

***Highland Meadows
Community Development District***

Agenda

June 09, 2026

AGENDA

Highland Meadows

Community Development District

219 E. Livingston St., Orlando, Florida 32801

Phone: 407-841-5524 – Fax: 407-839-1526

June 2, 2026

Highland Meadows Community Development District

Dear Board Members:

A meeting of the Board of Supervisors of the **Highland Meadows Community Development District** will be held **Tuesday, June 09, 2026, at 12:30 PM** at the **Lake Alfred Public Library, 245 N. Seminole Ave., Lake Alfred, FL 33850.**

Those members of the public wishing to attend the meeting can do so using the information below:

Zoom Video Link: <https://us06web.zoom.us/j/81490498057>

Call-In Information: 1 305 224 1968 **Meeting ID:** 814 9049 8057

Following is the advance agenda for the meeting:

1. Roll Call
2. Public Comment Period
3. Approval of Minutes of the February 10, 2026 Board of Supervisors Meeting
4. Consideration of Resolution 2026-03 Approving the Proposed Fiscal Year 2027 Budget and Setting a Public Hearing to Adopt
5. Consideration of Resolution 2026-04 Relating to General Election Qualifying Period and Procedure
6. Consideration of Resolution 2026-05 Rescheduling Public Hearing to Adopt Amended and Restated Rules of Procedure
7. Consideration of License Agreement Regarding Surface Cleaning of Fence Improvement
8. Review and Acceptance of Fiscal Year 2025 Audit Report
9. Consideration of Proposal from Prince and Sons for Fuel Surcharge
10. Staff Reports
 - A. Attorney
 - B. Engineer
 - C. Field Manager's Report
 - i. Consideration of Proposal for Plant Replacement
 - ii. Consideration of Proposals for Erosion Repair
 - a) Pond 1
 - b) Pond 2

- c) Pond 3
- d) Pond 4
- e) Pond 5

D. District Manager's Report

- i. Action Items
- ii. Approval of Check Register
- iii. Balance Sheet and Income Statement
- iv. Presentation of Number of Registered Voters: 334
- v. Reminder of Form 1 Filing Requirement Deadline

11. Supervisor Requests

12. Adjournment

MINUTES

**MINUTES OF MEETING
HIGHLAND MEADOWS
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Highland Meadows Community Development District was held on February 10, 2026, at 12:33 p.m. at the Lake Alfred Public Library, 245 North Seminole Avenue, Lake Alfred, Florida.

Present and constituting a quorum:

| | |
|----------------------------|---------------------|
| Cindy Chenowith | Chairperson |
| Eric Chenowith | Assistant Secretary |
| Kevin Serrano | Assistant Secretary |
| Jason Munoz <i>by Zoom</i> | Assistant Secretary |

Also, present were:

| | |
|---------------------------------|------------------------------------|
| Tricia Adams | District Manager, GMS |
| Meredith Hammock <i>by Zoom</i> | District Counsel, Kilinski Van Wyk |
| Cole Landau <i>by Zoom</i> | District Engineer |
| Joel Blanco <i>by Zoom</i> | Field Services Manager, GMS |
| Chase Arrington <i>by Zoom</i> | District Engineer, GMS |

The following is a summary of the discussions and actions taken at the February 10, 2026 Highland Meadows Community Development District's Board of Supervisors Meeting.

FIRST ORDER OF BUSINESS

Roll Call

Ms. Adams called the meeting to order at 12:33 p.m. Four Supervisors were present constituting a quorum, with Mr. Munoz participating via Zoom.

SECOND ORDER OF BUSINESS

Public Comment Period

Ms. Adams stated there were no members of the public present or joining by Zoom.

THIRD ORDER OF BUSINESS

Approval of Minutes of the November 4, 2025 Board of Supervisors Meeting

Ms. Adams presented a draft of the meeting minutes from the November 4, 2025 Board of Supervisors meeting. There were no corrections.

Mr. Serrano asked if it was required for District counsel to approve the minutes. Ms. Adams stated it was not required.

On MOTION by Ms. Chenowith, seconded by Mr. Chenowith, with all in favor, the Minutes of the November 4, 2025 Board of Supervisors Meeting, were approved.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2026-02 Setting a Public Hearing to Amend Rules of Procedure

Ms. Adams stated this resolution is for setting a public hearing to amend the rules of procedure. Ms. Hammock stated the District has been operating in accordance with the law, but the Rules of Procedure have been updated to reflect statutory changes and current District practices.

Ms. Adams stated the public hearing would be set for April 14, 2026, at 12:30 p.m. She commented the draft is attached to the resolution that reflects the changes.

On MOTION by Mr. Chenowith, seconded by Mr. Serrano, with all in favor, Resolution 2026-02 Setting a Public Hearing for April 14, 2026 at 12:30 p.m. to Amend the Rules of Procedure, was approved.

FIFTH ORDER OF BUSINESS

Consideration of Dewberry Work Authorization for Fiscal Year 2026 Engineering Services

A. Review of FY25 Fee Schedule

Ms. Adams stated this item is for the work authorization for Dewberry for Fiscal Year 2026. She noted in addition to the work authorization for Fiscal Year 2026 there's a copy of the engineering fee schedule dated June 2025. The proposed fee schedule reflects an approximate 5% increase from the prior year

The Board discussed the previous rates, the engineering personnel levels and titles, billable rates, construction professional rates, and the difference in 2025 and 2026 rates. Ms. Adams noted the Fiscal Year 2026 engineering services budget is \$10,000, consistent with prior Board direction.

On MOTION by Ms. Chenowith, seconded by Mr. Chenowith, with all in favor, the Dewberry Work Authorization for Fiscal Year 2026 Engineering Services, was approved.

SIXTH ORDER OF BUSINESS

Consideration of Proposal for Holiday Light Installation

Ms. Adams stated this item is the proposal for light installation. She noted the Board had asked for options for lighting. Mr. Blanco presented the scope for the GMS proposal which would allow lights for all palms at each entrance, installation of wreaths on the monuments, and includes installation, removal, and storage of decorations. He added the lights would include the District owning the décor, and storage could be provided. He also referenced a proposal from Festive Glow, noting the cost was higher and the decorations would remain the property of the vendor.

The Board asked questions regarding material costs, equipment requirements, and installation logistics. Storage of decorations would be accommodated at an existing District storage facility

Board member Mr. Chenowith stated in the past they used volunteers and using GMS would be much easier.

On MOTION by Mr. Chenowith, seconded by Mr. Serrano, with all in favor, the GMS Proposal for Holiday Light Installation, was approved.

SEVENTH ORDER OF BUSINESS

Consideration of Data Sharing and Usage Agreement with Polk County Property Appraiser

Ms. Adams reviewed the agreement that is reviewed annually and updated for the 2026 tax roll. This agreement confirms the District’s compliance with confidentiality requirements applicable to exempt information.

On MOTION by Ms. Chenowith, seconded by Mr. Chenowith, with all in favor, the Data Sharing and Usage Agreement with Polk County Property Appraiser, was approved.

EIGHTH ORDER OF BUSINESS

Consideration of Contract Agreement with Polk County Property Appraiser

Ms. Adams reviewed the contract agreement noting this agreement authorizes the placement of District assessments on the Polk County property tax bill pursuant to Florida Statutes.

On MOTION by Ms. Chenowith, seconded by Mr. Serrano, with all in favor, the Contract Agreement with Polk County Property Appraiser, was approved.

NINTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Hammock stated the first ethics training was conducted yesterday and she will send the audio out to the Supervisors that did not attend. Ms. Chenowith commented on the costs for Ms. Hammock to provide the sessions and that all Board members should try to attend the sessions.

B. Engineer

i. Discussion of Memo and Proposal Regarding Erosion Control

Mr. Landau stated this was for the area of erosion in the preservation area. He added the best solution is to eliminate the erodible materials from the water, wind and other elements. The proposed solution includes installation of a concrete stabilization system. Discussion ensued on if using concrete would hide the erosion occurring, running water velocity, capping the water, the design would improve drainage flow and reduce future erosion, gaps in the piling, and the depth of the sidewalk to be installed.

Ms. Chenowith asked about the budget. Ms. Adams noted the field expenditures line item had been approved with \$12,500 for contingency. She explained the ability to approve another amount if needed.

Other discussion was held on upcoming unknown expenditures. Mr. Landau stated the damage occurred during the rainy season and he noted this is a highly erodible area He recommended approval of the erosion repair for \$9625.

On MOTION by Mr. Chenowith, seconded by Ms. Chenowith, with all in favor, the Proposal Regarding Erosion Control for \$9,625, was approved.

Mr. Chenowith asked about the timeline for execution. Mr. Landau stated he felt maybe mid-April and he would investigate further. It was noted that no community access would be shut down.

C. Field Manager's Report

Mr. Blanco reviewed the Field Manager's report to include completion of palm tree trimming, mulching, and the entrance plant monitoring of landscaping to determine which plant materials were impacted by recent cold weather. He will report updates at the next meeting. He noted replacement should occur at the end of June. Additional discussion occurred regarding repair of a damaged sign, including replacement requirements.

Mr. Blanco provided updates on the erosion problems and noted five areas of erosion issues. He stated he is asking Dewberry to look at the issues and is in the process of having the landscapers provide proposals. He will present the itemized proposals at the next meeting. He suggested addressing the issues with the most problems first and then look at other options.

Board member had questions on the pictures on the erosion near the bridge showing problems already. Mr. Landau commented on the area near the bridge and the inspection conducted. He provided options to correct the issue by sodding and grading. Other areas of possible erosion were discussed. Proposals will be presented at the next meeting. Mr. Blanco explained the action items list is in the agenda package for Board review.

D. District Manager's Report

i. Action Items

Ms. Adams noted one of the action items included a fence on CDD property that needs to be pressure washed. She suggested getting tract information for District counsel. She added the next ethics training is scheduled for June 8th.

The Board directed staff to continue monitoring erosion areas and present prioritized repair options. They asked that this be included on the general action items list and the field action items list due to these issues.

ii. Approval of Check Register

Ms. Adams presented the check register from October 1, 2025, to December 31, 2025, the total amount of \$139,348.98.

On MOTION by Ms. Chenowith, seconded by Mr. Chenowith, with all in favor, the Check Register Totaling \$139,348.98, was approved.

iii. Balance Sheet and Income Statement

Ms. Adams presented the unaudited financials through December 31, 2025. She reviewed several line items. She noted as of the end of December the District assessed \$262,130 from CDD fees for maintenance and as of the end of December received \$254,037. Discussion occurred regarding landscaping expenditures and pending proposals.

TENTH ORDER OF BUSINESS

Supervisor Requests

There being no comments, the next item followed.

ELEVENTH ORDER OF BUSINESS

Adjournment

Ms. Adams asked for a motion to adjourn.

On MOTION by Ms. Chenowith, seconded by Mr. Serrano, with all in favor, the meeting was adjourned.

Secretary/Assistant Secretary

Chairman/Vice Chairman

SECTION 4

RESOLUTION 2026-03

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE HIGHLAND MEADOWS COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2027 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW; ADDRESSING TRANSMITTAL, POSTING AND PUBLICATION REQUIREMENTS; ADDRESSING SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District Manager has, prior to June 15, 2026, prepared and submitted to the Board of Supervisors (“**Board**”) of the Highland Meadows Community Development District (“**District**”) a proposed budget (“**Proposed Budget**”) for the Fiscal Year beginning October 1, 2026, and ending September 30, 2027 (“**Fiscal Year 2027**”); and

WHEREAS, the Board has considered the Proposed Budget and desires to set the required public hearing thereon.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE HIGHLAND MEADOWS COMMUNITY DEVELOPMENT DISTRICT:

1. **PROPOSED BUDGET APPROVED.** The Proposed Budget prepared by the District Manager for Fiscal Year 2027 attached hereto as **Exhibit A** is hereby approved as the basis for conducting a public hearing to adopt said Proposed Budget.

2. **SETTING A PUBLIC HEARING.** A public hearing on said approved Proposed Budget is hereby declared and set for the following date, hour and location:

| | |
|-----------|--|
| DATE: | August 11, 2026 |
| HOUR: | 12:30 p.m. |
| LOCATION: | Lake Alfred Public Library 245 N. Seminole Avenue Lake Alfred, Florida 33850 |

3. **TRANSMITTAL OF PROPOSED BUDGET TO LOCAL GENERAL PURPOSE GOVERNMENT(S).** The District Manager is hereby directed to submit a copy of the Proposed Budget to the City of Davenport and Polk County, Florida at least sixty (60) days prior to the hearing set above.

4. **POSTING OF PROPOSED BUDGET.** In accordance with Section 189.016, *Florida Statutes*, the District’s Secretary is further directed to post the approved Proposed Budget on the District’s website at least two (2) days before the budget hearing date as set forth in Section 2, and shall remain on the website for at least forty-five (45) days.

5. **PUBLICATION OF NOTICE.** Notice of this public hearing shall be published in the manner prescribed in Florida law.

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

7. **EFFECTIVE DATE.** This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED THIS 9TH DAY OF JUNE 2026.

