



Rizzetta & Company

Magnolia Creek Community Development District

**Board of Supervisors
August 6, 2026**

**District Office:
120 Richard Jackson Blvd, Suite 220
Panama City Beach, Florida 32407
(850) 334-9055**

www.magnoliacreekcdd.org

MAGNOLIA CREEK COMMUNITY DEVELOPMENT DISTRICT

Walton Area Chamber of Commerce, 63 South Centre Trail, Santa Rosa Beach, FL 32459

District Board of Supervisors	Shelton Stone Douglas Duncan Grover Short Randy Butler Marcie Campbell	Chairman Vice Chairman Assistant Secretary Assistant Secretary Assistant Secretary
District Manager	Stephanie DeLuna	Rizzetta & Company, Inc.
District Counsel	Joseph Brown	Kutak Rock LLP
District Engineer	Jim Martelli	Innerlight Engineering
Bond Counsel	Cynthia E. Wilhelm	Nabors, Giblin & Nickerson, P.A.

All cellular phones must be placed on mute while in the meeting room.

The Public Comment portion of the agenda is where individuals may make comments on any matters that concern the District. Individuals are limited to a total of three (3) minutes to make comments during this time.

Pursuant to provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this meeting/hearing/workshop is asked to advise the District Office at least forty-eight (48) hours before the meeting/hearing/workshop by contacting the District Manager at (239) 936-0913. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY)

1-800-955-8770 (Voice), who can aid you in contacting the District Office.

A person who decides to appeal any decision made at the meeting/hearing/workshop with respect to any matter considered at the meeting/hearing/workshop is advised that person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made including the testimony and evidence upon which the appeal is to be based.

MAGNOLIA CREEK COMMUNITY DEVELOPMENT DISTRICT
District Office · Panama City Beach, Florida · (850) 334-9055
Mailing Address · 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614

www.MagnoliaCreekcdd.org

**Board of Supervisors
Magnolia Creek Community
Development District**

July 30, 2026

FINAL AGENDA

Dear Board Members:

The meeting of the Board of Supervisors of the Magnolia Creek Community Development District will be held on **Thursday, August 6, 2026, at 10:00 a.m. (CT)** at the **Walton Chamber of Commerce** located at **63 South Centre Trail, Santa Rosa Beach, FL 32459**. The following is the **final** agenda for the meeting:

- 1. CALL TO ORDER/ROLL CALL**
- 2. AUDIENCE COMMENTS IN AGENDA ITEMS**
- 3. STAFF REPORTS**
 - A. District Counsel
 - B. District Engineer
 1. Acceptance of Moore Bass Termination Letter Tab 1
 - C. District Manager Tab 2
 1. Website Audit
- 4. BUSINESS ADMINISTRATION**
 - A. Consideration of the Minutes of the Board of Supervisors Meeting held on May 21, 2026 Tab 3
 - B. Ratification of Operations and Maintenance Expenditures for the Months of April 2026 – June 2026 Tab 4
- 5. BUSINESS ITEMS**
 - A. Ratification of District Items Tab 5
 1. Chair’s Acceptance of the FY 2025 Financial Audit
 - B. Consideration of Brush Hog Proposal Tab 6
 - C. Consideration of Agreement for Engineering Services Tab 7
 - D. Consideration of Resolution 2026-04, Adopting FY 26-27 Meeting Schedule Tab 8
 - E. Public Hearing on Fiscal Year 2026/2027 Final Budget
 1. Consideration of Resolution 2026-05, Adopting FY 26-27 Final Budget Tab 9
 - F. Public Hearing on Fiscal Year 2026/2027 Special Assessments
 1. Consideration of Resolution 2026-06, Imposing Special Assessments Tab 10
- 6. SUPERVISOR REQUESTS AND COMMENTS**
- 7. ADJOURNMENT**

We look forward to seeing you at the meeting. In the meantime, if you have any questions, please do not hesitate to call us at (407) 472-2471.

Very truly yours,
Stephanie DeLuna
Stephanie DeLuna

District Manager

Tab 1

May 27, 2026

VIA US MAIL

Moore Bass Consulting, Inc.
805 N. Gadsden Street
Tallahassee, FL 32303

Re: Magnolia Creek Community Development District's Notice of Termination of Agreement for Professional Engineering Services

To Whom it May Concern:

I am writing on behalf of Magnolia Creek Community Development District ("District") regarding the Agreement for Professional Engineering Services, dated December 14, 2006 ("Agreement"), as amended by the Amendment to the Agreement for Professional Engineer Services dated November 4, 2021 (collectively, the "Agreement"). A copy of these documents are attached hereto as Exhibit A.

