Mr. Urbancic: Yes, Rich asked me just to cover briefly, we did get an update from your litigation counsel on the pending lawsuit and they had a case management conference. You might remember in the last minutes it was reported that we got a notice that there was no activity in the case for a certain period of time. So a case management conference has been held, and there's going to be a hearing on the motion to dismiss, I

think it's in March, sometime in the March timeframe, so around that time there will probably be another update coming from your counsel.

Mr. Durant: And you guys are managing it, but is that the least amount you can do?

Mr. Conroy: Yes.

Mr. Durant: You have asked for the hearing, you can't ask for additional information?

Mr. Conroy: We had to ask for a hearing, well actually they asked for the hearing. It was a motion to dismiss, their motion to dismiss our lawsuit. They asked for the hearing and then it just sat and sat for over a year.

Mr. Durant: Right.

Mr. Conroy: So then the judge said you have to do something, so then I think we scheduled a hearing date so it stays alive for March, had a conference two weeks ago I guess, we were worried that the judge was going to make us do a lot more work because we asked Clay to do a minimum amount of work as possible, and he said, well the judge may say we have to do this or that and everything else, but we said just try to do nothing.

Mr. Durant: But you have to present a compelling case to the judge to keep it open.

Mr. Conroy: Well he just went there and the judge said ok, you have a motion to dismiss in March, that's fine, we'll see you in March.

Mr. Durant: Ok.

Mr. Conroy: So I think it was a 15 minute hearing, it was very short.

Mr. Durant: Do you have to prepare for that hearing?

Mr. Conroy: Yes, a week before he's going to have to do a whole bunch of stuff to prepare for court. So we're going to have to spend the dollars, but I think it's important for us to keep that lawsuit alive because we don't know what Aronoff is going to be up to, so if he starts doing things that is not beneficial to the CDD we want to make sure that we have a lawsuit ready to go.

Mr. Stevens: Has his attorney been disbarred or suspended yet?

Mr. Conroy: Nothing that they've appealed, that his attorney has appealed. So there's another young pup who came to the hearing and apparently didn't know what was going on, but he did a fine job just doing nothing, so that's where we are there.

Mr. Fogg: I'd like to make one other comment and this not in the way of a report, just so that you understand, you had a question about removing dead trees or things of that sort, we do a monthly complete walk through of the entire site for all landscaped things that are within the CDD property area, including the preserve and buffers and everything else, and I get monthly reports from the contractor, a one page report and I make sure that they follow up on all the things that we noted so anything that is dead, dying or damaged, we have it at least monthly noted and taken care of by the following month.

Mr. Durant: Perfect.

Mr. Conroy: Thank you very much.

Mr. Hans: So we're just looking for a motion to adjourn.

On MOTION by Mr. Nelson seconded by Mr. Stevens with all in favor the meeting was adjourned.

Secretary / Assistant Secretary

Chairman / Vice Chairman

RECEIVED JAN 09 2017



January 3, 2017

Pine Air Lakes Community Development District
5385 N. Nob Hill Road
Sunrise, FL 33351

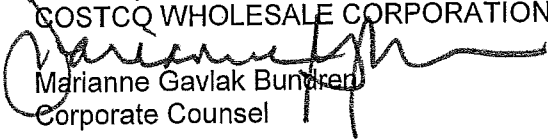
RE: Costco Wholesale Warehouse Expansion
Naples Plaza, Naples, Florida

Dear Naples Plaza and/or Naples Centre Property Owner:

As you may be aware, Costco Wholesale Corporation is your neighbor and owns and operates a Costco membership warehouse club on Naples Boulevard. As part of our operations and in an effort to better serve our members, we would like to expand the building by approximately 7,454 square feet. Enclosed as Exhibit A is a site layout plan showing the proposed expansion. After the expansion we would maintain 669 parking spaces on our Property which is well in excess of the 585 spaces required by Collier County Code and the Declarations (See Section 3.9 of the Naples Center Declaration).

In the course of performing our due diligence for this facility, we have found that the terms of the Declaration of Easements, Conditions and Restrictions recorded in the Official Records of Collier County, Florida in OR 2579 at Page 1678 (for Naples Centre Village) and OR 2347 at Page 1122 (for Naples Plaza), as amended, together with other recorded restrictions (the "Declarations"), require that the owners whose property is encumbered and benefitted by the Declarations consent to the proposed expansion. Because your property located at Pine Air Lakes (Entrance Road, Retention Pond) Naples Blvd., Naples Florida is one of those parcels encumbered and benefitted by one or more of the Declarations, we are seeking your support of our plan to expand our building.