ATTEST:

**HIGHLAND MEADOWS
COMMUNITY DEVELOPMENT
DISTRICT**

Secretary

By: _____
Its: _____

Exhibit A: Proposed Budget for Fiscal Year 2027

Highland Meadows
Community Development District

Proposed Budget
FY 2027



Table of Contents

| | | |
|-----|-------|------------------------------------|
| 1 | <hr/> | General Fund |
| 2-3 | <hr/> | General Fund Narrative |
| 4 | <hr/> | Reserve Fund |
| 5 | <hr/> | Series 2006A Debt Service Fund |
| 6 | <hr/> | Series 2006A Amortization Schedule |
| 7 | <hr/> | Assessment Table |

Highland Meadows
Community Development District
Proposed Budget
General Fund

| Description | Adopted Budget FY2026 | Actuals Thru 4/30/26 | Projected Next 5 Months | Projected Thru 9/30/26 | Proposed Budget FY2027 |
|--|-----------------------------|----------------------------|-------------------------------|------------------------------|------------------------------|
| Revenues | | | | | |
| Special Assessments - On Roll | \$ 262,130 | \$ 259,116 | \$ 3,014 | \$ 262,130 | \$ 262,130 |
| Interest Income | - | 841 | 600 | 1,441 | 750 |
| Misc. Income | - | 942 | - | 942 | - |
| Total Revenues | \$ 262,130 | \$ 260,899 | \$ 3,614 | \$ 264,513 | \$ 262,880 |
| Expenditures | | | | | |
| <i>General & Administrative</i> | | | | | |
| Supervisor Fees/FICA | \$ 6,459 | \$ 2,368 | \$ 2,153 | \$ 4,521 | \$ 6,459 |
| Engineering | 10,000 | 6,275 | 4,482 | 10,757 | 15,000 |
| Attorney | 20,000 | 9,551 | 9,551 | 19,102 | 20,000 |
| Legal Fees Contingency | 5,000 | - | 5,000 | 5,000 | 5,000 |
| Annual Audit | 3,600 | 3,300 | - | 3,300 | 3,400 |
| Assessment Roll - Admin | 5,000 | 5,000 | - | 5,000 | 5,000 |
| Assessment Roll - County | 3,090 | - | 2,819 | 2,819 | 3,090 |
| Dissemination Agent | 2,400 | 1,400 | 1,000 | 2,400 | 2,520 |
| Trustee Fees | 4,435 | - | 4,041 | 4,041 | 4,041 |
| Management Fees | 35,000 | 20,417 | 14,583 | 35,000 | 36,750 |
| Information Technology | 1,800 | 1,050 | 750 | 1,800 | 1,890 |
| Postage & Delivery | 100 | - | 50 | 50 | 100 |
| Insurance General Liability | 7,690 | 6,775 | - | 6,775 | 7,453 |
| Legal Advertising | 3,000 | 1,819 | 1,299 | 3,118 | 3,000 |
| Other Current Charges | 1,000 | 1,289 | 921 | 2,210 | 2,500 |
| Website Admin | 1,200 | 700 | 500 | 1,200 | 1,260 |
| Dues, Licenses & Subscriptions | 175 | 175 | - | 175 | 175 |
| Total General & Administrative: | \$ 109,949 | \$ 60,119 | \$ 47,149 | \$ 107,267 | \$ 117,638 |
| <i>Field</i> | | | | | |
| Field Management | \$ 7,725 | \$ 4,506 | 3,219 | \$ 7,725 | \$ 8,111 |
| Electric | 900 | 329 | 329 | 658 | 900 |
| Streetlighting | 12,275 | 6,708 | 6,708 | 13,416 | 12,275 |
| Water | 6,500 | 3,073 | 3,073 | 6,146 | 6,500 |
| Property Insurance | 2,686 | 2,457 | - | 2,457 | 2,334 |
| General Repairs & Maintenance | 5,000 | - | 5,000 | 5,000 | 10,000 |
| Landscape Maintenance | 32,880 | 18,620 | 13,300 | 31,920 | 37,920 |
| Landscape Contingency | 9,000 | 2,640 | 6,000 | 8,640 | 9,000 |
| Irrigation Repairs | 2,500 | 900 | 643 | 1,543 | 2,500 |
| Holiday Lights | - | - | - | - | 2,500 |
| Contingency | 12,500 | 14,835 | 5,000 | 19,835 | 12,500 |
| Total Field | \$ 91,966 | \$ 54,068 | \$ 43,271 | \$ 97,339 | \$ 104,540 |
| Total Expenditures | \$ 201,915 | \$ 114,187 | \$ 90,420 | \$ 204,607 | \$ 222,178 |
| Excess (Deficiency) of Revenues over Expenditures | \$ 60,215 | \$ 146,712 | \$ (86,806) | \$ 59,906 | \$ 40,702 |
| Other Financing Sources/(Uses): | | | | | |
| Transfer Out - Capital Reserve | \$ (60,215) | \$ - | \$ (60,215) | \$ (60,215) | \$ (40,702) |
| Total Other Financing Sources/(Uses) | \$ (60,215) | \$ - | \$ (60,215) | \$ (60,215) | \$ (40,702) |
| Excess Revenues/(Expenditures) | \$ - | \$ 146,712 | \$ (147,021) | \$ (309) | \$ - |

Highland Meadows
Community Development District
Budget Narrative
Fiscal Year 2027

REVENUES

Special Assessments- On Roll

The District will levy a Non-Ad Valorem assessment on platted parcels within the District in order to pay for the operating expenditures during the Fiscal Year.

Interest Income

The District will have all excess funds invested with Bank United. The amount is based on the estimated average balance of funds available during the fiscal year.

Misc. Income

Any other income that is not mentioned above.

Expenditures - Administrative

Supervisors Fees

Chapter 190 of the Florida Statutes allows for members of the Board of Supervisors to be compensated \$200 per meeting in which they attend. The budgeted amount for the fiscal year is based on all 5 supervisors attending 6 meetings.

FICA Taxes

Payroll taxes on Board of Supervisor's compensation. The budgeted amount for the fiscal year is calculated at 7.65% of the total Board of Supervisor's payroll expenditures.

Engineering

The District's engineer, **Dewberry Engineers Inc.** will provide general engineering services to the District, i.e. attendance and preparation for board meetings, review of invoices, and other specifically requested assignments.

Attorney

The District's Attorney, **Kilinski Van Wyk, PLLC** will be providing general legal services to the District, i.e., attendance and preparation for Board meetings, review of contracts, review of agreements and resolutions, and other research assigned as directed by the Board of Supervisors and the District Manager.

Annual Audit

The District is required to conduct an annual audit of its financial records by an Independent Certified Public Accounting Firm. The budgeted amount for the fiscal year is based on contracted fees from the previous year engagement with **Grau and Associates** plus anticipated increase.

Assessment Administration - Admin

GMS CF, LLC provides assessment services for closing lot sales, assessment roll services with the local Tax Collector and financial advisory services.

Assessment Administration - County

Polk County charges 1% of the roll to include the CDD assessments on the County tax roll.

Trustee Fees

The District bonds will be held and administered by a Trustee at **U.S. Bank**. This represents the trustee annual fee.

Management Fees

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Governmental Management Services-Central Florida, LLC. The budgeted amount for the fiscal year is based on the contracted fees outlined in Exhibit "A" of the Management Agreement.

Highland Meadows
Community Development District
Budget Narrative
Fiscal Year 2027

Expenditures - Administrative (continued)

Information Technology

The District processes all of its financial activities, i.e. accounts payable, financial statements, etc. on a main frame computer leased by Governmental Management Services – South Florida, LLC.

Website Maintenance

Per Chapter 2014-22, Laws of Florida, all Districts must have a website to provide detailed information on the CDD as well as links to useful websites regarding Compliance issues. This website will be maintained by GMS-CF, LLC and updated monthly.

Postage and Delivery

Actual postage and/or freight used for District mailings including agenda packages, vendor checks and other correspondence.

Insurance General Liability

The District's General Liability & Public Officials Liability Insurance policy is with a qualified entity that specializes in providing insurance coverage to governmental agencies. The amount is based upon similar Community Development Districts.

Printing and Binding

Copies used in the preparation of agenda packages, required mailings, and other special projects.

Legal Advertising

The District is required to advertise various notices for monthly Board meetings and other public hearings in a newspaper of general circulation.

Other Current Charges

This includes monthly bank charges and any other miscellaneous expenses that incur during the year.

Due, Licenses & Subscriptions

The District is required to pay an annual fee to the Department of Economic Opportunity Community Affairs for \$175.

Expenditures - Field

Field Management Services

The District has contracted with **GMS-CF, LLC** for the onsite management, contract administration and vendor oversight.

Electric

The District has the following account with Duke Energy to provide electric for lighting of entry features and signs within the District.

| Account# | Location |
|--------------|--------------------------------|
| 910082726644 | 508 Highland Meadows St Unit A |
| 910092775437 | 101 Highland Meadows St Unit A |

Street Lighting

The District has the following accounts with Duke Energy to provide electric for street lighting:

| Account# | Location |
|--------------|-----------------------------|
| 910082726884 | 0 County Rd 547 N Lite Phs2 |
| 910082775198 | 0 County Rd 547 N Lite |

Water

The Districts the following account with the **City of Davenport** to provide water to the District:

| Account# | Location |
|----------|---------------------|
| 2270 | Highland Meadows St |

Landscape Maintenance

This represents landscape maintenance of all District property, to include mowing, edging, trimming, blowing etc. The District is contracted with **Prince & Sons** based on the following:

| Vendor | Monthly Amount | Annual Amount |
|---------------|----------------|---------------|
| Prince & Sons | \$2,740 | \$32,878 |

Landscape Contingency

Represents any un-budgeted expense related to the landscaping of the District including mulching, annuals and tree trimming

Irrigation Repairs & Maintenance

Represents the costs associated with the Irrigation system within the District.

Highland Meadows

Community Development District

Proposed Budget Reserve Fund

| Description | Adopted Budget FY2026 | Actuals Thru 4/30/26 | Projected Next 5 Months | Projected Thru 9/30/26 | Proposed Budget FY2027 |
|--|-----------------------------|----------------------------|-------------------------------|------------------------------|------------------------------|
| Revenues | | | | | |
| Interest Income | \$ - | \$ 1,020 | \$ 700 | \$ 1,720 | \$ 1,000 |
| Total Revenues | \$ - | \$ 1,020 | \$ 700 | \$ 1,720 | \$ 1,000 |
| Expenditures | | | | | |
| Other Current Charges | - | 350 | 300 | 650 | 1,000 |
| Capital Outlay | - | - | - | - | - |
| Total Expenditures | \$ - | \$ 350 | \$ 300 | \$ 650 | \$ 1,000 |
| Excess (Deficiency) of Revenues over Expenditures | \$ - | \$ 670 | \$ 400 | \$ 1,070 | \$ - |
| Other Financing Sources/(Uses): | | | | | |
| Transfer In/(Out) | \$ 60,215 | \$ - | \$ 60,215 | 60,215 | \$ 40,702 |
| Total Other Financing Sources/(Uses) | \$ 60,215 | \$ - | \$ 60,215 | \$ 60,215 | \$ 40,702 |
| Excess Revenues/(Expenditures) | \$ 60,215 | \$ 670 | \$ 400 | \$ 61,285 | \$ - |

Highland Meadows
Community Development District
Proposed Budget
Debt Service Fund Series 2006A

| Description | Adopted Budget FY2026 | Actuals Thru 4/30/26 | Projected Next 5 Months | Projected Thru 9/30/26 | Proposed Budget FY2027 |
|---------------------------------------|-----------------------------|----------------------------|-------------------------------|------------------------------|------------------------------|
| Revenues | | | | | |
| Assessments | \$ 87,048 | \$ 88,137 | \$ - | \$ 88,137 | \$ 82,200 |
| Interest | - | 2,102 | 500 | 2,602 | - |
| Carry Forward Surplus | 44,783 | 36,050 | - | 36,050 | 44,278 |
| Total Revenues | \$ 131,831 | \$ 126,289 | \$ 500 | \$ 126,789 | \$ 126,478 |
| Expenditures | | | | | |
| Interest - 11/1 | \$ 19,113 | 18,425 | \$ - | \$ 18,425 | \$ 16,913 |
| Principal - 5/1 | 45,000 | - | 45,000 | 45,000 | 45,000 |
| Interest - 5/1 | 19,113 | - | 18,150 | 18,150 | 16,913 |
| Property Appraiser | - | 936 | - | 936 | - |
| Total Expenditures | \$ 83,225 | \$ 19,361 | \$ 63,150 | \$ 82,511 | \$ 78,825 |
| Excess Revenues/(Expenditures) | \$ 48,606 | \$ 106,928 | \$ (62,650) | \$ 44,278 | \$ 47,653 |

Interest - 11/1/27 \$ 15,675

Highland Meadows
Community Development District
Series 2006A Special Assessment Bonds
Amortization Schedule

| Date | Balance | Coupon | Principal | Interest | Total |
|----------|---------------|--------|----------------------|----------------------|----------------------|
| 05/01/26 | \$ 660,000.00 | 5.50% | \$ 45,000.00 | \$ 18,150.00 | \$ - |
| 11/01/26 | \$ 615,000.00 | 5.50% | \$ - | \$ 16,912.50 | \$ 80,062.50 |
| 05/01/27 | \$ 615,000.00 | 5.50% | \$ 45,000.00 | \$ 16,912.50 | \$ - |
| 11/01/27 | \$ 570,000.00 | 5.50% | \$ - | \$ 15,675.00 | \$ 77,587.50 |
| 05/01/28 | \$ 570,000.00 | 5.50% | \$ 50,000.00 | \$ 15,675.00 | \$ - |
| 11/01/28 | \$ 520,000.00 | 5.50% | \$ - | \$ 14,300.00 | \$ 79,975.00 |
| 05/01/29 | \$ 520,000.00 | 5.50% | \$ 55,000.00 | \$ 14,300.00 | \$ - |
| 11/01/29 | \$ 465,000.00 | 5.50% | \$ - | \$ 12,787.50 | \$ 82,087.50 |
| 05/01/30 | \$ 465,000.00 | 5.50% | \$ 55,000.00 | \$ 12,787.50 | \$ - |
| 11/01/30 | \$ 410,000.00 | 5.50% | \$ - | \$ 11,275.00 | \$ 79,062.50 |
| 05/01/31 | \$ 410,000.00 | 5.50% | \$ 60,000.00 | \$ 11,275.00 | \$ - |
| 11/01/31 | \$ 350,000.00 | 5.50% | \$ - | \$ 9,625.00 | \$ 80,900.00 |
| 05/01/32 | \$ 350,000.00 | 5.50% | \$ 60,000.00 | \$ 9,625.00 | \$ - |
| 11/01/32 | \$ 290,000.00 | 5.50% | \$ - | \$ 7,975.00 | \$ 77,600.00 |
| 05/01/33 | \$ 290,000.00 | 5.50% | \$ 65,000.00 | \$ 7,975.00 | \$ - |
| 11/01/33 | \$ 225,000.00 | 5.50% | \$ - | \$ 6,187.50 | \$ 79,162.50 |
| 05/01/34 | \$ 225,000.00 | 5.50% | \$ 70,000.00 | \$ 6,187.50 | \$ - |
| 11/01/34 | \$ 155,000.00 | 5.50% | \$ - | \$ 4,262.50 | \$ 80,450.00 |
| 05/01/35 | \$ 155,000.00 | 5.50% | \$ 75,000.00 | \$ 4,262.50 | \$ - |
| 11/01/35 | \$ 80,000.00 | 5.50% | \$ - | \$ 2,200.00 | \$ 81,462.50 |
| 05/01/36 | \$ 80,000.00 | 5.50% | \$ 80,000.00 | \$ 2,200.00 | \$ - |
| | | | | \$ 82,200.00 | |
| | | | \$ 660,000.00 | \$ 220,550.00 | \$ 880,550.00 |

SECTION 5

RESOLUTION 2026-04

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE HIGHLAND MEADOWS COMMUNITY DEVELOPMENT DISTRICT IMPLEMENTING SECTION 190.006(3)(a)2.c., FLORIDA STATUTES AND INSTRUCTING THE POLK COUNTY SUPERVISOR OF ELECTIONS TO CONDUCT THE DISTRICT’S GENERAL ELECTION; PROVIDING FOR COMPENSATION; SETTING FORTH THE TERMS OF OFFICE; RATIFYING THE ACTION OF THE DISTRICT MANAGER TO NOTICE THE QUALIFYING PERIOD; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the Highland Meadows Community Development District (“**District**”) is a local unit of special-purpose government created and existing pursuant to Chapter 190, Florida Statutes, being situated entirely within the City of Davenport, Florida; and

WHEREAS, the Board of Supervisors of the District (“**Board**”) seeks to implement Section 190.006(3)(a)2.c., *Florida Statutes*, and to instruct the Supervisor of Elections for Polk County, Florida (“**Supervisor of Elections**”), to conduct the District’s elections by the qualified electors of the District at the 2026 general election (“**General Election**”).