Pursuant to Article 20 of the Agreement, the District hereby provides formal notice of termination of the Agreement without cause, effective immediately. The District appreciates Moore Bass's past services and hopes Moore Bass would consider serving the District in the future if requested.

According to the District's records, all services rendered by Moore Bass Consulting, Inc. have been paid in full. Therefore, the District does not owe any amounts outstanding pursuant to the Agreement.

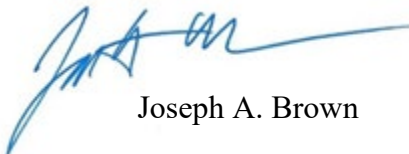
Please confirm receipt of this letter and that there are no outstanding amounts owed.

May 27, 2026

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Should you have any questions or require further information, please contact me at (850) 692-7303 or joseph.brown@kutakrock.com.

Sincerely,

A handwritten signature in blue ink, appearing to read 'J. A. Brown', is enclosed within a thin blue rectangular border.

Joseph A. Brown

Tab 2



Quarterly Compliance Audit Report

Magnolia Creek

Date: June 2026 - 2nd Quarter

Prepared for: Matthew Huber

Developer: Rizzetta

Insurance agency:



Preparer:

Jason Morgan - *Campus Suite Compliance*

ADA Website Accessibility and Florida F.S. 189.069 Requirements

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Compliance Audit Overview

The Community Website Compliance Audit (CWCA) consists of a thorough assessment of Florida Community Development District (CDD) websites to assure that specified district information is available and fully accessible. Florida Statute Chapter 189.069 states that effective October, 2015, every CDD in the state is required to maintain a fully compliant website for reporting certain information and documents for public access.

The CWCA is a reporting system comprised of quarterly audits and an annual summary audit to meet full disclosure as required by Florida law. These audits are designed to assure that CDDs satisfy all compliance requirements stipulated in Chapter 189.069.

Compliance Criteria

The CWCA focuses on the two primary areas – website accessibility as defined by U.S. federal laws, and the 16-point criteria enumerated in [Florida Statute Chapter 189.069](#).



ADA Website Accessibility

Several federal statutes (American Disabilities Act, Sec. 504 and 508 of the Rehabilitation Act of 1973) require public institutions to ensure they are not discriminating against individuals on the basis of a person's disability. Community websites are required to conform to web content accessibility guidelines – [WCAG 2.1](#), which is the international standard established to keep websites barrier-free and the recognized standard for ADA-compliance.



Florida Statute Compliance

Pursuant to F.S. [189.069](#), every CDD is required to maintain a dedicated website to serve as an official reporting mechanism covering, at minimum, 16 criteria. The information required to report and have fully accessible spans: establishment charter or ordinance, fiscal year audit, budget, meeting agendas and minutes and more. For a complete list of statute requirements, see page 3.

Audit Process

The Community Website Compliance Audit covers all CDD web pages and linked PDFs.* Following the [WCAG 2.1](#) levels A, AA, and AAA for web content accessibility, a comprehensive scan encompassing 312 tests is conducted for every page. In addition, a human inspection is conducted to assure factors such as navigation and color contrasts meet web accessibility standards. See page 4 for complete accessibility grading criteria.

In addition to full ADA-compliance, the audit includes a 16-point checklist directly corresponding with the criteria set forth in Florida Statute Chapter 189.069. See page 5 for the complete compliance criteria checklist.

* **NOTE:** Because many CDD websites have links to PDFs that contain information required by law (meeting agendas, minutes, budgets, miscellaneous and ad hoc documents, etc.), audits include an examination of all associated PDFs. **PDF remediation** and ongoing auditing is critical to maintaining compliance.