We hope that you agree that our proposed expansion is acceptable. To evidence your support, we would very much appreciate your executing the "consent" appearing below and returning it to us. Naturally, we welcome any questions you might have and would ask that you feel free to call the undersigned at 703-406-6858 with any questions or concerns. Thank you for your anticipated cooperation.

Sincerely,
COSTCO WHOLESALE CORPORATION

Marianne Gavlak Bundren
Corporate Counsel

Consent to Proposed Costco Wholesale Warehouse Expansion

The undersigned, being a property owner at Naples Plaza and/or Naples Center in Collier County, Florida, hereby confirms, in accordance with the terms of the Declarations recorded in OR 2347, PG 1122 and OR 2579, PG 1678 (as the same each may have been amended from time to time), that it consents to the proposed expansion of the Costco Wholesale warehouse located at 6275 Naples Boulevard, Naples, FL as shown on Exhibit A attached hereto. The party executing this consent warrants and represents that he/she is an authorized representative of the owner of the property described on Schedule A attached and that this consent/approval is binding upon the owner.

Pine Air Lakes Community Development District

By: _____

Name: _____

Title: _____

Date: _____

PINE AIR LAKES
Community Development District

Check Run Summary - General Fund
February 23, 2017

| <i>Date</i> | <i>Check Numbers</i> | <i>Amount</i> |
|-------------------------|----------------------|--------------------|
| <i>Accounts Payable</i> | | |
| 02/03/17 | 1799-1809 | \$15,432.52 |
| Total | | \$15,432.52 |

PINE AIR LAKES - GF
BANK A PINE AIR LAKES CDD

| CHECK DATE | VEND# |INVOICE..... DATE INVOICE | ...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS | VENDOR NAME | STATUS | AMOUNT |CHECK.... AMOUNT # |
|------------|-------|-----------------------------------|--|--|--------|----------|---------------------------|
| 2/03/17 | 00016 | 2/01/17 00003651 | 201702 320-54100-46800 | LAKE AND WETLAND SERVICE AQUATIC SYSTEMS, INC. | * | 554.00 | 554.00 001799 |
| 2/03/17 | 00068 | 1/10/17 5225290 | 201701 320-54100-46200 | EXTERIOR MAINTENANCE BRIGHTVIEW LANDSCAPE SERVICES | * | 4,950.00 | 4,950.00 001800 |
| 2/03/17 | 00045 | 1/16/17 217515 | 201701 320-54100-46803 | MONTHLY WATER USE CARDNO | * | 400.00 | 400.00 001801 |
| 2/03/17 | 00004 | 1/23/17 133 | 201612 310-51300-31500 | SERVICE THRU-12/20/16 COLEMAN, YOVANOVICH & KOESTER, P.A. | * | 97.50 | 97.50 001802 |
| 2/03/17 | 00003 | 1/24/17 5-683-95 | 201701 310-51300-42000 | DELIVERIES THRU-1/24/17 FEDEX | * | 134.46 | 134.46 001803 |
| 2/03/17 | 00021 | 1/26/17 74241-26 | 201701 320-54100-48200 | SERVICE THRU-1/26/17 1/26/17 98770-16 201701 320-54100-48200 SERVICE THRU-1/26/17 FLORIDA POWER & LIGHT | * | 237.50 | 602.03 001804 |
| 2/03/17 | 00030 | 2/01/17 139 | 201702 310-51300-34000 | MANAGEMENT FEES | * | 3,022.08 | |
| | | 2/01/17 139 | 201702 310-51300-31600 | DISSEMINATION | * | 166.67 | |
| | | 2/01/17 139 | 201702 310-51300-31400 | ASSESSMENT ROLL | * | 25.00 | |
| | | 2/01/17 139 | 201702 310-51300-35101 | WEBSITE ADMIN | * | 41.67 | |
| | | 2/01/17 139 | 201702 310-51300-51000 | OFFICE SUPPLIES | * | 20.00 | |
| | | 2/01/17 139 | 201702 310-51300-42000 | POSTAGE | * | 1.86 | |
| | | 2/01/17 139 | 201702 310-51300-42500 | COPIES | * | 17.25 | |
| | | | | GOVERNMENTAL MANAGEMENT SERVICES - | | | 3,294.53 001805 |
| 2/03/17 | 00027 | 1/20/17 15007 | 201701 310-51300-31200 | ARBITRAGE SERIES 2012 GRAU & ASSOCIATES | * | 1,200.00 | 1,200.00 001806 |