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE HIGHLAND MEADOWS COMMUNITY DEVELOPMENT DISTRICT:

1. CURRENT BOARD MEMBERS. The Board is currently made up of the following individuals, seats and terms:

| <u>Seat Number</u> | <u>Supervisor</u> | <u>Term Expiration Date</u> |
|--------------------|-------------------|-----------------------------|
| 1 | Kevin Serrano | November 2026 |
| 2 | Jason Munoz | November 2026 |
| 3 | Eric Chenowith | November 2028 |
| 4 | Cindy Chenowith | November 2028 |
| 5 | Headley Oliver | November 2028 |

2. GENERAL ELECTION SEATS. Seat 1 and Seat 2 with terms expiring in November 2026 are scheduled for the General Election in November 2026. The District Manager is hereby authorized to notify the Supervisor of Elections of the seats subject to General Election for the current election year, and for each subsequent election year.

3. QUALIFICATION PROCESS. For each General Election, all candidates shall qualify for individual seats in accordance with Section 99.061, *Florida Statutes*, and must also be a qualified elector of the District. A qualified elector is any person at least 18 years of age who is a citizen of the United States, a legal resident of the State of Florida and of the District, and who is registered to vote with the Polk County Supervisor of Elections. Campaigns shall be conducted in accordance with Chapter 106, Florida Statutes.

4. COMPENSATION. Each member of the Board is entitled to receive \$200 per meeting for their attendance; up to a maximum of \$4,800 per year.

5. TERM OF OFFICE. The term of office for the individuals to be elected to the Board in the General Election is four (4) years. The newly elected Board members shall assume office on the second Tuesday following the election.

6. REQUEST TO SUPERVISOR OF ELECTIONS. The District hereby requests that the Supervisor of Elections conduct the District’s General Election in November 2026, and for each subsequent General Election unless otherwise directed by the District Manager. The District understands that it will be responsible to pay for its proportionate share of the General Election cost and agrees to pay same within a reasonable time after receipt of an invoice from the Supervisor of Elections.

7. PUBLICATION. The Board hereby ratifies the actions of the District Manager taken to publish a notice of the qualifying period for each General Election, in a form substantially similar to **Exhibit A** attached hereto.

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

9. EFFECTIVE DATE. This Resolution shall become effective upon its passage.

PASSED AND ADOPTED this 9th day of June 2026.

ATTEST:

**HIGHLAND MEADOWS
COMMUNITY DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chairperson/Vice Chairperson, Board of Supervisors

Exhibit A: Sample Notice of Qualifying Period

EXHIBIT A
SAMPLE NOTICE OF QUALIFYING PERIOD

NOTICE OF QUALIFYING PERIOD FOR CANDIDATES
FOR THE BOARD OF SUPERVISORS OF THE
HIGHLAND MEADOWS COMMUNITY DEVELOPMENT DISTRICT

Notice is hereby given that the qualifying period for candidates for the office of Supervisor of the Highland Meadows Community Development District will commence at **noon on Monday, June 8, 2026, and close at noon on Friday, June 12, 2026**. Candidates must qualify for the office of Supervisor with the Polk County Supervisor of Elections located at **250 S. Broadway Avenue, Bartow, Florida 33830**. The Supervisor of Elections may be contacted by phone at (863) 534-5888. All candidates shall qualify for individual seats in accordance with Section 99.061, *Florida Statutes*, and must also be a “qualified elector” of the District, as defined in Section 190.003, *Florida Statutes*. A “qualified elector” is any person at least 18 years of age who is a citizen of the United States, a legal resident of the State of Florida and of the District, and who is registered to vote with the Polk County Supervisor of Elections. Campaigns shall be conducted in accordance with Chapter 106, Florida Statutes.

The Highland Meadows Community Development District has two (2) seats up for election, specifically Seats 1 and 2. Each seat carries a four (4)-year term of office. Elections are non-partisan and will be held at the same time as the general election on November 3, 2026, and in the manner prescribed by law for general elections.

For additional information, please contact the Polk County Supervisor of Elections.

Publish on or before _____, 2026*

*Note to District Manager – Deadline is at least two weeks before the start of the qualifying period.

SECTION 6

RESOLUTION 2026-05

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE HIGHLAND MEADOWS COMMUNITY DEVELOPMENT DISTRICT AMENDING RESOLUTION 2026-02 TO RE-DESIGNATE THE DATE, TIME AND PLACE OF A PUBLIC HEARING AND AUTHORIZING RE-PUBLICATION OF NOTICE OF SUCH HEARING FOR THE PURPOSE OF ADOPTING AMENDED AND RESTATED RULES OF PROCEDURE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Highland Meadows Community Development District (the “District”) is a local unit of special-purpose government created and existing pursuant to Chapter 190, Florida Statutes, being situated entirely within the City of Davenport, Polk County, Florida; and

WHEREAS, the Board of Supervisors of the District (the “Board”) is authorized by Section 190.011(5), *Florida Statutes*, to adopt rules and orders pursuant to Chapter 120, Florida Statutes; and

WHEREAS, on February 10, 2026, at a duly noticed public meeting, the District’s Board adopted Resolution 2026-02, designating a date, time and place of a public hearing regarding the District’s Amended and Restated Rules of Procedure for Tuesday, April 14, 2026, at 12:30 p.m. at the Lake Alfred Public Library, 245 N. Seminole Avenue, Lake Alfred, Florida 33850; and

WHEREAS, on the date and time of the scheduled public hearing the Board was unable to meet; and

WHEREAS, the Board desires to amend Resolution 2026-02 to reschedule the public hearing to August 11, 2026, at 12:30 p.m. at the same location, and to authorize the District Manager to notice the public hearing, with the new date, to be published in accordance with Section 120.54, *Florida Statutes*.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE HIGHLAND MEADOWS COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. PUBLIC HEARING DATE RESET. Resolution 2026-02 is hereby amended to reflect that the public hearing as declared in Resolution 2026-02 is reset to:

Tuesday, August 11, 2026, at 12:30 p.m. at the Lake Alfred Public Library, 245 N. Seminole Avenue, Lake Alfred, Florida 33850.

The District is directed to publish notice of the hearing in accordance with Section 120.54, *Florida Statutes*.

SECTION 2. RESOLUTION 2026-02 OTHERWISE REMAINS IN FULL FORCE AND EFFECT. Except as specifically amended herein, Resolution 2026-02 otherwise remains in full force and effect.

SECTION 3. SEVERABILITY. The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

SECTION 4. EFFECTIVE DATE. This Resolution shall take effect upon its passage and adoption by the Board.

PASSED AND ADOPTED this 9th day of June 2026.

ATTEST:

**HIGHLAND MEADOWS COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chairperson, Board of Supervisors

SECTION 7

**LICENSE AGREEMENT
REGARDING SURFACE CLEANING OF FENCE IMPROVEMENT**

THIS LICENSE AGREEMENT (“**Agreement**”) is made and entered into this ____ day of _____ 2026, by and between:

HIGHLAND MEADOWS COMMUNITY DEVELOPMENT DISTRICT, a local unit of special-purpose government established pursuant to Chapter 190, Florida Statutes, situated entirely within the City of Davenport, Florida, with a mailing address of c/o Governmental Management Services – Central Florida, LLC, 219 East Livingston Street, Orlando, Florida 32801 (the “**District**”); and

DCBC OLSEN COVE LLC, a Florida limited liability company, with a mailing address of 550 Aero Lane, Suite 103, Sanford, Florida 32771 (the “**Licensor**”, and together with the District, the “**Parties**”).

RECITALS

WHEREAS, the District is a special-purpose unit of local government established pursuant to and governed by Chapter 190, Florida Statutes; and

WHEREAS, the Licensor is the owner and/or developer of certain parcels of real property located adjacent to the boundaries of the District, including those identified in **Exhibit A** attached hereto (the “**License Property**”); and

WHEREAS, the District desires to clean the surface of one side of the Licensor’s fence improvements located upon the License Property, which side faces District property, in order to keep the fence in a clean, aesthetically pleasing manner to the District in the District’s sole discretion (“**Improvements**”); and

WHEREAS, the Licensor is willing to grant a non-exclusive, revocable license to authorize the District to clean the surface of the Improvements in order to keep the Improvements in a clean, aesthetically pleasing manner to the District in the District’s sole discretion; and

WHEREAS, the District and the Licensor warrant and agree that they have all rights, power, and authority to enter into and be bound by this Agreement.

NOW, THEREFORE, based upon good and valuable consideration and the mutual covenants of the Parties, the receipt and sufficiency of which are hereby acknowledged, the District and the Licensor agree as follows:

1. INCORPORATION OF RECITALS. The Recitals stated above are true and correct and are incorporated herein as a material part of this Agreement.

2. GRANT OF LICENSE AND CONDITIONS ON THE LICENSE. The Licensor hereby grants to the District a limited, non-exclusive license over, across, and around the License Property

for the sole purpose of surface cleaning the Improvements (“**License**”). The License includes rights of ingress and egress, as may be reasonably necessary for the District and its staff, employees and contractors to access the License Property to facilitate such services as the District deems necessary to perform surface cleaning of the Improvements in order to keep the Improvements in a clean and aesthetically pleasing manner. In consideration of said use of the License Property, the District agrees to the following conditions:

- a. The District’s use of the License Property shall be for the sole purpose of performing surface cleaning of the Improvements as the District deems necessary in order to keep the Improvements in a clean and aesthetically pleasing manner and reasonable ingress and egress thereto.
- b. The District shall not be responsible for the installation of the Improvements or any damage, removal, or other incidentals associated with the maintenance of the Improvements. The District shall not be responsible for returning the License Property to its original condition upon the Licensor’s removal of the Improvements. Moreover, nothing herein shall be construed so as to require or obligate the District to maintain, repair, or replace the Improvements in any way.
- c. Any work performed by or on behalf of the District pursuant to this License shall be performed in accordance with all applicable governmental standards and regulations and performed in a good and workmanlike manner. The grant of this License is conditioned on the Parties’ compliance at all times with applicable laws, statutes, ordinances, codes, rules, regulations, and requirements of federal, state, county, city and municipal government, and any and all of their departments and bureaus, and all applicable permits and approvals.
- d. The Licensor reserves all rights and privileges in and to the Licensor’s property, including the License Property. The Licensor or its duly authorized agents have the right at any and all times to enter and inspect the License Property for compliance with the provisions of this Agreement. This License for the License Property is granted to the District in its “as is” condition and without any warranty or representation, express or implied. No other use of, or access to, the Licensor’s property is permitted without prior written consent of the Licensor.
- e. The District shall, at the District’s expense, perform surface cleaning of the Improvements as the District deems necessary in order to keep the Improvements in a clean and aesthetically pleasing manner in compliance with all applicable laws, rules, codes, ordinances and covenants. Maintenance of the Improvements shall be done at the District’s sole expense. In the event District contractor(s) cause damage to the Improvements in the performance of its duties and upon reasonable request by the Licensor, the District agrees to provide the Licensor with contact information for the identified contractor(s) that is in the District’s possession at the time of request.

- f. The District shall use all due care to protect the License Property and adjoining property from damage resulting from the party's use of the License Property. In the event the District, or its respective agents, assignees, contractors (or their subcontractors, employees, or materialmen) or representatives cause damage to the License Property or to adjacent property or improvements in the exercise of the License granted herein, the Licensor agrees the District shall not be responsible for the restoration of the same and the improvements so damaged.

3. REVOCATION, SUSPENSION AND TERMINATION. The District and the Licensor acknowledge and agree that the License granted herein is a mere privilege and may be suspended, terminated or revoked immediately upon written notice, with or without cause, by either party. The Licensor shall not be entitled to any compensation, off sets, incidental costs, or any other payment under this Agreement, and specifically, the Licensor shall not be entitled to any payment of damages whatsoever for termination, suspension, or revocation of the License by the District, as this grant of License is a mere privilege and not a right.

4. LIMITATIONS OF GOVERNMENTAL LIABILITY. Nothing in this Agreement shall be deemed as a waiver of the District's sovereign immunity or the District's limits of liability as set forth in section 768.28, *Florida Statutes*, or other law, and nothing in this Agreement shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred under such limitations of liability or by operation of law.

5. DEFAULT; ENFORCEMENT OF AGREEMENT. In the event the Licensor shall fail to perform any covenant, term, or provision of this Agreement, then the District shall have the right to immediately terminate this Agreement. In the event either party to this Agreement is required to enforce this Agreement by court proceedings or otherwise, the prevailing party shall be entitled to recover from the other party all fees and costs incurred, including reasonable attorneys' fees and costs. This Agreement and the provisions contained in this Agreement shall be construed, interpreted, and controlled according to the laws of the State of Florida. The Parties agree that venue for any dispute arising hereunder shall be in a court of jurisdiction in Polk County, Florida.

6. MISCELLANEOUS.

- a. **Entire Agreement.** This instrument shall constitute the final and complete expression of the agreement between the Parties relating to the subject matter of this Agreement. Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by both Parties.
- b. **Assignment.** Neither the District nor the Licensor may assign their rights, duties, or obligations under this Agreement without the prior written approval of the other. Any purported assignment without said written authorization shall be void.
- c. **Notices.** All notices, requests, consents, and other communications hereunder ("Notices") shall be in writing and shall be delivered, mailed by First Class Mail,

postage prepaid, or overnight delivery service, to the Parties at the addresses listed herein. Except as otherwise provided in this Agreement, any Notice shall be deemed received only upon actual delivery at the address set forth above. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the District and counsel for the Licensor may deliver Notice on behalf of the District and the Licensor. Any party or other person to whom Notices are to be sent or copied may notify the other Parties and addressees of any change in name or address to which Notices shall be sent by providing the same on five (5) days written notice to the Parties and addressees set forth herein.

- d. **Severability.** The invalidity or unenforceability of any one or more provisions of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any part of this Agreement not held to be invalid or unenforceable.
- e. **Public Records.** The Licensor understands and agrees that all documents of any kind provided to the District in connection with this Agreement may be public records, and, accordingly, the Licensor agrees to comply with all applicable provisions of Florida law in handling such records, including, but not limited to, section 119.0701, *Florida Statutes*.
- f. **Arm's Length Negotiation.** This Agreement has been negotiated fully among the Parties as an arm's length transaction. The Parties participated fully in the preparation of this Agreement and received, or had the opportunity to receive, the advice of counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, the Parties are deemed to have drafted, chosen and selected the language and any doubtful language will not be interpreted or construed against any party.
- g. **Authorization.** The execution of this Agreement has been duly authorized by the appropriate body or official of each party, each party has complied with all the requirements of law and each party has full power and authority to comply with the terms and conditions of this Agreement.
- h. **Headings for Convenience Only.** The descriptive headings in this Agreement are for convenience only and shall not control nor affect the meaning or construction of any provision.
- i. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original; however, all such counterparts together shall constitute but one and the same instrument.
- j. **Anti-Human Trafficking Requirements.** The Licensor certifies, by acceptance of this Agreement, that neither it nor its principals utilize coercion for labor or services as

defined in section 787.06, *Florida Statutes*. If required by law, the Licensor agrees to execute the affidavit, in a form acceptable to the District, in compliance with section 787.06(14), *Florida Statutes*.