ADA Website Accessibility

Result: **PASSED**

Accessibility Grading Criteria

Passed	Description
Passed	Website errors* 0 WCAG 2.1 errors appear on website pages causing issues**
Passed	Keyboard navigation The ability to navigate website without using a mouse
Passed	Website accessibility policy A published policy and a vehicle to submit issues and resolve issues
Passed	Color contrast Colors provide enough contrast between elements
Passed	Video captioning Closed-captioning and detailed descriptions
Passed	PDF accessibility Formatting PDFs including embedded images and non-text elements
Passed	Site map Alternate methods of navigating the website

*Errors represent less than 5% of the page count are considered passing

**Error reporting details are available in your Campus Suite Website Accessibility dashboard



Florida F.S. 189.069 Requirements

Result: **PASSED**

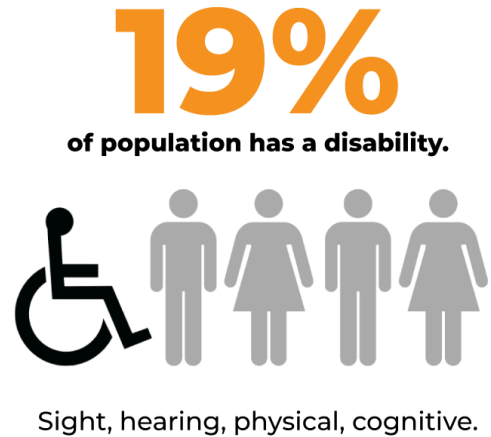
Compliance Criteria

Passed	Description
Passed	Full Name and primary contact specified
Passed	Public Purpose
Passed	Governing body Information
Passed	Fiscal Year
Passed	Full Charter (Ordinance and Establishment) Information
Passed	CDD Complete Contact Information
Passed	District Boundary map
Passed	Listing of taxes, fees, assessments imposed by CDD
Passed	Link to Florida Commission on Ethics
Passed	District Budgets (Last two years)
Passed	Complete Financial Audit Report
Passed	Listing of Board Meetings
Passed	Public Facilities Report, if applicable
Passed	Link to Financial Services
Passed	Meeting Agendas for the past year, and 1 week prior to next

Accessibility overview

Everyone deserves equal access.

With nearly 1-in-5 Americans having some sort of disability – visual, hearing, motor, cognitive – there are literally millions of reasons why websites should be fully accessible and compliant with all state and federal laws. Web accessibility not only keeps board members on the right side of the law, but enables the entire community to access all your web content. The very principles that drive accessible website design are also good for those without disabilities.



The legal and right thing to do

Several federal statutes (American Disabilities Act, Sec. 504 and 508 of the Rehabilitation Act of 1973) require public institutions to ensure they are not discriminating against individuals on the basis of a person's disability. Community websites are required to conform to web content accessibility guidelines, WCAG 2.1, the international standard established to keep websites barrier-free. Plain and simple, any content on your website must be accessible to everyone.



ADA Compliance Categories

Most of the problems that occur on a website fall in one or several of the following categories.



Contrast and colors

Some people have vision disabilities that hinder picking up contrasts, and some are color blind, so there needs to be a distinguishable contrast between text and background colors. This goes for buttons, links, text on images – everything. Consideration to contrast and color choice is also important for extreme lighting conditions.

Contract checker: <http://webaim.org/resources/contrastchecker>



Using semantics to format your HTML pages

When web page codes are clearly described in easy-to-understand terms, it enables broader sharing across all browsers and apps. This ‘friendlier’ language not only helps all the users, but developers who are striving to make content more universal on more devices.



Text alternatives for non-text content

Written replacements for images, audio and video should provide all the same descriptors that the non-text content conveys. Besides helping with searching, clear, concise word choice can make vivid non-text content for the disabled.

Helpful article: <http://webaim.org/techniques/alttext>



Ability to navigate with the keyboard

Not everyone can use a mouse. Blind people with many with motor disabilities have to use a keyboard to make their way around a

website. Users need to be able to interact fully with your website by navigating using the tab, arrows and return keys only. A “skip navigation” option is also required. Consider using [WAI-ARIA](#) for improved accessibility, and properly highlight the links as you use the tab key to make sections.

Helpful article: www.nngroup.com/articles/keyboard-accessibility

Helpful article: <http://webaim.org/techniques/skipnav>



Easy to navigate and find information

Finding relevant content via search and easy navigation is a universal need. Alt text, heading structure, page titles, descriptive link text (no ‘click here’ please) are just some ways to help everyone find what they’re searching for. You must also provide multiple ways to navigate such as a search and a site map.

