

**THE DISTRICT - A COMMUNITY DEVELOPMENT DISTRICT**  
**FY 2020 PROPOSED BUDGET - STATEMENT 1**  
**FY 2020 PROPOSED BUDGET - OCTOBER 1, 2019 - SEPTEMBER 30, 2020**

	FY 2019 ADOPTED	FY 2019 YTD - APRIL	FY 2020 PROPOSED	VARIANCE 2019 TO 2020
<b>REVENUE</b>				
SPECIAL ASSESSMENTS	\$ 179,349	\$ 55,175	\$ 338,157	\$ 158,808
INTEREST REVENUE	-	-	-	-
<b>TOTAL REVENUE</b>	<b>179,349</b>	<b>55,175</b>	<b>338,157</b>	<b>158,808</b>
<b>EXPENDITURES</b>				
<b>ADMINISTRATIVE EXPENSES</b>				
BOARD OF SUPERVISORS PAYROLL	8,000	1,200	4,800	(3,200)
PAYROLL TAXES - FICA	612	98	367	(245)
PAYROLL SERVICE FEES	457	106	650	193
MANAGEMENT CONSULTING SERVICES	22,500	13,412	30,000	7,500
ADMINISTRATIVE SERVICES	16,000	-	24,000	8,000
CONSTRUCTION ACCOUNTING SERVICES	2,500	-	30,000	27,500
MISCELLANEOUS (Printing , Binding, Mailing & Postage)	4,500	802	2,500	(2,000)
MEETING ROOM RENTAL	960	608	4,300	3,340
BANKING FEES	225	38	450	225
AUDITING	3,500	-	4,200	700
REGULATORY AND PERMIT FEES	175	-	175	-
LEGAL ADVERTISEMENTS	8,500	1,389	4,000	(4,500)
ENGINEERING SERVICES	15,000	-	40,000	25,000
LEGAL SERVICES	75,000	32,063	75,000	-
WEBSITE ADMINISTRATION	970	337	2,265	1,295
<b>TOTAL GENERAL ADMINISTRATIVE</b>	<b>158,899</b>	<b>50,053</b>	<b>222,707</b>	<b>63,808</b>
<b>INSURANCE:</b>				
INSURANCE (General Liability)	5,500	3,520	5,500	-
<b>TOTAL INSURANCE</b>	<b>5,500</b>	<b>3,520</b>	<b>5,500</b>	<b>-</b>
<b>DEBT SERVICE ADMINISTRATION:</b>				
DISSIMINATION AGENT	5,000	-	5,000	-
TRUSTEE FEES	8,700	-	8,700	-
ARBITRAGE	1,250	-	1,250	-
<b>TOTAL DEBT ADMINISTRATION:</b>	<b>14,950</b>	<b>-</b>	<b>14,950</b>	<b>-</b>
<b>FIELD OPERATIONS:</b>				
MONITORING & REPORTING COSTS	-	-	40,000	40,000
SCHOOL BOARD PARKING LOT CUSTODIAL SERVICES	-	-	5,000	5,000
PRUDENTIAL DRIVE LANDSCAPE & IRRIGATION MAINTENANCE	-	-	25,000	25,000
FIELD OPERATIONS CONTINGENCY	-	-	25,000	25,000
<b>TOTAL FIELD OPERATIONS</b>	<b>-</b>	<b>-</b>	<b>95,000</b>	<b>95,000</b>
<b>TOTAL EXPENDITURES</b>	<b>179,349</b>	<b>53,573</b>	<b>338,157</b>	<b>158,808</b>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	-	1,602	-	-
<b>FUND BALANCE - BEGINNING</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE - ENDING</b>	<b>\$ -</b>	<b>\$ 1,602</b>	<b>\$ -</b>	<b>\$ -</b>

**THE DISTRICT - A COMMUNITY DEVELOPMENT DISTRICT**

STATEMENT 2 - CONTRACT SUMMARY

FINANCIAL STATEMENT CATEGORY	VENDOR	SERVICE PROVIDED	ANNUAL AMOUNT	COMMENTS
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**EXPENDITURES**