PAL PINE AIR LAKES SROSINA

AP300R
*** CHECK NOS. 001799-050000

YEAR-TO-DATE ACCOUNTS PAYABLE PREPAID/COMPUTER CHECK REGISTER RUN 2/16/17
PINE AIR LAKES - GF
BANK A PINE AIR LAKES CDD

| CHECK DATE | VEND# |INVOICE..... DATE INVOICE | ...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS | VENDOR NAME | STATUS | AMOUNT |CHECK..... AMOUNT # |
|--------------------|-------|-----------------------------------|--|---------------------|--------|-----------|----------------------------|
| 2/03/17 | 00009 | 1/27/17 118 | 201701 310-51300-31100 | JOHNSON ENGINEERING | * | 300.00 | 300.00 001807 |
| ----- | | | | | | | |
| 2/03/17 | 00049 | 1/13/17 52651 | 201701 310-51300-32300 | REGIONS BANK | * | 3,500.00 | 3,500.00 001808 |
| ----- | | | | | | | |
| 2/03/17 | 00050 | 12/02/16 5846.2A | 201611 320-54100-35000 | STAHLMAN-ENGLAND | * | 400.00 | 400.00 001809 |
| ----- | | | | | | | |
| TOTAL FOR BANK A | | | | | | 15,432.52 | |
| TOTAL FOR REGISTER | | | | | | 15,432.52 | |

PAL PINE AIR LAKES SROSINA

PINE AIR LAKES
COMMUNITY DEVELOPMENT DISTRICT
Special Assessment Receipts
 Fiscal Year 2017

\$250,894.88 \$586,987.26 \$297,151.27 \$1,135,033.41
 ASSESSED THROUGH COUNTY

TOTAL ASSESSMENT LEVY

| DATE | DESCRIPTION | AMOUNT | DISCOUNTS/PENALTIES | COMMISSIONS | PROPERTY APPRAISER | INTEREST | NET RECEIPTS | O&M Portion | 2012 DSF Portion | 2008 DSF Portion | Total |
|--------------|--------------|-----------------------|---------------------|--------------------|--------------------|----------------|-----------------------|---------------------|---------------------|---------------------|-----------------------|
| 10/1/2016 | INVOICE | \$0.00 | \$0.00 | \$0.00 | \$17,025.46 | \$0.00 | (\$17,025.46) | (\$3,763.41) | (\$8,804.79) | (\$4,457.26) | (\$17,025.46) |
| 10/26/2016 | CK#300077239 | \$22,218.84 | \$1,166.49 | \$421.05 | \$0.00 | \$0.00 | \$20,631.30 | \$3,354.27 | \$17,277.03 | \$0.00 | \$20,631.30 |
| 11/29/2016 | CK#300077745 | \$369,094.08 | \$14,763.76 | \$7,086.61 | \$0.00 | \$0.00 | \$347,243.71 | \$72,532.58 | \$256,424.28 | \$18,286.85 | \$347,243.71 |
| 12/15/2016 | CK#300078756 | \$574,744.23 | \$22,989.79 | \$11,035.09 | \$0.00 | \$0.00 | \$540,719.35 | \$134,868.47 | \$260,803.39 | \$145,047.49 | \$540,719.35 |
| 12/30/2016 | CK#300078982 | \$134,673.92 | \$4,040.22 | \$2,612.67 | \$0.00 | \$0.00 | \$128,021.03 | \$20,254.07 | \$0.00 | \$107,766.95 | \$128,021.02 |
| 1/25/2017 | INTEREST | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$60.71 | \$60.71 | \$13.42 | \$31.40 | \$15.89 | \$60.71 |
| 1/30/2017 | CK#300079331 | \$11,109.43 | \$333.28 | \$215.52 | \$0.00 | \$0.00 | \$10,560.63 | \$1,716.97 | \$8,843.65 | \$0.00 | \$10,560.63 |
| TOTAL | | \$1,111,840.50 | \$43,293.54 | \$21,370.94 | \$17,025.46 | \$60.71 | \$1,030,211.26 | \$228,976.37 | \$534,574.96 | \$266,659.92 | \$1,030,211.26 |