IN WITNESS WHEREOF, the Parties caused this Agreement to be executed, effective as of the day and year first written above.

**HIGHLAND MEADOWS
COMMUNITY DEVELOPMENT DISTRICT**

Chairperson, Board of Supervisors

DCBC OLSEN COVE, LLC

By: _____
Its: _____

Exhibit A: License Property

Exhibit A
License Property

The License Property includes the Licensor-owned and maintained property that is located adjacent to the Improvements, the location of which is circled in red in the image below, along with any Licensor-owned property which is necessary to use for ingress and egress to and from the Improvements.



SECTION 8

**HIGHLAND MEADOWS
COMMUNITY DEVELOPMENT DISTRICT
CITY OF DAVENPORT, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2025**

**HIGHLAND MEADOWS COMMUNITY DEVELOPMENT DISTRICT
CITY OF DAVENPORT, FLORIDA**

TABLE OF CONTENTS

| | <u>Page</u> |
|--|-------------|
| INDEPENDENT AUDITOR'S REPORT | 1-2 |
| MANAGEMENT'S DISCUSSION AND ANALYSIS | 3-6 |
| BASIC FINANCIAL STATEMENTS | |
| Government-Wide Financial Statements: | |
| Statement of Net Position | 7 |
| Statement of Activities | 8 |
| Fund Financial Statements: | |
| Balance Sheet – Governmental Funds | 9 |
| Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position | 10 |
| Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds | 11 |
| Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities | 12 |
| Notes to the Financial Statements | 13-20 |
| REQUIRED SUPPLEMENTARY INFORMATION | |
| Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund | 21 |
| Notes to Required Supplementary Information | 22 |
| OTHER INFORMATION | |
| Data Elements required by FL Statute 218.39 (3) (c) | 23 |
| 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 <i>GOVERNMENT AUDITING STANDARDS</i> | 24-25 |
| INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA | 26 |
| MANAGEMENT LETTER PURSUANT TO THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA | 27-28 |



INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Highland Meadows Community Development District
City of Davenport, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Highland Meadows Community Development District, City of Davenport, Florida ("District") as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2025, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

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 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 any assurance.

Other Information Included in the Financial Report

Management is responsible for the other information included in the financial report. The other information comprises the information for compliance with FL Statute 218.39 (3) (c) but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 4, 2026, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of the District's 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 the District's internal control over financial reporting and compliance.

May 4, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Highland Meadows Community Development District, City of Davenport, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2025. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year resulting in a net position balance of \$6,079,693.
- The change in the District's total net position in comparison with the prior fiscal year was (\$37,292), a decrease. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2025, the District's governmental funds reported combined ending fund balances of \$201,431, an increase of \$15,333 in comparison with the prior year. A portion of fund balance is restricted for debt service, non-spendable for deposits, assigned to capital reserves, and the remainder is unassigned fund balance which is available for spending at the District's discretion.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as the introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the residual amount being 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.

The statement of activities presents information showing how the government's net position changed during the most recent 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 flows in future fiscal periods.

The government-wide financial statements distinguish functions of the District that are principally supported by special assessment revenues. The District does not have any business-type activities. The governmental activities of the District include the general government (management) and physical environment functions.

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 other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has one fund category: governmental funds.

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains two governmental funds for external reporting. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances for the general, and debt service fund, both of which are considered to be major funds.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the District, assets exceeded liabilities at the close of the most recent fiscal year.

Key components of the District's net position are reflected in the following table:

| | NET POSITION | |
|----------------------------------|---------------|--------------|
| | SEPTEMBER 30, | |
| | 2025 | 2024 |
| Current and other assets | \$ 211,590 | \$ 196,872 |
| Capital assets, net | 6,563,616 | 6,687,845 |
| Total assets | 6,775,206 | 6,884,717 |
| Current liabilities | 25,513 | 27,732 |
| Long-term liabilities | 670,000 | 740,000 |
| Total liabilities | 695,513 | 767,732 |
| Net position | | |
| Net investment in capital assets | 5,893,616 | 5,947,845 |
| Restricted for debt service | 71,739 | 85,739 |
| Unrestricted | 114,338 | 83,401 |
| Total net position | \$ 6,079,693 | \$ 6,116,985 |

The District's net position reflects its investment in capital assets (e.g. land, land improvements, and infrastructure); less any related debt used to acquire those assets that is still outstanding. These assets are used to provide services to residents; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The restricted portion of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the District's other obligations.

The District's net position decreased during the most recent fiscal year. The majority of the decrease represents the extent to which the cost of operations and depreciation expense exceeded ongoing program revenues.

Key elements of the change in net position are reflected in the following table:

| | 2025 | 2024 |
|------------------------------------|---------------------|---------------------|
| Revenues: | | |
| Program revenues | | |
| Charges for services | \$ 354,659 | \$ 292,000 |
| Operating grants and contributions | 4,551 | 5,388 |
| General revenues | | |
| Miscellaneous revenue | 634 | 30,102 |
| Investment earnings | 1,960 | 130 |
| Total revenues | <u>361,804</u> | <u>327,620</u> |
| Expenses: | | |
| General government | 105,372 | 109,394 |
| Physical environment | 254,628 | 232,744 |
| Interest on long-term debt | 39,096 | 42,052 |
| Total expenses | <u>399,096</u> | <u>384,190</u> |
| Change in net position | (37,292) | (56,570) |
| Net position - beginning | 6,116,985 | 6,173,555 |
| Net position - ending | <u>\$ 6,079,693</u> | <u>\$ 6,116,985</u> |

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2025 was \$399,096. The costs of the District's activities were primarily funded by program revenues. As in the prior fiscal year, program revenues are comprised primarily of assessments. In total, expenses, including depreciation, increased slightly from the prior fiscal year, the majority of the increase was the result of an increase in professional services including the landscape maintenance and repairs.

GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. The general fund budget for the fiscal year ended September 30, 2025 was amended to increase revenues by \$4,326 and increase appropriations by \$4,326.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2025, the District had \$8,846,015 invested in capital assets for its governmental activities. In the government-wide financial statements, depreciation of \$2,282,399 has been taken, which resulted in a net book value of \$6,563,616. More detailed information about the District's capital assets is presented in the notes to the financial statements.

Capital Debt

At September 30, 2025, the District had \$670,000 in Bonds outstanding for its governmental activities. More detailed information about the District's debt is presented in the accompanying notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND OTHER EVENTS

The District does not anticipate any major changes to its infrastructure maintenance program for the subsequent fiscal year. In addition, it is expected that the general operations of the District will remain fairly constant.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide landowners, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact the Highland Meadows Community Development District Finance Department at 5385 N. Nob Hill Road, Sunrise, Florida 33351.

FINANCIAL STATEMENTS

**HIGHLAND MEADOWS COMMUNITY DEVELOPMENT DISTRICT
CITY OF DAVENPORT, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025**

| | Governmental Activities |
|---------------------------------------|----------------------------|
| ASSETS | |
| Cash and equivalents | \$ 122,687 |
| Deposits | 1,810 |
| Restricted assets: | |
| Investments | 87,093 |
| Capital assets | |
| Non-depreciable assets | 5,680,071 |
| Depreciable assets, net | 883,545 |
| Total assets | 6,775,206 |
| LIABILITIES | |
| Accounts payable and accrued expenses | 10,159 |
| Accrued interest payable | 15,354 |
| Non-current liabilities: | |
| Due within one year | 45,000 |
| Due in more than one year | 625,000 |
| Total liabilities | 695,513 |
| NET POSITION | |
| Net investment in capital assets | 5,893,616 |
| Restricted for debt service | 71,739 |
| Unrestricted | 114,338 |
| Total net position | \$ 6,079,693 |

See notes to the financial statements

**HIGHLAND MEADOWS COMMUNITY DEVELOPMENT DISTRICT
CITY OF DAVENPORT, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

| <u>Functions/Programs</u> | <u>Expenses</u> | <u>Program Revenues</u> | | <u>Net (Expense) Revenue and Changes in Net Position</u> |
|----------------------------------|-----------------|-------------------------------------|---|--|
| | | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | <u>Governmental Activities</u> |
| Primary government: | | | | |
| Governmental activities: | | | | |
| General government | \$ 105,372 | \$ 105,372 | \$ - | \$ - |
| Physical environment | 254,628 | 158,742 | - | (95,886) |
| Interest on long-term debt | 39,096 | 90,545 | 4,551 | 56,000 |
| Total governmental activities | 399,096 | 354,659 | 4,551 | (39,886) |
| General revenues: | | | | |
| Unrestricted investment earnings | | | | 1,960 |
| Miscellaneous revenue | | | | 634 |
| Total general revenues | | | | 2,594 |
| Change in net position | | | | (37,292) |
| Net position - beginning | | | | 6,116,985 |
| Net position - ending | | | | \$ 6,079,693 |

See notes to the financial statements

**HIGHLAND MEADOWS COMMUNITY DEVELOPMENT DISTRICT
CITY OF DAVENPORT, FLORIDA
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025**

| | Major Funds | | Total Governmental Funds |
|--------------------------------------|-------------|-----------------|--------------------------------|
| | General | Debt Service | |
| ASSETS | | | |
| Cash and equivalents | \$ 122,687 | \$ - | \$ 122,687 |
| Investments | - | 87,093 | 87,093 |
| Deposits | 1,810 | - | 1,810 |
| Total assets | 124,497 | 87,093 | 211,590 |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities: | | | |
| Accounts payable | \$ 10,159 | \$ - | \$ 10,159 |
| Total liabilities | 10,159 | - | 10,159 |
| Fund balances: | | | |
| Nonspendable: | | | |
| Deposits | 1,810 | - | 1,810 |
| Restricted for: | | | |
| Debt service | - | 87,093 | 87,093 |
| Assigned to: | | | |
| Capital reserves | 72,974 | - | 72,974 |
| Unassigned | 39,554 | - | 39,554 |
| Total fund balances | 114,338 | 87,093 | 201,431 |
| Total liabilities and fund balances | \$ 124,497 | \$ 87,093 | \$ 211,590 |

See notes to the financial statements

**HIGHLAND MEADOWS COMMUNITY DEVELOPMENT DISTRICT
CITY OF DAVENPORT, FLORIDA
RECONCILIATION OF THE BALANCE SHEET-
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2025**

| | | |
|---|--------------------|---------------------|
| Fund balance - governmental funds | | \$ 201,431 |
| <p>Amounts reported for governmental activities in the statement of net position are different because:</p> <p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The statement of net position includes those capital assets in the net position of the government as a whole.</p> | | |
| Cost of capital assets | 8,846,015 | |
| Accumulated depreciation | <u>(2,282,399)</u> | 6,563,616 |
| <p>Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide financial statements.</p> | | |
| Accrued interest payable | (15,354) | |
| Bonds payable | <u>(670,000)</u> | <u>(685,354)</u> |
| Net position of governmental activities | | <u>\$ 6,079,693</u> |

See notes to the financial statements

**HIGHLAND MEADOWS COMMUNITY DEVELOPMENT DISTRICT
CITY OF DAVENPORT, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

| | Major Funds | | Total Governmental Funds |
|--|-------------------|------------------|--------------------------------|
| | General | Debt Service | |
| REVENUES | | | |
| Assessments | \$ 264,114 | \$ 90,545 | \$ 354,659 |
| Miscellaneous income | 634 | - | 634 |
| Interest income | 1,960 | 4,551 | 6,511 |
| Total revenues | <u>266,708</u> | <u>95,096</u> | <u>361,804</u> |
| EXPENDITURES | | | |
| Current: | | | |
| General government | 105,372 | - | 105,372 |
| Physical environment | 130,399 | - | 130,399 |
| Debt service: | | | |
| Principal | - | 70,000 | 70,000 |
| Interest | - | 40,700 | 40,700 |
| Total expenditures | <u>235,771</u> | <u>110,700</u> | <u>346,471</u> |
| Excess (deficiency) of revenues over (under) expenditures | 30,937 | (15,604) | 15,333 |
| Fund balances - beginning | <u>83,401</u> | <u>102,697</u> | <u>186,098</u> |
| Fund balances - ending | <u>\$ 114,338</u> | <u>\$ 87,093</u> | <u>\$ 201,431</u> |

See notes to the financial statements

**HIGHLAND MEADOWS COMMUNITY DEVELOPMENT DISTRICT
CITY OF DAVENPORT, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

| | |
|--|--------------------|
| Net change in fund balances - total governmental funds | \$ 15,333 |
| Amounts reported for governmental activities in the statement of activities are different because: | |
| Depreciation of capital assets is not recognized in the governmental fund statements but is reported as an expense in the statement of activities. | (124,229) |
| Repayments of long-term liabilities are reported as expenditures in the governmental fund statement but such repayments reduce liabilities in the statement of net position and are eliminated in the statement of activities. | 70,000 |
| The change in accrued interest on long-term liabilities between the current and prior fiscal year is recorded in the statement of activities but not in the fund financial statements. | <u>1,604</u> |
| Change in net position of governmental activities | <u>\$ (37,292)</u> |

See notes to the financial statements

**HIGHLAND MEADOWS COMMUNITY DEVELOPMENT DISTRICT
CITY OF DAVENPORT, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

Highland Meadows Community Development District (the "District") was created by City of Davenport Ordinance 573 enacted on April 10, 2006, as amended, pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes. The Act provides among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District.

The District is governed by the Board of Supervisors ("Board"), which is composed of five members. The Supervisors are elected on an at large basis by qualified electors that reside within the District. The Board of Supervisors of the District exercises all powers granted to the District pursuant to Chapter 190, Florida Statutes.

The Board has the responsibility for:

1. Allocating and levying assessments.
2. Approving budgets.
3. Exercising control over facilities and properties.
4. Controlling the use of funds generated by the District.
5. Approving the hiring and firing of key personnel.
6. Financing improvements.

The financial statements were prepared in accordance with Governmental Accounting Standards Board ("GASB") Statements. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the District is considered to be financially accountable and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment; operating-type special assessments for maintenance and debt service are treated as charges for services and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not included among program revenues are reported instead as *general revenues*.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement* focus and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Assessments are recognized as revenues in the year for which they are levied. Grants and similar items are to be recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Assessments

Assessments, including debt service assessments and operations and maintenance assessments, are non-ad valorem assessments imposed on benefited property within the District. Assessments are certified for collection by the District prior to the start of the fiscal year which begins October 1st and ends on September 30th. Operation and maintenance special assessments are imposed upon all benefitted lands in the District. Debt service special assessments are imposed upon certain lots and lands described in each resolution imposing the special assessment for each series of Bonds issued by the District.

Assessments and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period.

The District reports the following major governmental funds:

General Fund

The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund

The debt service fund is used to account for the accumulation of resources for the annual payment of principal and interest on long-term debt.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first for qualifying expenditures, then unrestricted resources as they are needed.