**GENERAL ADMINISTRATIVE:**

BOARD OF SUPERVISORS PAYROLL	BOARD OF SUPERVISORS	LEGISLATIVE	\$ 4,800.00	2 Supervisors, 12 meetings for FY 2020
PAYROLL TAXES FICA			\$ 367.20	Payroll taxes 7.65% of payroll - FICA&FUTA
PAYROLL SERVICE FEES	INNOVATIVE	PAYROLL PROCESSING	\$ 650.00	\$50 per meeting plus \$50 for year end processing
MANAGEMENT CONSULTING SERVICES	DPFG	MANAGEMENT CONSULTING SERVICES	\$ 30,000.00	Management & consulting for The District
ADMINISTRATIVE SERVICES	DPFG	DISTRICT MEETING ADMIN	\$ 24,000.00	Plan, organize and manage 12 District Meetings
CONSTRUCTION ACCOUNTING SERVICES	DPFG	CONSTRUCTION ACCOUNTING	\$ 30,000.00	Construction accounting & requisition processing for the construction trust account. Amount represents \$15,000 for the CDD and \$15,000 for the CRA
MISCELLANEOUS	VARIOUS	POSTAGE, FREIGHT, COPIES, PHONE	\$ 2,500.00	Miscellaneous for mailings, printing and binding
MEETING ROOM RENTAL	RIVERSIDE BUSINESS CENTER	HOSTING OF MONTHLY MEETINGS	\$ 4,300.00	Financial burden approximates \$275 monthly. Added additional \$1,000 for extra meetings or room rentals for District business
BANKING FEES	BANK UNITED		\$ 450.00	Monthly banking fee approximates \$25. Additional \$150 for checks
AUDITING	TBD	ANNUAL AUDIT	\$ 4,200.00	Need to go out for RFP
REGULATORY AND PERMIT FEES	DEPT OF ECONOMIC ACTIVITY	ANNUAL DISTRICT FEE	\$ 175.00	Statutorily fixed fee
LEGAL ADVERTISEMENTS	DAILY RECORD	PUBLIC NOTICE	\$ 4,000.00	meeting notices yearly & workshop notices
ENGINEERING SERVICES	KIMLEY-HORN	ENGINEERING SERVICES	\$ 40,000.00	General Services - confirmed amount with District Engineer
LEGAL SERVICES	HOPPING GREEN & SAMS	LEGAL SERVICES	\$ 75,000.00	General Services - confirmed amount with District Counsel
WEBSITE ADMINISTRATION	CAMPUS SUITE		\$ 2,265.00	ADA Compliance of Website and Remediation of Uploaded Documents
			\$ -	

**INSURANCE:**

INSURANCE (General Liability)	EGIS ISURANCE & RISK ADVISORS	INSURANCE	\$ 5,500.00	Confirmed with EGIS
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**DEBT SERVICE ADMINISTRATION:**

DISSIMINATION AGENT	DPFG		\$ 5,000.00	Dissimination in accordance with Trust Indenture
TRUSTEE FEES	BANK UNITED		\$ 8,700.00	
ARBITRAGE	DPFG		\$ 1,250.00	Arbitrage calculation in accordance with Trust Indenture

**FIELD OPERATIONS:**

MONITORING & REPORTING COSTS		Mandated Monitoring & Reporting	\$ 40,000.00	
SCHOOL BOARD PARKING CUSTODIAL SERVICES	School Board Parking Lot	Maintenance	\$ 5,000.00	Maintenance needs for mowing and any associated landscape or custodial needs
PRUDENTIAL DRIVE LANDSCAPE & IRRIGATION MAINTEN	Prudential Drive	INTERNET FOR ENTRANCE GATE	\$ 25,000.00	Estimated expenditures for landscape needs. Amounts also include streetlights
FIELD OPERATIONS CONTINGENCY	NA	Miscellaneous repairs based on needs	\$ 25,000.00	Appropriated for costs not appropriated in other lines

## FISCAL YEAR 2020 FUNDING AGREEMENT

This Agreement is made and entered into this 26th day of August, 2019, by and between:

**DISTRICT COMMUNITY DEVELOPMENT DISTRICT**, a local unit of special-purpose government established pursuant to Chapter 190, Florida Statutes, and located in the City of Jacksonville, Duval County, Florida ("**District**"), and

**ELEMENTS DEVELOPMENT OF JACKSONVILLE, LLC**, a Florida limited liability company, and the primary developer of lands within the District ("**Developer**") with a mailing address of 2538 River Road, Jacksonville, Florida 32207.