Assessed on Roll:

91% 91% 90%

| | GROSS AMOUNT ASSESSED | PERCENTAGE | ASSESSMENTS COLLECTED | ASSESSMENTS TRANSFERRED | AMOUNT TO BE TFR. | |
|-------------------|-----------------------|----------------|-----------------------|-------------------------|-------------------|--------------------------|
| O & M | \$250,894.88 | 22.1046% | \$228,976.37 | \$ (228,976.37) | \$0.00 | |
| 2012 DEBT SERVICE | \$586,987.26 | 51.7154% | \$534,574.96 | \$ (525,699.91) | \$8,875.05 | 001.300.20300.20000 V#60 |
| 2008 DEBT SERVICE | \$297,151.27 | 26.1800% | \$266,659.92 | \$ (266,644.03) | \$15.89 | 001.300.20300.20100 V#53 |
| TOTAL | \$1,135,033.41 | 100.00% | \$1,030,211.26 | (\$1,021,320.31) | \$8,890.95 | |

TRANSFERS TO DEBT SERVICE:

| DATE | CHECK # | 2012 DSE | 2008 DSE |
|--------------------|-----------|----------------------|----------------------|
| 12/7/2016 | 1784/1785 | \$ 264,896.52 | \$ 13,829.59 |
| 1/6/2017 | 1796/1797 | \$ 260,803.39 | \$ 252,814.44 |
| TOTAL | | \$ 525,699.91 | \$ 266,644.03 |
| Amount due: | | \$ 8,875.05 | \$ 15.89 |

97.96% Gross Collections
 \$23,192.91 Balance Remaining to Collect

PINE AIR LAKES
COMMUNITY DEVELOPMENT DISTRICT
COMBINED BALANCE SHEET
January 31, 2017

| | <u>Major Funds</u> | | <u>Total Governmental Funds</u> |
|--|--------------------|-------------------------|---|
| | <u>General</u> | <u>Debt Service</u> | |
| ASSETS: | | | |
| Cash | \$13,210 | --- | \$13,210 |
| Assessments Receivable | \$1,730 | \$8,891 | \$10,621 |
| Investment - State Board Surplus | \$261,382 | --- | \$261,382 |
| Investment - State Board Reserves | \$322,483 | --- | \$322,483 |
| Investments: | | | |
| <u>Series 2008</u> | | | |
| Reserve | --- | \$254,180 | \$254,180 |
| Interest | --- | \$1 | \$1 |
| Revenue | --- | \$339,517 | \$339,517 |
| Bond Redemption | --- | \$4,569 | \$4,569 |
| <u>Series 2012</u> | | | |
| Reserve | --- | \$500,000 | \$500,000 |
| Revenue | --- | \$637,403 | \$637,403 |
| Deposits | \$1,024 | --- | \$1,024 |
| TOTAL ASSETS | <u>\$599,828</u> | <u>\$1,744,561</u> | <u>\$2,344,389</u> |
| LIABILITIES: | | | |
| Accounts Payable | \$12,137 | --- | \$12,137 |
| TOTAL LIABILITIES | <u>\$12,137</u> | <u>\$0</u> | <u>\$12,137</u> |
| FUND BALANCES: | | | |
| Nonspendable: | | | |
| Prepaid Items and Deposits | \$1,024 | --- | \$1,024 |
| Restricted: | | | |
| Debt Service | --- | \$1,744,561 | \$1,744,561 |
| Assigned to: | | | |
| Maintenance Reserves | \$322,483 | --- | \$322,483 |
| Unassigned | \$264,185 | --- | \$264,185 |
| TOTAL FUND BALANCES | <u>\$587,691</u> | <u>\$1,744,561</u> | <u>\$2,332,252</u> |
| TOTAL LIABILITIES & FUND BALANCES | <u>\$599,828</u> | <u>\$1,744,561</u> | <u>\$2,344,389</u> |