Assets, Liabilities and Net Position or Equity

Restricted Assets

These assets represent cash and investments set aside pursuant to Bond covenants or other contractual restrictions.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Deposits and Investments

The District's cash on hand and demand deposits are considered to be cash and cash equivalents.

The District has elected to proceed under the Alternative Investment Guidelines as set forth in Section 218.415 (17) Florida Statutes. The District may invest any surplus public funds in the following:

- a) The Local Government Surplus Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act;
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
- c) Interest bearing time deposits or savings accounts in qualified public depositories;
- d) Direct obligations of the U.S. Treasury.

Securities listed in paragraphs c and d shall be invested to provide sufficient liquidity to pay obligations as they come due. In addition, surplus funds may be deposited into certificates of deposit which are insured. Any unspent proceeds are required to be held in investments allowed in as specified in the Bond Indenture.

The District records all interest revenue related to investment activities in the respective funds. Investments are measured at amortized cost or reported at fair value as required by generally accepted accounting principles.

Inventories and Prepaid Items

Inventories in governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets which include property, plant and equipment, and infrastructure assets (e.g., roads, sidewalks and similar items) are reported in the government activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

Property, plant and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

| <u>Assets</u> | <u>Years</u> |
|----------------------------|--------------|
| Stormwater system | 35 |
| Roadways | 20 |
| Infrastructure - Sidewalks | 15 |

In the governmental fund financial statements, amounts incurred for the acquisition of capital assets are reported as fund expenditures. Depreciation expense is not reported in the governmental fund financial statements.

Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. Bond premiums and discounts are deferred and amortized over the life of the Bonds. Bonds payable are reported net of applicable premiums or discounts. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Fund Equity/Net Position

In the fund financial statements, governmental funds report non spendable and restricted fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change.

The District can establish limitations on the use of fund balance as follows:

Committed fund balance – Amounts that can be used only for the specific purposes determined by a formal action (resolution) of the Board of Supervisors. Commitments may be changed or lifted only by the Board of Supervisors taking the same formal action (resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

Assigned fund balance – Includes spendable fund balance amounts established by the Board of Supervisors that are intended to be used for specific purposes that are neither considered restricted nor committed. The Board may also assign fund balance as it does when appropriating fund balance to cover differences in estimated revenue and appropriations in the subsequent year's appropriated budget. Assignments are generally temporary and normally the same formal action need not be taken to remove the assignment.

The District first uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Net position is the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position in the government-wide financial statements are categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets represents net position related to infrastructure and property, plant and equipment. Restricted net position represents the assets restricted by the District's Bond covenants or other contractual restrictions. Unrestricted net position consists of the net position not meeting the definition of either of the other two components.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other Disclosures

Use of Estimates

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

NOTE 3 – BUDGETARY INFORMATION

The District is required to establish a budgetary system and an approved Annual Budget. Annual Budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. All annual appropriations lapse at fiscal year-end.

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

- a) Each year, the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- b) A public hearing is conducted to obtain comments.
- c) Prior to October 1, the budget is legally adopted by the District Board.
- d) All budget changes must be approved by the District Board.
- e) The budgets are adopted on a basis consistent with generally accepted accounting principles.
- f) Unused appropriations for annually budgeted funds lapse at the end of the year.

NOTE 4 – DEPOSITS AND INVESTMENTS

Deposits

The District's cash balances were entirely covered by federal depository insurance or by a collateral pool pledged to the State Treasurer, except for the balances in the debt service fund. Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", requires all qualified depositories to deposit with the Treasurer or another banking institution eligible collateral equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. Governmental and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

Investments

The District's investments were held as follows at September 30, 2025:

| | Amortized Cost | Credit Risk | Weighted Average Maturities |
|--|------------------|-------------|-----------------------------|
| First American Treasury Oblig Fd CL Y | \$ 87,093 | S&P AAAM | 48 days |
| Total Investments | <u>\$ 87,093</u> | | |

Credit risk – For investments, credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investment ratings by investment type are included in the preceding summary of investments.

Concentration risk – The District places no limit on the amount the District may invest in any one issuer.

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Interest rate risk – The District does not have a formal policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

However, the Bond Indenture limits the type of investments held using unspent proceeds.

Fair Value Measurement – When applicable, the District measures and records its investments using fair value measurement guidelines established in accordance with GASB Statements. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques.

These guidelines recognize a three-tiered fair value hierarchy, in order of highest priority, as follows:

- *Level 1:* Investments whose values are based on unadjusted quoted prices for identical investments in active markets that the District has the ability to access;
- *Level 2:* Investments whose inputs - other than quoted market prices - are observable either directly or indirectly; and,
- *Level 3:* Investments whose inputs are unobservable.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the entire fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

Money market investments that have a maturity at the time of purchase of one year or less and are held by governments other than external investment pools should be measured at amortized cost. Accordingly, the District's investments have been reported at amortized cost above.

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2025 was as follows:

| | Beginning Balance | Additions | Disposals | Ending Balance |
|--|----------------------|--------------|-----------|-------------------|
| <u>Governmental activities</u> | | | | |
| Capital assets, not being depreciated | | | | |
| Land and land improvements | \$ 5,680,071 | \$ - | \$ - | \$ 5,680,071 |
| Total capital assets, not being depreciated | 5,680,071 | - | - | 5,680,071 |
| Capital assets, being depreciated | | | | |
| Stormwater system | 1,595,627 | - | - | 1,595,627 |
| Roadways | 988,700 | - | - | 988,700 |
| Infrastructure | 581,617 | - | - | 581,617 |
| Total capital assets, being depreciated | 3,165,944 | - | - | 3,165,944 |
| Less accumulated depreciation for: | | | | |
| Stormwater system | 816,807 | 45,589 | - | 862,396 |
| Roadways | 877,471 | 49,435 | - | 926,906 |
| Infrastructure | 463,892 | 29,205 | - | 493,097 |
| Total accumulated depreciation | 2,158,170 | 124,229 | - | 2,282,399 |
| Total capital assets, being depreciated, net | 1,007,774 | (124,229) | - | 883,545 |
| Governmental activities capital assets, net | \$ 6,687,845 | \$ (124,229) | \$ - | \$ 6,563,616 |

Depreciation expense was charged to the physical environment function.

NOTE 6 – LONG-TERM LIABILITIES

Series 2006A

On August 11, 2006, the District issued \$2,945,000 of Special Assessment Bonds Series 2006A with a fixed interest rate of 5.5%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. Interest is paid semiannually on each May 1 and November 1. Principal on the bonds is payable annually, commencing May 1, 2007 through May 1, 2036.

The Series 2006A Bonds are subject to redemption at the option of the District prior to their maturity. The Bonds are subject to extraordinary mandatory redemption prior to their selected maturity in the manner determined by the Bond Indenture. This occurred during the current fiscal year as the District prepaid \$25,000 of the Series 2006A Bonds. See Note 9 - Subsequent Events for additional call amounts subsequent to the fiscal year end.

The Bond Indenture has certain restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agreed to 1) levy special assessments in annual installments adequate to provide payment of debt service and 2) to meet the reserve requirements. Payment of the principal and interest on the Series 2006A Bonds is secured by a pledge of and first lien upon the pledged special assessment revenue. The District is in compliance with these requirements at September 30, 2025.

Long-term Debt Activity

Changes in long-term liability activity for the fiscal year ended September 30, 2025 were as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|--------------------------------|----------------------|-----------|------------|-------------------|------------------------|
| <u>Governmental activities</u> | | | | | |
| Bonds payable: | | | | | |
| Series 2006A | \$ 740,000 | \$ - | \$ 70,000 | \$ 670,000 | \$ 45,000 |
| Total | \$ 740,000 | \$ - | \$ 70,000 | \$ 670,000 | \$ 45,000 |

At September 30, 2025, the scheduled debt service requirements on the long-term debt were as follows:

| Year ending September 30: | Governmental Activities | | |
|------------------------------|-------------------------|------------|------------|
| | Principal | Interest | Total |
| 2026 | \$ 45,000 | \$ 36,850 | \$ 81,850 |
| 2027 | 50,000 | 34,375 | 84,375 |
| 2028 | 50,000 | 31,625 | 81,625 |
| 2029 | 55,000 | 28,875 | 83,875 |
| 2030 | 55,000 | 25,850 | 80,850 |
| 2031-2035 | 335,000 | 79,200 | 414,200 |
| 2036 | 80,000 | 4,400 | 84,400 |
| Total | \$ 670,000 | \$ 241,175 | \$ 911,175 |

NOTE 7 – MANAGEMENT COMPANY

The District has contracted with a management company to perform management services, which include financial and accounting services. Certain employees of the management company also serve as officers (Board appointed non-voting positions) of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, and other administrative costs.

NOTE 8 – 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; natural disasters; and environmental remediation. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. The District has not filed any claims under this commercial insurance coverage during the last three years.

NOTE 9 – SUBSEQUENT EVENTS

Bond Payments

Subsequent to fiscal year end, the District prepaid a total of \$10,000 of the Series 2006A Bonds. The prepayments were considered extraordinary mandatory redemptions as outlined in the Bond Indenture.

**HIGHLAND MEADOWS COMMUNITY DEVELOPMENT DISTRICT
CITY OF DAVENPORT, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|--|------------------|------------|-------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Assessments | \$ 262,129 | \$ 264,114 | \$ 264,114 | \$ - |
| Miscellaneous income | - | 634 | 634 | - |
| Interest income | - | 1,707 | 1,960 | 253 |
| Total revenues | 262,129 | 266,455 | 266,708 | 253 |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | 99,065 | 98,990 | 105,372 | (6,382) |
| Physical environment | 163,064 | 167,465 | 130,399 | 37,066 |
| Total expenditures | 262,129 | 266,455 | 235,771 | 30,684 |
| Excess (deficiency) of revenues over (under) expenditures | \$ - | \$ - | 30,937 | \$ 30,937 |
| Fund balance - beginning | | | 83,401 | |
| Fund balance - ending | | | \$ 114,338 | |

See notes to required supplementary information

**HIGHLAND MEADOWS COMMUNITY DEVELOPMENT DISTRICT
CITY OF DAVENPORT, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

The District is required to establish a budgetary system and an approved Annual Budget for the general fund. The District's budgeting process is based on estimates of cash receipts and cash expenditures which are approved by the Board. The budget approximates a basis consistent with accounting principles generally accepted in the United States of America (generally accepted accounting principles).

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. The general fund budget for the fiscal year ended September 30, 2025 was amended to increase revenues by \$4,326 and increase appropriations by \$4,326.

**HIGHLAND MEADOWS COMMUNITY DEVELOPMENT DISTRICT
CITY OF DAVENPORT, FLORIDA
OTHER INFORMATION – DATA ELEMENTS
REQUIRED BY FL STATUTE 218.39(3)(C)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
UNAUDITED**

| Element | Comments |
|---|---|
| Number of District employees compensated in the last pay period of the District's fiscal year being reported. | 0 |
| Number of independent contractors compensated to whom nonemployee compensation was paid in the last month of the District's fiscal year being reported. | 0 |
| Employee compensation | Not applicable |
| Independent contractor compensation | \$0 |
| Construction projects to begin on or after October 1; (>\$65K) | Not applicable |
| Budget variance report | See the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund |
| Ad Valorem taxes; | Not applicable |
| Non ad valorem special assessments; | |
| Special assessment rate | Operations and maintenance - \$1,269.64 Debt service - \$975.00 |
| Special assessments collected | \$354,659 |
| Outstanding Bonds: | |
| Series 2006, due May 1, 2036 | \$670,000 |



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

To the Board of Supervisors
Highland Meadows Community Development District
City of Davenport, 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 and each major fund of Highland Meadows Community Development District, City of Davenport, Florida ("District") as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated May 4, 2026.

Report on 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 opinions 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 a 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 or significant deficiencies may exist that were not identified.

Report on 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 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.

May 4, 2026



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE
REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY
RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Board of Supervisors
Highland Meadows Community Development District
City of Davenport, Florida

We have examined Highland Meadows Community Development District, City of Davenport, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2025. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on 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. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2025.

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, management, and the Board of Supervisors of Highland Meadows Community Development District, City of Davenport, Florida, and is not intended to be and should not be used by anyone other than these specified parties.

May 4, 2026



**MANAGEMENT LETTER PURSUANT TO THE RULES OF
THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Board of Supervisors
Highland Meadows Community Development District
City of Davenport, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of Highland Meadows Community Development District ("District") as of and for the fiscal year ended September 30, 2025 and have issued our report thereon dated May 4, 2026.

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 Florida Auditor General.

Other Reporting Requirements

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*; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated May 4, 2026, should be considered in conjunction with this management letter.

Purpose of this Letter

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General of the State of Florida. Accordingly, in connection with our audit of the financial statements of the District, as described in the first paragraph, we report the following:

- I. Current year findings and recommendations.**
- II. Status of prior year findings and recommendations.**
- III. Compliance with the Provisions of the Auditor General of the State of Florida.**

Our management letter 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, Federal and other granting agencies, as applicable, management, and the Board of Supervisors of Highland Meadows Community Development District, City of Davenport, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank Highland Meadows Community Development District, City of Davenport, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements, and the courtesies extended to us.

May 4, 2026

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

None

III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2024.

2. Any recommendations to improve the local governmental entity's financial management.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2025.

3. 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.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2025.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.

5. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.

6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2025. It is management's responsibility to monitor 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.

7. Management has provided the specific information required by Section 218.39(3)(c) in the Other Information section of the financial statements on page 23.

SECTION 9



Headquarters
200 South F Street
Haines City, Florida 33844
(863) 422-5207
www.princeandsonsinc.com

Tampa
9513 US 92 East
Tampa, Florida 33610

Orlando
14645 Boggy Creek Rd
Orlando, Florida 32824

Valued Customer,

Our family-owned company at Prince & Sons thanks you for the business in servicing your property's landscaping. We are unable to continue to absorb excessive increase in the cost of fuel to our company. We do everything we can to conserve fuel and buy in bulk to keep our prices down however the increases to gas and diesel have resulted in a direct 3% increase to our hard costs that we need to pass along to our customers. We hope this is not a long-term problem so we want to have in place a clear invoicing process that can be tracked. Effective immediately we are sending a separate 3% fuel charge invoice to help offset this expense. The below increase will be invoiced:

Average gas price of \geq \$4/gallon we will have a 3% increase

Average gas price of \$3.50-\$3.99/gallon we will have a 2% increase

Average gas price $<$ \$3.49/gallon the fuel service charge will end

- **BASED ON STATE AVERAGE**
- **ONLY APPLIES TO CONTRACTED "ESSENTIAL SERVICES"**
- **FUEL SERVICE CHARGE APPLIES THROUGH SEPTEMBER IF PRICES WARRANT**
- **FY 2027 CHARGES WOULD NEED TO BE APPROVED FOR BUDGET**

We thank you for your understanding with this. Please do not hesitate to contact your manager if you have any questions.