### RECITALS

**WHEREAS**, the District was established by an ordinance adopted by the City Council of the City of Jacksonville, Florida, for the purpose of planning, financing, constructing, operating and/or maintaining certain infrastructure; and

**WHEREAS**, the District, pursuant to Chapter 190, Florida Statutes, is authorized to levy such taxes, special assessments, fees and other charges as may be necessary in furtherance of the District's activities and services; and

**WHEREAS**, Developer presently is developing the majority of all real property ("**Property**") within the District, which Property will benefit from the timely construction and acquisition of the District's facilities, activities and services and from the continued operations of the District; and

**WHEREAS**, the District is adopting its general fund budget for Fiscal Year 2020, which year commences October 1, 2019, and concludes on September 30, 2020; and

**WHEREAS**, this general fund budget, which both parties recognize may be amended from time to time in the sole discretion of the District, is attached hereto and incorporated herein by reference as **Exhibit A**; and

**WHEREAS**, the District has the option of levying non-ad valorem assessments on all land, including the Property owned by the Developer, that will benefit from the activities, operations and services set forth in the Fiscal Year 2020 budget, or utilizing such other revenue sources as may be available to it; and

**WHEREAS**, in lieu of levying assessments on the Property, the Developer is willing to provide such funds as are necessary to allow the District to proceed with its operations as described in **Exhibit A**; and

**WHEREAS**, the Developer agrees that the activities, operations and services provide a special and peculiar benefit equal to or in excess of the costs reflected on **Exhibit A** to the Property; and

**WHEREAS**, the Developer has agreed to enter into this Agreement in lieu of having the District levy and collect any non-ad valorem assessments as authorized by law against the Property located within the District for the activities, operations and services set forth in **Exhibit A**;

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

1. **FUNDING.** The Developer agrees to make available to the District the monies necessary for the operation of the District as called for in the budget attached hereto as **Exhibit A** (and as **Exhibit A** may be amended from time to time pursuant to Florida law, but subject to the Developer's consent to such amendments to incorporate them herein), within thirty (30) days of written request by the District. The funds shall be placed in the District's general checking account. These payments are made by the Developer in lieu of taxes, fees, or assessments which might otherwise be levied or imposed by the District. Nothing contained herein shall constitute or be construed as a waiver of the District's right to levy assessments in the event of a funding deficit.

2. **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 of the parties hereto.

3. **AUTHORIZATION.** The execution of this Agreement has been duly authorized by the appropriate body or official of all parties hereto, each party has complied with all of the requirements of law, and each party has full power and authority to comply with the terms and provisions of this instrument.

4. **ASSIGNMENT.** This Agreement may be assigned, in whole or in part, by either party only upon the written consent of the other. Any purported assignment without such consent shall be void.

5. **DEFAULT.** A default by either party under this Agreement shall entitle the other to all remedies available at law or in equity, which shall include, but not be limited to, the right of damages, injunctive relief and specific performance.

6. **ENFORCEMENT.** In the event that either party is required to enforce this Agreement by court proceedings or otherwise, then the parties agree that the prevailing party shall be entitled to recover from the other all costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

7. **THIRD PARTY BENEFICIARIES.** This Agreement is solely for the benefit of the formal parties herein and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third party not a formal party hereto. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the parties hereto any right, remedy or claim under or by reason of this Agreement or any provisions or conditions hereof; and all of the provisions, representations, covenants and conditions herein contained shall inure to the sole benefit of and shall be binding upon the parties hereto and their respective representatives, successors and assigns.

8. **CHOICE OF LAW.** This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida.

9. **ARM'S LENGTH.** This Agreement has been negotiated fully between the parties as an arm's length transaction. The parties participated fully in the preparation of this Agreement with the assistance of their respective counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, the parties are each deemed to have drafted, chosen and selected the language, and the doubtful language will not be interpreted or construed against any party.

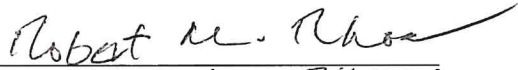
10. **EFFECTIVE DATE.** The Agreement shall be effective after execution by both parties hereto.

**IN WITNESS WHEREOF,** the parties execute this Agreement the day and year first written above.

Attest:

  
Secretary/Assistant Secretary


**DISTRICT COMMUNITY  
DEVELOPMENT DISTRICT**

  
By: ROBERT M. RHODES  
Its: Chair

**ELEMENTS DEVELOPMENT OF  
JACKSONVILLE, LLC,  
a Florida limited liability company**

**By: RUMMELLMUNZ EQUITY, LLC,  
a Florida limited liability company,  
Its Manager**

  
Witness

  
By: MICHAEL R. MUNZ  
Its: Member

**Exhibit A** Fiscal Year 2020 General Fund Budget

## **Exhibit A**

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