PINE AIR LAKES
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND

Statement of Revenues, Expenditures, and Changes in Fund Balance
For The Period Ending January 31, 2017

| | ADOPTED BUDGET | PRORATED BUDGET THRU 1/31/17 | ACTUAL THRU 1/31/17 | VARIANCE |
|---------------------------------------|-------------------|---------------------------------|------------------------|-----------------|
| REVENUES: | | | | |
| Maintenance Assessments | \$232,705 | \$228,976 | \$228,976 | \$0 |
| Interest Income | \$500 | \$167 | \$1,298 | \$1,131 |
| TOTAL REVENUES | \$233,205 | \$229,143 | \$230,274 | \$1,131 |
| EXPENDITURES: | | | | |
| ADMINISTRATIVE: | | | | |
| Supervisors Fees | \$6,000 | \$2,000 | \$2,000 | \$0 |
| FICA Expense | \$459 | \$153 | \$153 | \$0 |
| Engineering | \$10,000 | \$3,333 | \$3,843 | (\$509) |
| Arbitrage Services | \$1,200 | \$1,200 | \$1,200 | \$0 |
| Attorney | \$12,000 | \$4,000 | \$3,283 | \$718 |
| Attorney-Special Counsel | \$25,000 | \$8,333 | \$414 | \$7,919 |
| Annual Audit | \$3,700 | \$1,233 | \$0 | \$1,233 |
| Management Fees | \$36,265 | \$12,088 | \$12,088 | \$0 |
| Disclosure Report | \$2,000 | \$667 | \$667 | (\$0) |
| Trustee Fees | \$7,250 | \$7,250 | \$7,217 | \$33 |
| Assessment Roll | \$300 | \$100 | \$100 | \$0 |
| Telephone | \$50 | \$17 | \$3 | \$14 |
| Postage | \$1,250 | \$417 | \$455 | (\$38) |
| Printing & Binding | \$500 | \$167 | \$99 | \$68 |
| Insurance | \$6,515 | \$6,515 | \$6,042 | \$473 |
| Legal Advertising | \$2,500 | \$833 | \$0 | \$833 |
| Other Current Charges | \$550 | \$183 | \$158 | \$26 |
| Office Supplies | \$150 | \$50 | \$20 | \$30 |
| Dues, Licenses & Subscriptions | \$175 | \$175 | \$175 | \$0 |
| Website Compliance | \$500 | \$167 | \$167 | (\$0) |
| Total Administrative | \$116,364 | \$48,881 | \$38,081 | \$10,800 |
| Maintenance | | | | |
| Landscape Maintenance | \$60,800 | \$20,267 | \$19,800 | \$467 |
| Preserve Maintenance | \$1,600 | \$533 | \$0 | \$533 |
| Preserve Monitoring | \$4,200 | \$4,200 | \$4,131 | \$69 |
| Tree Pruning & Replacement | \$7,000 | \$2,333 | \$2,710 | (\$377) |
| Irrigation Repairs & Maintenance | \$3,500 | \$1,167 | \$400 | \$767 |
| Annual Plantings | \$7,000 | \$2,333 | \$1,830 | \$503 |
| Electricity | \$6,500 | \$2,167 | \$2,384 | (\$217) |
| Lake Maintenance | \$9,020 | \$3,007 | \$2,616 | \$391 |
| Management Fee (IBIS) | \$22,800 | \$7,600 | \$3,250 | \$4,350 |
| Reporting-SFWMD | \$4,800 | \$1,600 | \$1,600 | \$0 |
| Contingency | \$42,357 | \$14,119 | \$0 | \$14,119 |
| Total Maintenance | \$169,577 | \$59,326 | \$38,721 | \$20,605 |
| TOTAL EXPENDITURES | \$285,941 | \$108,207 | \$76,802 | \$31,405 |
| EXCESS REVENUES (EXPENDITURES) | (\$52,736) | | \$153,472 | |
| FUND BALANCE - Beginning | \$52,736 | | \$434,219 | |
| FUND BALANCE - Ending | <u>\$0</u> | | <u>\$587,691</u> | |