Warmest Regards,

Lucas Dean Martin
Vice President
Phone: 863-422-5207 Office



SECTION 10

SECTION C

Highland Meadows - CDD

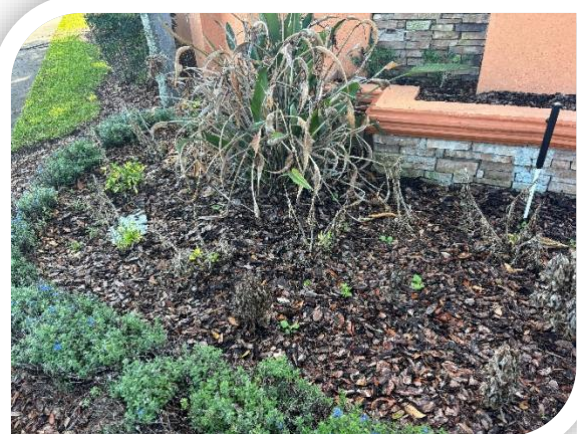
Field Management Report – Photo Supplement

Plantings Effected By the Recent Cold Snap



Photo Description:

- Recent pictures of plantings effected by the recent cold snap (both entrances and center island on Davenport Blvd.)



Eroded Areas Throughout the District



Photo Description:

- Proposal Map: (1) behind 682 Highland Meadows Ave. by MES, (2) next to 966 Highland Meadows St., (5) next to 907 Highland Meadows St., (3) by dry pond next to the bridge on Highland Meadows St., and (4) by dry pond on Highland Meadows Ln.



Eroded Areas Throughout the District Cont'd



Maintenance Items



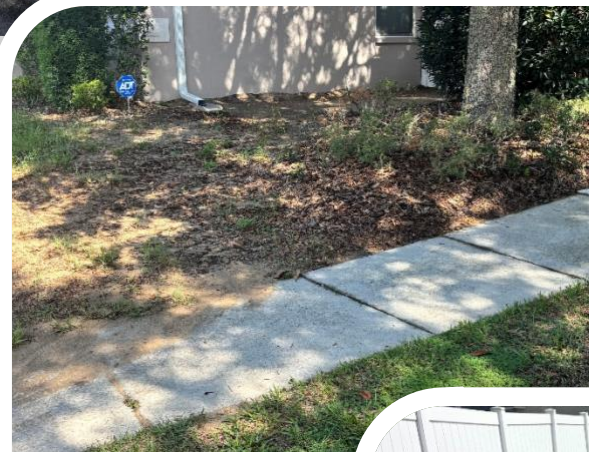
Photo Description:

- ✚ Faded "No Overnight Parking" sign by Olsen Rd. entrance.
- ✚ Several areas of the perimeter wall in need of maintenance.

Maintenance Items Cont'd

Photo Description:

- ✚ Pressure wash and removal of sand by Davenport Rd. entrance and by bridge on Highland Meadows St.



Highland Meadows CDD Field Management Action Items List

| <i>Description</i> | <i>Vendor</i> | <i>Status</i> | <i>Proposal \$</i> | <i>Completion</i> | <i>Notes</i> |
|---|---------------|---------------|--|-------------------|---|
| Stop Sign Repair by Olsen Rd. Entrance | GMS | Completed | | April 2026 | Down stop sign was found at the end of Olsen Rd. entrance was repaired back in Feb. Maintenance to go back out to straightened. |
| Misc. Maintenance Items | GMS | Completed | | April 2026 | Reinforce skimmer station on Highland Meadows Ct. and remove vegetation at (2) MES outlets. |
| Perimeter Wall Maintenance | GMS | Pending | | Est. June 2026 | Patch and paint (4) sections of cracks along Davenport Rd. perimeter wall and paint discolored section by the left end of the Olsen Rd. perimeter wall. |
| Misc. Maintenance | GMS | Pending | | Est. June 2026 | Replace discolored "No Overnight Parking" sign and reinforce "No Parking on Curves" sign by the bridge on Highland Meadows St. |
| Sidewalk Maintenance | GMS | Pending | | Est. June 2026 | Pressure wash sidewalk by Davenport Rd. entrance and sidewalk across Highland Meadows St. bridge. |
| Plant Replacement Due to Recent Cold Snap | Prince & Sons | Discussion | \$11,057.50 | | Plant replacement location in both entrances (Olsen Rd. and Davenport Blvd.) and center island on Davenport Blvd. |
| Restoring (5) Areas of Erosion on CDD Owned Areas | Prince & Sons | Discussion | Area 1 (\$865), Area 2 (\$800), Area 3 (\$400), Area 4 (\$930), & Area 5 (\$800) | | Addressing areas with visible erosion: (1) behind 682 Highland Meadows Ave. by MES, (2) next to 966 Highland Meadows St., (5) next to 907 Highland Meadows St., (3) by dry pond next to the bridge on Highland Meadows St., and (4) by dry pond on Highland Meadows Ln. Note: See Map on Supplemental Picture PDF for reference. |

SECTION i



200 S. F. Street
Haines City, Florida 33844

Phone 863-422-5207 | Fax 863-422-1816

Polk County License # 214815

Date: 4.1.2026

SUBMITTED TO:

GMS Services
345 W Central
Orlando, FL 32801
Joel Blanco
Phone: 786.238.9473
Email: jblanco@gmscf.com

Job Name / Location:

Highland Meadows CDD
Haines City, FL 33884

Replace dead plant material

| | Qty | Unit | Unit Cost | TOTAL |
|-----------------------|-----|------|--------------|--------------------|
| Arbicola trinettes | 225 | 3g | \$20.00 | \$4,500.00 |
| Dw. Ixora | 54 | 3g | \$20.00 | \$1,080.00 |
| Oyster plants | 190 | 1g | \$10.00 | \$1,900.00 |
| Robellini Palm triple | 3 | 45g | \$812.50 | \$2,437.50 |
| Mammey Crotons | 24 | 3g | \$20.00 | \$480.00 |
| Pine Bark Mulch | 11 | yds | \$60.00 | \$660.00 |
| | | | total | \$11,057.50 |

The customer agrees, that by signing this proposal, it shall become a legal and binding contract and shall supersede any previous agreements, discussed or implied. The customer further agrees to all terms and conditions set forth within and shall be responsible for any/all court and/or attorney fees incurred by Prince and Sons, Inc. required to obtain collection for any portion of money owed for material and/or work performed by Prince and Sons Inc.

Submitted by: Mark Stripling

Accepted by: _____

Date Submitted 4.1.2026

Date Accepted: _____

SECTION ii

SECTION a)

Eroded Areas Throughout the District

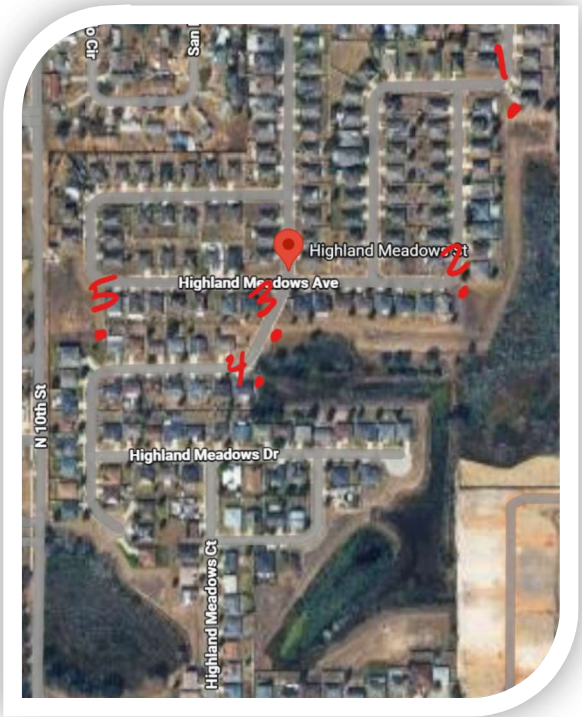


Photo Description:

- Proposal Map: (1) behind 682 Highland Meadows Ave. by MES, (2) next to 966 Highland Meadows St., (5) next to 907 Highland Meadows St., (3) by dry pond next to the bridge on Highland Meadows St., and (4) by dry pond on Highland Meadows Ln.



Dip in Road on Highland Meadows Ct.

Photo Description:

- ✚ Dip in the road is starting to puddle a small amount of water.





200 S. F. Street
Haines City, Florida 33844

Phone 863-422-5207 | Fax 863-422-1816

Polk County License # 214815

Date: April 3, 2026

SUBMITTED TO:

GMS Services
219 E Livingston St.
Orlando, FL 32801
Joel Blanco
Phone: (407)-841-5524
Email: jblanco@gmscfl.com

Job Name / Location:

Highland Meadows 1

Pond 1

PROPOSAL TO RIP AND REPLACE SOD NEAR ENTRANCE SIGNS

| | Qty | Unit | Unit Cost | TOTAL |
|-----------|-----|------|--------------|-----------------|
| Bahia Sod | 2 | Plts | \$400.00 | \$ 800.00 |
| Fill Dirt | 1 | CY | \$65.00 | \$65.00 |
| | | | TOTAL | \$865.00 |

The customer agrees, that by signing this proposal, it shall become a legal and binding contract and shall supersede any previous agreements, discussed or implied. The customer further agrees to all terms and conditions set forth within and shall be responsible for any/all court and/or attorney fees incurred by Prince and Sons, Inc. required to obtain collection for any portion of money owed for material and/or work performed by Prince and Sons Inc.

Submitted by: Brian Bubendorf

Date Submitted: April 3, 2026

Accepted by: _____

Date Accepted: _____

SECTION b)



200 S. F. Street
Haines City, Florida 33844

Phone 863-422-5207 | Fax 863-422-1816

Polk County License # 214815

Date: April 3, 2026

SUBMITTED TO:

GMS Services
219 E Livingston St.
Orlando, FL 32801
Joel Blanco
Phone: (407)-841-5524
Email: jblanco@gmscfl.com

Job Name / Location:

Highland Meadows 1

Pond 2

PROPOSAL TO RIP AND REPLACE SOD NEAR ENTRANCE SIGNS

| | Qty | Unit | Unit Cost | TOTAL |
|-----------|-----|------|-----------|-----------|
| Bahia Sod | 2 | Plts | \$400.00 | \$ 800.00 |
| | | | TOTAL | \$800.00 |

The customer agrees, that by signing this proposal, it shall become a legal and binding contract and shall supersede any previous agreements, discussed or implied. The customer further agrees to all terms and conditions set forth within and shall be responsible for any/all court and/or attorney fees incurred by Prince and Sons, Inc. required to obtain collection for any portion of money owed for material and/or work performed by Prince and Sons Inc.

Submitted by: Brian Bubendorf

Date Submitted: April 3, 2026

Accepted by: _____

Date Accepted: _____

SECTION c)



200 S. F. Street
Haines City, Florida 33844

Phone 863-422-5207 | Fax 863-422-1816

Polk County License # 214815

Date: April 3, 2026

SUBMITTED TO:

GMS Services
219 E Livingston St.
Orlando, FL 32801
Joel Blanco
Phone: (407)-841-5524
Email: jblanco@gmscfl.com

Job Name / Location:

Highland Meadows 1

Pond 3

PROPOSAL TO RIP AND REPLACE SOD NEAR ENTRANCE SIGNS

| | Qty | Unit | Unit Cost | TOTAL |
|-----------|-----|------|-----------|-----------|
| Bahia Sod | 1 | Plts | \$400.00 | \$ 400.00 |
| | | | TOTAL | \$400.00 |

The customer agrees, that by signing this proposal, it shall become a legal and binding contract and shall supersede any previous agreements, discussed or implied. The customer further agrees to all terms and conditions set forth within and shall be responsible for any/all court and/or attorney fees incurred by Prince and Sons, Inc. required to obtain collection for any portion of money owed for material and/or work performed by Prince and Sons Inc.

Submitted by: Brian Bubendorf

Date Submitted: April 3, 2026

Accepted by: _____

Date Accepted: _____

SECTION d)



200 S. F. Street
Haines City, Florida 33844

Phone 863-422-5207 | Fax 863-422-1816

Polk County License # 214815

Date: April 3, 2026

SUBMITTED TO:

GMS Services
219 E Livingston St.
Orlando, FL 32801
Joel Blanco
Phone: (407)-841-5524
Email: jblanco@gmscfl.com

Job Name / Location:

Highland Meadows 1

Pond 4

PROPOSAL TO RIP AND REPLACE SOD NEAR ENTRANCE SIGNS

| | Qty | Unit | Unit Cost | TOTAL |
|-----------|-----|------|-----------|-----------------|
| Fill Dirt | 2 | CY | \$65.00 | \$ 130.00 |
| Bahia Sod | 2 | Plts | \$400.00 | \$ 800.00 |
| | | | TOTAL | \$930.00 |

The customer agrees, that by signing this proposal, it shall become a legal and binding contract and shall supersede any previous agreements, discussed or implied. The customer further agrees to all terms and conditions set forth within and shall be responsible for any/all court and/or attorney fees incurred by Prince and Sons, Inc. required to obtain collection for any portion of money owed for material and/or work performed by Prince and Sons Inc.

Submitted by: Brian Bubendorf

Date Submitted: April 3, 2026

Accepted by: _____

Date Accepted: _____

SECTION e)



200 S. F. Street
Haines City, Florida 33844

Phone 863-422-5207 | Fax 863-422-1816

Polk County License # 214815

Date: April 3, 2026

SUBMITTED TO:

GMS Services
219 E Livingston St.
Orlando, FL 32801
Joel Blanco
Phone: (407)-841-5524
Email: jblanco@gmscfl.com

Job Name / Location:

Highland Meadows 1

Pond 5

PROPOSAL TO RIP AND REPLACE SOD NEAR ENTRANCE SIGNS

| | Qty | Unit | Unit Cost | TOTAL |
|-----------|-----|------|-----------|-----------|
| Bahia Sod | 2 | Plts | \$400.00 | \$ 800.00 |
| | | | TOTAL | \$800.00 |

The customer agrees, that by signing this proposal, it shall become a legal and binding contract and shall supersede any previous agreements, discussed or implied. The customer further agrees to all terms and conditions set forth within and shall be responsible for any/all court and/or attorney fees incurred by Prince and Sons, Inc. required to obtain collection for any portion of money owed for material and/or work performed by Prince and Sons Inc.

Submitted by: Brian Bubendorf

Date Submitted: April 3, 2026

Accepted by: _____

Date Accepted: _____

SECTION D

SECTION i

Highland Meadows CDD

Action Items

June 2026

| <u>Date Assigned</u> | <u>Item</u> | <u>Entity or Person(s) Responsible</u> | <u>Status</u> |
|----------------------|---|--|--|
| 11.17.2023 | Identify construction plan for boundary property in the vicinity of Highland Meadows Place cul de sac | District Engineer Rey Malave and Chace Arrington | Depending on the construction plans, a proposal for a vegetated/landscape border may be presented at a future meeting (the vegetated border would be a Field Management issue). Field staff providing photographs of nearby community and white vinyl fence for Board review 08.12.2025. Engineer provided landscape plans for BOS review – sent to BOS 11.06.2025 Fence maintenance agreement to be considered at future meeting. |
| 11.17.2023 | Ethics Training | Board Members | Ongoing - Calendar year 2026 Workshops scheduled via Zoom June 8, 2026, from 9 to 11 am |
| 11.17.2023 | Send CDD Meeting Notice to HOA Manager | District Management/Recording Secretary | Ongoing - for electronic mail distribution to promote attendance at CDD Board Meetings. |
| 05.03.2024 | Update rough costs for milling and resurfacing roads | District Engineer Rey Malave and Chace Arrington | Estimated \$630,000. |
| 08.23.2024 | Review roadway at Highland Meadows Ct. | Engineer Chace Arrington and Field Manager Joel Blanco | Dip in road is being monitored. Seems stable. |
| 11.04.2025 | Inspect area, make recommendation and report regarding erosion on north side of bridge | Cole Landau/Rey Malave | Report to BOS by January 1, 2026. FLG Service Group Proposal for erosion repairs approved 02.10.2026. Engineer approved payment for completed work 05.01.2026. Completed. |
| 11.04.2025 | Holiday Lights | Joel Blanco | Provide options to BOS for FY2027 Budget. |
| 02.10.2026 | Landscape proposals for erosion repair | Joel Blanco | Provide proposals for erosion remediation throughout District. |

SECTION ii

Highland Meadows
COMMUNITY DEVELOPMENT DISTRICT

Fiscal Year 2026
Check Register

| <i>Date</i> | <i>check #'s</i> | <i>Amount</i> |
|--------------|------------------|---------------------|
| 1/1-1/31 | 100243-100246 | \$11,840.64 |
| 2/1-2/28 | 100247-100252 | \$11,409.44 |
| 3/1-3/31 | 100253-100255 | \$10,321.83 |
| 4/1-4/30 | 100256-100260 | \$8,949.80 |
| TOTAL | | \$ 42,521.71 |

| CHECK DATE | VEND# |INVOICE..... DATE INVOICE | ...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS | VENDOR NAME | STATUS | AMOUNT |CHECK..... AMOUNT # |
|---------------|-------|-----------------------------------|---|----------------------------|--------|----------|----------------------------|
| 1/21/26 | 00009 | 1/19/26 22476753 | 202512 310-51300-31100 DEC 25 - ENGINEERING SVCS | DEWBERRY ENGINEERS INC. | * | 355.25 | 355.25 100243 |
| 1/21/26 | 00001 | 11/30/25 82 | 202511 320-53800-49000 RP DMGD CURB MOUNT | | * | 1,409.50 | |
| | | 1/01/26 83 | 202601 320-53800-34000 JAN 26 - FIELD MGMT | | * | 643.75 | |
| | | 1/01/26 84 | 202601 310-51300-34000 JAN 26 - MGMT FEES | | * | 2,916.67 | |
| | | 1/01/26 84 | 202601 310-51300-49500 JAN 26 - WEBSITE ADMIN | | * | 100.00 | |
| | | 1/01/26 84 | 202601 310-51300-35100 JAN 26 - IT | | * | 150.00 | |
| | | 1/01/26 84 | 202601 310-51300-31300 JAN 26 - DISSEMINATION | | * | 200.00 | |
| | | | | GMS - CENTRAL FLORIDA, LLC | | | 5,419.92 100244 |
| 1/21/26 | 00003 | 1/13/26 14032 | 202512 310-51300-31500 DEC 25 - GENERAL COUNSEL | KILINSKI VAN WYK, PLLC | * | 482.00 | 482.00 100245 |
| 1/21/26 | 00028 | 12/15/25 21488 | 202512 320-53800-46400 ADD PINE BARK MULCH WALL | | * | 2,640.00 | |
| | | 12/31/25 21601 | 202512 320-53800-46500 IRRIGATION REPAIRS | | * | 283.47 | |
| | | 1/01/26 21723 | 202601 320-53800-46200 JAN 26 - LANDSCAPE MAINT | | * | 2,660.00 | |
| | | | | PRINCE & SONS INC. | | | 5,583.47 100246 |
| 2/25/26 | 00009 | 2/19/26 22480237 | 202601 310-51300-31100 JAN 26 - ENGINEERING SVCS | DEWBERRY ENGINEERS INC. | * | 187.50 | 187.50 100247 |
| 2/25/26 | 00025 | 1/31/26 7550514 | 202601 310-51300-48000 NOT OF REG & WRKSHP MTGS | GANNETT FLORIDA LOCALIQ | * | 418.73 | 418.73 100248 |
| 2/25/26 | 00001 | 2/01/26 85 | 202602 320-53800-34000 FEB 26 - FIELD MGMT | | * | 643.75 | |
| | | 2/01/26 86 | 202602 310-51300-34000 FEB 26 - MGMT FEES | | * | 2,916.67 | |
| | | 2/01/26 86 | 202602 310-51300-49500 FEB 26 - WEBSITE ADMIN | | * | 100.00 | |
| | | 2/01/26 86 | 202602 310-51300-35100 FEB 26 - IT | | * | 150.00 | |

HLMD HIGHLAND MEADO PPOWERS

| CHECK DATE | VEND# |INVOICE..... DATE INVOICE | ...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS | VENDOR NAME | STATUS | AMOUNT |CHECK..... AMOUNT # |
|---------------|-------|---|--|----------------------------|------------------------|----------|----------------------------|
| | | 2/01/26 86 FEB 26 - DISSEMINATION | 202602 310-51300-31300 | GMS - CENTRAL FLORIDA, LLC | * | 200.00 | 4,010.42 100249 |
| 2/25/26 00010 | | 2/02/26 28605 AUDIT FYE 09302025 | 202602 310-51300-32200 | GRAU AND ASSOCIATES | * | 3,300.00 | 3,300.00 100250 |
| 2/25/26 00003 | | 2/19/26 14196 JAN 26 - GENERAL COUNSEL | 202601 310-51300-31500 | KILINSKI VAN WYK, PLLC | * | 603.00 | 603.00 100251 |
| 2/25/26 00028 | | 1/26/26 22002 IRRIGATION REPAIRS | 202601 320-53800-46500 | PRINCE & SONS INC. | * | 229.79 | 2,889.79 100252 |
| | | 2/01/26 22126 FEB 26 - LANDSCAPE MAINT | 202602 320-53800-46200 | | * | 2,660.00 | |
| 3/31/26 00001 | | 3/01/26 87 MAR 26 - FIELD MGMT | 202603 320-53800-34000 | GMS - CENTRAL FLORIDA, LLC | * | 643.75 | 4,010.42 100253 |
| | | 3/01/26 88 MAR 26 - MGMT FEES | 202603 310-51300-34000 | | * | 2,916.67 | |
| | | 3/01/26 88 MAR 26 - WEBSITE ADMIN | 202603 310-51300-49500 | | * | 100.00 | |
| | | 3/01/26 88 MAR 26 - IT | 202603 310-51300-35100 | | * | 150.00 | |
| | | 3/01/26 88 MAR 26 - DISSEMINATION | 202603 310-51300-31300 | | * | 200.00 | |
| 3/31/26 00003 | | 3/19/26 14503 FEB 26 - GENERAL COUNSEL | 202602 310-51300-31500 | | KILINSKI VAN WYK, PLLC | * | |
| 3/31/26 00028 | | 2/23/26 22621 IRRIGATION REPAIRS | 202602 320-53800-46500 | PRINCE & SONS INC. | * | 130.41 | 2,790.41 100255 |
| | | 3/01/26 22509 MAR 26 - LANDSCAPE MAINT | 202603 320-53800-46200 | | * | 2,660.00 | |
| 4/17/26 00001 | | 4/01/26 89 APR 26 - FIELD MGMT | 202604 320-53800-34000 | GMS - CENTRAL FLORIDA, LLC | * | 643.75 | 4,010.42 100253 |
| | | 4/01/26 90 APR 26 - MGMT FEES | 202604 310-51300-34000 | | * | 2,916.67 | |
| | | 4/01/26 90 APR 26 - WEBSITE ADMIN | 202604 310-51300-49500 | | * | 100.00 | |

HLMD HIGHLAND MEADO PPOWERS

| CHECK DATE | VEND# | INVOICE DATE | INVOICE | EXPENSED TO YRMO DPT ACCT# SUB SUBCLASS | VENDOR NAME | STATUS | AMOUNT | CHECK AMOUNT | CHECK # |
|------------|-------|--------------|-----------------|---|---------------------------|--------|--------------------|----------------------------|-----------------|
| 4/01/26 | 90 | APR 26 | - IT | 202604 310-51300-35100 | | * | 150.00 | | |
| 4/01/26 | 90 | APR 26 | - DISSEMINATION | 202604 310-51300-31300 | | * | 200.00 | | |
| | | | | | | | | GMS - CENTRAL FLORIDA, LLC | 4,010.42 100256 |
| 4/17/26 | 00026 | 4/17/26 | 04172026 | 202604 300-20700-10000 | TRANSFER OF TAX RECEIPTS | * | 240.72 | | |
| | | | | | | | | HIGHLAND MEADOWS CDD | 240.72 100257 |
| 4/17/26 | 00003 | 4/11/26 | 14749 | 202603 310-51300-31500 | MAR 26 - GENERAL COUNSEL | * | 1,057.50 | | |
| | | | | | | | | KILINSKI VAN WYK, PLLC | 1,057.50 100258 |
| 4/17/26 | 00028 | 4/01/26 | 23186 | 202604 320-53800-46200 | APR 26 - LANDSCAPE MAINT | * | 2,660.00 | | |
| | | | | | | | | PRINCE & SONS INC. | 2,660.00 100259 |
| 4/17/26 | 00034 | 3/31/26 | 7644024 | 202603 310-51300-48000 | NOTICE OF RULE DEVELOPMNT | * | 981.16 | | |
| | | | | | | | | USA TODAY MEDIA CORP. | 981.16 100260 |
| | | | | | | | TOTAL FOR BANK A | 42,521.71 | |
| | | | | | | | TOTAL FOR REGISTER | 42,521.71 | |

HLMD HIGHLAND MEADO PPOWERS

SECTION iii

Highland Meadows
Community Development District

Unaudited Financial Reporting
April 30, 2026



Table of Contents

| | | |
|---|-------|-------------------------------|
| 1 | <hr/> | Balance Sheet |
| 2 | <hr/> | General Fund |
| 3 | <hr/> | Reserve Fund |
| 4 | <hr/> | Debt Service Fund Series 2006 |
| 5 | <hr/> | Month to Month |
| 6 | <hr/> | Long Term Debt Report |
| 7 | <hr/> | Assessment Receipt Schedule |

Highland Meadows
Community Development District
Combined Balance Sheet
April 30, 2026

| | <i>General Fund</i> | <i>Reserve Fund</i> | <i>Debt Service Fund</i> | <i>Totals Governmental Funds</i> |
|---|-------------------------|-------------------------|------------------------------|--------------------------------------|
| Assets: | | | | |
| Cash: | | | | |
| Operating Account - Truist | \$ 184,330 | \$ - | \$ - | \$ 184,330 |
| Investments: | | | | |
| Money Market Account - Bank United | 41,913 | 50,853 | - | 92,766 |
| Series 2006A | | | | |
| Reserve | - | - | 46,215 | 46,215 |
| Revenue | - | - | 99,160 | 99,160 |
| Prepayment | - | - | 27 | 27 |
| General | - | - | - | - |
| Due from General Fund | - | 22,790 | 3,747 | 26,537 |
| Due from Debt Service | 936 | - | - | 936 |
| Prepaid Expenses | - | - | - | - |
| Deposits | 1,810 | - | - | 1,810 |
| Total Assets | \$ 228,989 | \$ 73,643 | \$ 149,148 | \$ 451,780 |
| Liabilities: | | | | |
| Accounts Payable | \$ 13,438 | \$ - | \$ - | \$ 13,438 |
| Due to General Fund | - | - | 936 | 936 |
| Due to Debt Service | 3,747 | - | - | 3,747 |
| Due to Reserve | 22,790 | - | - | 22,790 |
| Total Liabilities | \$ 39,975 | \$ - | \$ 936 | \$ 40,911 |
| Fund Balance: | | | | |
| Nonspendable: | | | | |
| Deposits | \$ 1,810 | \$ - | \$ - | \$ 1,810 |
| Restricted for: | | | | |
| Debt Service - Series | - | - | 148,212 | 148,212 |
| Unassigned | 187,204 | 73,643 | - | 260,847 |
| Total Fund Balances | \$ 189,014 | \$ 73,643 | \$ 148,212 | \$ 410,869 |
| Total Liabilities & Fund Balance | \$ 228,989 | \$ 73,643 | \$ 149,148 | \$ 451,780 |

Highland Meadows

Community Development District

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

For The Period Ending April 30, 2026

| | Adopted | Prorated Budget | Actual | |
|--|--------------------|-------------------|-------------------|-------------------|
| | Budget | Thru 04/30/26 | Thru 04/30/26 | Variance |
| Revenues: | | | | |
| Special Assessments - On Roll | \$ 262,130 | \$ 262,130 | \$ 259,116 | \$ (3,014) |
| Interest Income | - | - | 841 | 841 |
| Misc. Income | - | - | 942 | 942 |
| Total Revenues | \$ 262,130 | \$ 262,130 | \$ 260,899 | \$ (1,231) |
| Expenditures: | | | | |
| General & Administrative: | | | | |
| Supervisor Fees/FICA | \$ 6,459 | \$ 3,767 | \$ 2,368 | \$ 1,567 |
| Engineering | 10,000 | 5,833 | 6,275 | (441) |
| Attorney | 20,000 | 11,667 | 9,551 | 2,116 |
| Legal Contingency | 5,000 | 2,917 | - | 2,917 |
| Annual Audit | 3,600 | - | 3,300 | (3,300) |
| Assessment Roll Admin | 5,000 | 5,000 | 5,000 | - |
| Assessment Fee - County | 3,090 | - | - | - |
| Dissemination Agent | 2,400 | 1,400 | 1,400 | - |
| Trustee Fees | 4,435 | - | - | - |
| Management Fees | 35,000 | 20,417 | 20,417 | (0) |
| Information Technology | 1,800 | 1,050 | 1,050 | - |
| Postage & Delivery | 100 | 58 | - | 58 |
| Insurance General Liability | 7,690 | 7,690 | 6,775 | 915 |
| Legal Advertising | 3,000 | 1,750 | 1,819 | (69) |
| Other Current Charges | 1,000 | 583 | 1,289 | (706) |
| Website Admin | 1,200 | 700 | 700 | - |
| Dues, Licenses & Subscriptions | 175 | 175 | 175 | - |
| Total General & Administrative | \$ 109,949 | \$ 63,007 | \$ 60,118 | \$ 3,058 |
| Field | | | | |
| Field Management | \$ 7,725 | \$ 4,506 | \$ 4,506 | \$ - |
| Electric | 900 | 525 | 329 | 196 |
| Streetlighting | 12,275 | 7,160 | 6,708 | 453 |
| Water | 6,500 | 3,792 | 3,073 | 719 |
| Property Insurance | 2,686 | 2,686 | 2,457 | 229 |
| General Repairs & Maintenance | 5,000 | 2,917 | - | 2,917 |
| Landscape Maintenance | 32,880 | 19,180 | 18,620 | 560 |
| Landscape Contingency | 9,000 | 5,250 | - | 5,250 |
| Mulch | - | - | 2,640 | (2,640) |
| Irrigation Repairs | 2,500 | 1,458 | 900 | 559 |
| Contingency | 12,500 | 7,292 | 14,835 | (7,544) |
| Capital Outlay | - | - | - | - |
| Total Field | \$ 91,966 | \$ 54,766 | \$ 54,067 | \$ 699 |
| Total Expenditure | \$ 201,915 | \$ 117,773 | \$ 114,185 | \$ 3,757 |
| Excess (Deficiency) of Revenues over Expenditures | \$ 60,215 | \$ 144,356 | \$ 146,714 | \$ 2,526 |
| Other Financing Sources/(Uses): | | | | |
| Transfer In/(Out) - Capital Reserve | \$ (60,215) | \$ - | \$ - | \$ - |
| Total Other Financing Sources/(Uses) | \$ (60,215) | \$ - | \$ - | \$ - |
| Net Change in Fund Balance | \$ - | \$ 144,356 | \$ 146,714 | \$ 2,526 |
| Fund Balance - Beginning | \$ - | | \$ 42,300 | |
| Fund Balance - Ending | \$ - | | \$ 189,014 | |