PINE AIR LAKES
COMMUNITY DEVELOPMENT DISTRICT
DEBT SERVICE FUND
Series 2008

*Statement of Revenues, Expenditures, and Changes in Fund Balance
For The Period Ending January 31, 2017*

| | ADOPTED BUDGET | PRORATED THRU 1/31/17 | ACTUAL THRU 1/31/17 | VARIANCE |
|---------------------------------------|-------------------|--------------------------|------------------------|--------------|
| <u>REVENUES:</u> | | | | |
| Interest Income | \$25 | \$8 | \$271 | \$262 |
| Special Assessments | \$275,606 | \$266,660 | \$266,660 | \$0 |
| TOTAL REVENUES | \$275,631 | \$266,668 | \$266,931 | \$262 |
| <u>EXPENDITURES:</u> | | | | |
| Interest - 11/1 | \$107,325 | \$107,325 | \$107,325 | \$0 |
| Interest - 5/1 | \$107,325 | \$0 | \$0 | \$0 |
| Principal - 5/01 | \$60,000 | \$0 | \$0 | \$0 |
| TOTAL EXPENDITURES | \$274,650 | \$107,325 | \$107,325 | \$0 |
| EXCESS REVENUES (EXPENDITURES) | \$981 | | \$159,606 | |
| FUND BALANCE - Beginning | \$182,493 | | \$438,677 | |
| FUND BALANCE - Ending | \$183,474 | | \$598,282 | |

PINE AIR LAKES
COMMUNITY DEVELOPMENT DISTRICT
DEBT SERVICE FUND
Series 2012

Statement of Revenues, Expenditures, and Changes in Fund Balance
For The Period Ending January 31, 2017

| | ADOPTED BUDGET | PRORATED THRU 1/31/17 | ACTUAL THRU 1/31/17 | VARIANCE |
|---------------------------------------|-------------------|--------------------------|------------------------|--------------|
| REVENUES: | | | | |
| Interest Income | \$1,000 | \$333 | \$841 | \$508 |
| Special Assessments | \$544,520 | \$534,575 | \$534,575 | \$0 |
| TOTAL REVENUES | \$545,520 | \$534,908 | \$535,416 | \$508 |
| EXPENDITURES: | | | | |
| Interest - 11/1 | \$87,555 | \$87,555 | \$87,555 | \$0 |
| Interest - 5/1 | \$87,555 | \$0 | \$0 | \$0 |
| Principal - 5/1 | \$375,000 | \$0 | \$0 | \$0 |
| TOTAL EXPENDITURES | \$550,110 | \$87,555 | \$87,555 | \$0 |
| EXCESS REVENUES (EXPENDITURES) | (\$4,590) | | \$447,861 | |
| FUND BALANCE - Beginning | \$194,236 | | \$698,417 | |
| FUND BALANCE - Ending | \$189,646 | | \$1,146,278 | |

**PINE AIR LAKES
COMMUNITY DEVELOPMENT DISTRICT
Long Term Debt Report
FY 2017**

| <i>Series 2008, Special Assessment Bonds</i> | | |
|--|--------------------------------|-----------------------|
| Interest Rate: | 6.75% | |
| Maturity Date: | 5/1/2039 | |
| Reserve Fund Requirement: | Maximum Annual Debt Assessment | |
| Bonds outstanding - 9/30/2016 | | \$3,180,000.00 |
| Less: | May 1, 2017 (Mandatory) | \$0.00 |
| Current Bonds Outstanding | | \$3,180,000.00 |
| <i>Series 2012, Special Assessment Bonds</i> | | |
| Interest Rate: | 3.90% | |
| Maturity Date: | 5/1/2026 | |
| Bonds outstanding - 9/30/2016 | | \$4,490,000.00 |
| Less: | May 1, 2017 (Mandatory) | \$0.00 |
| Current Bonds Outstanding | | \$4,490,000.00 |
| Total Current Bonds Outstanding | | \$7,670,000.00 |

PINE AIR LAKES
Community Development District
Maintenance Reserves

| | FY 2016 AMOUNT ON RESERVE | FY17 BUDGET RESERVE LINE ITEMS | FUNDS SPENT IN FY 2017 | FY 2017 AMOUNT ON RESERVE |
|----------------------------------|--|---|---------------------------------------|--|
| <i>Shrub Replacement Reserve</i> | \$127,452 | \$0 | \$0 | \$127,452 |
| <i>Irrigation Reserve</i> | \$108,852 | \$0 | \$0 | \$108,852 |
| <i>Lake Fountain Reserve</i> | \$54,305 | \$0 | \$0 | \$54,305 |
| TOTALS | \$290,609 | \$0 | \$0 | \$290,609 |