Highland Meadows
Community Development District
Reserve Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
For The Period Ending April 30, 2026

| | Adopted Budget | Prorated Budget Thru 04/30/26 | Actual Thru 04/30/26 | Variance |
|--|-------------------|----------------------------------|-------------------------|-----------------|
| Revenues: | | | | |
| Special Assessments - Reserve | \$ - | \$ - | \$ - | \$ - |
| Interest Income | - | - | 1,020 | 1,020 |
| Total Revenues | \$ - | \$ - | \$ 1,020 | \$ 1,020 |
| Expenditures: | | | | |
| Other Current Charges | \$ - | \$ - | \$ 350 | \$ (350) |
| Capital Outlay | - | - | - | - |
| Total Expenditures | \$ - | \$ - | \$ 350 | \$ (350) |
| Excess (Deficiency) of Revenues over Expenditures | \$ - | \$ - | \$ 670 | \$ 670 |
| Other Financing Sources/(Uses): | | | | |
| Transfer In/(Out) | \$ 60,215 | \$ - | \$ - | \$ - |
| Total Other Financing Sources/(Uses) | \$ 60,215 | \$ - | \$ - | \$ - |
| Net Change in Fund Balance | \$ 60,215 | \$ - | \$ 670 | \$ 670 |
| Fund Balance - Beginning | \$ - | | \$ 72,974 | |
| Fund Balance - Ending | \$ 60,215 | | \$ 73,643 | |

Highland Meadows
Community Development District
Debt Service Fund Series 2006A
Statement of Revenues, Expenditures, and Changes in Fund Balance
For The Period Ending April 30, 2026

| | Adopted Budget | Prorated Budget Thru 04/30/26 | Actual Thru 04/30/26 | Variance |
|--|-------------------|----------------------------------|-------------------------|-------------------|
| Revenues: | | | | |
| Special Assessments - On Roll | \$ 87,048 | \$ 87,048 | \$ 88,378 | \$ 1,330 |
| Interest Income | - | - | 2,102 | 2,102 |
| Total Revenues | \$ 87,048 | \$ 87,048 | \$ 90,480 | \$ 3,432 |
| Expenditures: | | | | |
| Interest Expense - 11/01 | \$ 19,113 | \$ 19,113 | \$ 18,425 | \$ 688 |
| Interest Expense - 05/01 | 19,113 | - | - | - |
| Principal Expense - 05/01 | 45,000 | - | - | - |
| Special Call - 11/01 | - | - | 10,000 | (10,000) |
| Total Expenditures | \$ 83,225 | \$ 19,113 | \$ 28,425 | \$ (9,313) |
| Excess (Deficiency) of Revenues over Expenditures | \$ 3,823 | \$ 67,936 | \$ 62,055 | \$ (5,881) |
| Net Change in Fund Balance | \$ 3,823 | \$ 67,936 | \$ 62,055 | \$ (5,881) |
| Fund Balance - Beginning | \$ 43,488 | | \$ 86,157 | |
| Fund Balance - Ending | \$ 47,311 | | \$ 148,212 | |

Highland Meadows
Community Development District
Month to Month

| | Oct | Nov | Dec | Jan | Feb | March | April | May | June | July | Aug | Sept | Total |
|--|--------------------|------------------|-------------------|-------------------|--------------------|-------------------|--------------------|-------------|-------------|-------------|-------------|-------------|-------------------|
| Revenues: | | | | | | | | | | | | | |
| Special Assessments - On Roll | \$ - | \$ 16,105 | \$ 237,932 | \$ 1,670 | \$ 1,219 | \$ 1,232 | \$ 957 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 259,116 |
| Interest Income | 131 | 122 | 122 | 120 | 109 | 120 | 117 | - | - | - | - | - | 841 |
| Misc Income | 942 | - | - | - | - | - | - | - | - | - | - | - | 942 |
| Total Revenues | \$ 1,073 | \$ 16,227 | \$ 238,054 | \$ 1,791 | \$ 1,328 | \$ 1,352 | \$ 1,073 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 260,899 |
| Expenditures: | | | | | | | | | | | | | |
| General & Administrative: | | | | | | | | | | | | | |
| Supervisor Fees/FICA | \$ - | \$ 1,077 | \$ - | \$ - | \$ 1,292 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,368 |
| Engineering | 1,010 | 3,379 | 355 | 188 | - | 405 | 938 | - | - | - | - | - | 6,275 |
| Attorney | 1,120 | 1,818 | 482 | 603 | 3,521 | 2,007 | - | - | - | - | - | - | 9,551 |
| Legal Contingency | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Annual Audit | - | - | - | - | 3,300 | - | - | - | - | - | - | - | 3,300 |
| Assessment Roll Admin | 5,000 | - | - | - | - | - | - | - | - | - | - | - | 5,000 |
| Assessment Fee - County | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Dissemination Agent | 200 | 200 | 200 | 200 | 200 | 200 | 200 | - | - | - | - | - | 1,400 |
| Trustee Fees | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Management Fees | 2,917 | 2,917 | 2,917 | 2,917 | 2,917 | 2,917 | 2,917 | - | - | - | - | - | 20,417 |
| Information Technology | 150 | 150 | 150 | 150 | 150 | 150 | 150 | - | - | - | - | - | 1,050 |
| Postage & Delivery | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Insurance General Liability | 6,775 | - | - | - | - | - | - | - | - | - | - | - | 6,775 |
| Legal Advertising | 419 | - | - | - | 419 | - | 981 | - | - | - | - | - | 1,819 |
| Other Current Charges | 100 | 100 | 50 | 889 | 50 | 50 | 50 | - | - | - | - | - | 1,289 |
| Website Admin | 100 | 100 | 100 | 100 | 100 | 100 | 100 | - | - | - | - | - | 700 |
| Dues, Licenses & Subscriptions | 175 | - | - | - | - | - | - | - | - | - | - | - | 175 |
| Total General & Administrative | \$ 17,965 | \$ 9,741 | \$ 4,254 | \$ 5,046 | \$ 11,948 | \$ 5,829 | \$ 5,335 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 60,118 |
| Field: | | | | | | | | | | | | | |
| Field Management | \$ 644 | \$ 644 | \$ 644 | \$ 644 | \$ 644 | \$ 644 | \$ 644 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 4,506 |
| Electric | 32 | 32 | 32 | 36 | 65 | 65 | 65 | - | - | - | - | - | 329 |
| Streetlighting | 968 | 968 | 968 | 968 | 983 | 926 | 926 | - | - | - | - | - | 6,708 |
| Water | 486 | 461 | 493 | 491 | 403 | 365 | 374 | - | - | - | - | - | 3,073 |
| Property Insurance | 2,457 | - | - | - | - | - | - | - | - | - | - | - | 2,457 |
| Entry & Wall Maintenance | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Landscape Maintenance | 2,660 | 2,660 | 2,660 | 2,660 | 2,660 | 2,660 | 2,660 | - | - | - | - | - | 18,620 |
| Mulch | - | - | 2,640 | - | - | - | - | - | - | - | - | - | 2,640 |
| Irrigation Repairs | 142 | - | 397 | 230 | 130 | - | - | - | - | - | - | - | 900 |
| Contingency | 1,840 | 1,410 | 440 | - | - | 840 | 10,306 | - | - | - | - | - | 14,835 |
| Total Field | \$ 9,230 | \$ 6,176 | \$ 8,274 | \$ 5,029 | \$ 4,884 | \$ 5,500 | \$ 14,974 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 54,067 |
| Total Expenditures | \$ 27,195 | \$ 15,916 | \$ 12,528 | \$ 10,075 | \$ 16,832 | \$ 11,329 | \$ 20,309 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 114,185 |
| Excess (Deficiency) of Rev. over Exp. | \$ (26,122) | \$ 311 | \$ 225,526 | \$ (8,285) | \$ (15,504) | \$ (9,977) | \$ (19,236) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 146,714 |
| Other Financing Sources/Uses: | | | | | | | | | | | | | |
| Transfer In/(Out) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Other Financing Sources/Uses | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Net Change in Fund Balance | \$ (26,122) | \$ 311 | \$ 225,526 | \$ (8,285) | \$ (15,504) | \$ (9,977) | \$ (19,236) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 146,714 |

Highland Meadows
Community Development District
Long Term Debt Report

| Series 2006A, Special Assessment Bonds | | |
|--|------------------------------|------------------|
| Original Issue Amount: | | \$2,945,000.00 |
| Interest Rate: | 5.50% | |
| Maturity Date: | May 1, 2036 | |
| Reserve Fund Definition | 6.8977% of Bonds Outstanding | |
| Reserve Fund Requirement | \$45,525 | |
| Reserve Fund Balance | 46,215 | |
| Bonds Outstanding - 9/30/2022 | | \$835,000 |
| Less: Principal Payment - 05/01/2023 | | (\$45,000) |
| Less: Principal Payment - 11/01/23 | | (\$5,000) |
| Less: Principal Payment - 05/01/2024 | | (\$45,000) |
| Less: Principal Payment - 05/01/2025 | | (\$45,000) |
| Less: Special Call- 05/01/2025 | | (\$25,000) |
| Less: Special Call- 11/01/2025 | | (\$10,000) |
| Current Bonds Outstanding | | \$660,000 |

Highland Meadows
COMMUNITY DEVELOPMENT DISTRICT
Special Assessment Receipts
Fiscal Year 2026

| | | | | | | | |
|----------------------------|-------------------|----|------------|----|-----------|----|------------|
| ON ROLL ASSESSMENTS | Gross Assessments | \$ | 281,860.08 | \$ | 93,600.00 | \$ | 375,460.08 |
| | Net Assessments | \$ | 262,129.87 | \$ | 87,048.00 | \$ | 349,177.87 |
| | | | 75.07% | | 24.93% | | 100.00% |

| Date | Gross Amount | Discount/ (Penalty) | Commission | Interest | Net Receipts | 2006 | | |
|--------------|----------------------|------------------------|--------------------|------------------|----------------------|----------------------|---------------------|----------------------|
| | | | | | | O&M Portion | Debt Service | Total |
| 11/10/25 | \$ 621.15 | \$ 32.62 | \$ 11.77 | | \$ 576.76 | \$ 576.76 | \$ - | \$ 576.76 |
| 11/14/25 | \$ 2,539.28 | \$ 101.56 | \$ 48.75 | | \$ 2,388.97 | \$ 2,388.97 | \$ - | \$ 2,388.97 |
| 11/21/25 | \$ 5,078.56 | \$ 203.13 | \$ 97.51 | | \$ 4,777.92 | \$ 4,777.92 | \$ - | \$ 4,777.92 |
| 11/26/25 | \$ 13,762.48 | \$ 550.50 | \$ 264.24 | | \$ 12,947.74 | \$ 8,361.34 | \$ 4,586.40 | \$ 12,947.74 |
| 12/08/25 | \$ 17,571.40 | \$ 702.90 | \$ 337.37 | | \$ 16,531.13 | \$ 11,944.73 | \$ 4,586.40 | \$ 16,531.13 |
| 12/19/25 | \$ 319,911.96 | \$ 12,796.54 | \$ 6,142.31 | | \$ 300,973.11 | \$ 225,756.06 | \$ 75,217.05 | \$ 300,973.11 |
| 12/31/25 | \$ - | \$ - | \$ - | \$ 308.22 | \$ 308.22 | \$ 231.38 | \$ 76.84 | \$ 308.22 |
| 01/09/26 | \$ 1,269.64 | \$ 38.09 | \$ 24.63 | | \$ 1,206.92 | \$ 1,206.92 | \$ - | \$ 1,206.92 |
| 01/29/26 | \$ - | \$ - | \$ - | \$ 617.51 | \$ 617.51 | \$ 463.57 | \$ 153.94 | \$ 617.51 |
| 02/12/26 | \$ 1,269.64 | \$ 25.39 | \$ 24.89 | | \$ 1,219.36 | \$ 1,219.36 | \$ - | \$ 1,219.36 |
| 03/13/26 | \$ 2,222.19 | \$ - | \$ 44.45 | \$ - | \$ 2,177.74 | \$ 1,231.80 | \$ 945.94 | \$ 2,177.74 |
| 04/17/26 | \$ 3,838.52 | \$ - | \$ 76.77 | | \$ 3,761.75 | \$ 955.50 | \$ 2,806.25 | \$ 3,761.75 |
| 04/30/26 | \$ - | \$ - | \$ - | | \$ 6.15 | \$ 1.24 | \$ 4.91 | \$ 6.15 |
| | | | | | - | | | - |
| TOTAL | \$ 368,084.82 | \$ 14,450.73 | \$ 7,072.69 | \$ 925.73 | \$ 347,493.28 | \$ 259,115.55 | \$ 88,377.73 | \$ 347,493.28 |

Highland Meadows
COMMUNITY DEVELOPMENT DISTRICT

Fiscal Year 2026
Check Register

| <i>Date</i> | <i>check #'s</i> | <i>Amount</i> |
|--------------|------------------|---------------------|
| 1/1-1/31 | 100243-100246 | \$11,840.64 |
| 2/1-2/28 | 100247-100252 | \$11,409.44 |
| 3/1-3/31 | 100253-100255 | \$10,321.83 |
| 4/1-4/30 | 100256-100260 | \$8,949.80 |
| TOTAL | | \$ 42,521.71 |

SECTION iv



May 4, 2026

Monica Virgen – Recording Secretary
Highland Meadows CDD
219 E. Livingston St.
Orlando, FL 32801

RE: Highland Meadows Community Development District Registered Voters

Dear Ms. Virgen,

In response to your request, there are currently **334** voters within the Highland Meadows Community Development District as of **April 15, 2026**.

Please do not hesitate to contact us if we can be of further assistance.

Sincerely,

Melony M. Bell

Melony M. Bell
Supervisor of Elections
Polk County, Florida