Helpful article: <http://webaim.org/techniques/sitetools/>



Properly formatting tables

Tables are hard for screen readers to decipher. Users need to be able to navigate through a table one cell at a time. In addition to the table itself needing a caption, row and column headers need to be labeled and data correctly associated with the right header.

Helpful article: <http://webaim.org/techniques/tables/data>



Making PDFs accessible

PDF files must be tagged properly to be accessible, and unfortunately many are not. Images and other non-text elements within that PDF also need to be ADA-compliant. Creating anew is

one thing; converting old PDFs – called PDF remediation – takes time.

Helpful articles: <http://webaim.org/techniques/acrobat/acrobat>



Making videos accessible

Simply adding a transcript isn't enough. Videos require closed captioning and detailed descriptions (e.g., who's on-screen, where they are, what they're doing, even facial expressions) to be fully accessible and ADA compliant.

Helpful article: <http://webaim.org/techniques/captions>



Making forms accessible

Forms are common tools for gathering info and interacting. From logging in to registration, they can be challenging if not designed to be web-accessible. How it's laid out, use of labels, size of clickable areas and other aspects need to be considered.

Helpful article: <http://webaim.org/techniques/forms>



Alternate versions

Attempts to be fully accessible sometimes fall short, and in those cases, alternate versions of key pages must be created. That is, it is sometimes not feasible (legally, technically) to modify some content. These are the 'exceptions', but still must be accommodated.



Feedback for users

To be fully interactive, your site needs to be able to provide an easy way for users to submit feedback on any website issues. Clarity is

key for both any confirmation or error feedback that occurs while engaging the page.



Other related requirements

No flashing

Blinking and flashing are not only bothersome, but can be disorienting and even dangerous for many users. Seizures can even be triggered by flashing, so avoid using any flashing or flickering content.

Timers

Timed connections can create difficulties for the disabled. They may not even know a timer is in effect, it may create stress. In some cases (e.g., purchasing items), a timer is required, but for most school content, avoid using them.

Fly-out menus

Menus that fly out or down when an item is clicked are helpful to dig deeper into the site's content, but they need to be available via keyboard navigation, and not immediately snap back when those using a mouse move from the clickable area.

No pop-ups

Pop-up windows present a range of obstacles for many disabled users, so it's best to avoid using them altogether. If you must, be sure to alert the user that a pop-up is about to be launched.

Web Accessibility Glossary

Assistive technology	Hardware and software for disabled people that
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	enable them to perform tasks they otherwise would not be able to perform (e.g., a screen reader)
WCAG 2.0	Evolving web design guidelines established by the W3C that specify how to accommodate web access for the disabled
504	Section of the Rehabilitation Act of 1973 that protects civil liberties and guarantees certain rights of disabled people
508	An amendment to the Rehabilitation Act that eliminates barriers in information technology for the disabled
ADA	American with Disabilities Act (1990)
Screen reader	Software technology that transforms the on-screen text into an audible voice. Includes tools for navigating/accessing web pages.
Website accessibility	Making your website fully accessible for people of all abilities
W3C	World Wide Web Consortium – the international body that develops standards for using the web

Tab 3

MINUTES OF MEETING

Each person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

**MAGNOLIA CREEK
COMMUNITY DEVELOPMENT DISTRICT**

The meeting of the Board of Supervisors of the Magnolia Creek Community Development District was held on **Thursday, May 21, 2026, at 10:00 a.m. (CT) and continued on Thursday, June 4, 2026, at 10:00 a.m. (CT)** at The Walton Area Chamber of Commerce, located at 63 South Centre Trail, Santa Rosa Beach, FL 32459.

Present and constituting a quorum:

Shelton Stone	Board Supervisor, Chairman
Douglas Duncan	Board Supervisor, Vice Chair
Grover Short	Board Supervisor, Assistant Secretary
Randy Butler	Board Supervisor, Assistant Secretary
Marcie Campbell	Board Supervisor, Assistant Secretary

Also present were:

Stephanie DeLuna	District Manager, Rizzetta & Company, Inc.
Joseph Brown	District Counsel, Kutak Rock, LLP <i>(Via speakerphone)</i>
Jim Martelli	District Engineer, Innerlight Engineering <i>(Via speakerphone)</i>
Audience	None

FIRST ORDER OF BUSINESS

Call to Order

Ms. DeLuna called the meeting to order at 10:00 a.m. (CT) and confirmed quorum for the meeting.

SECOND ORDER OF BUSINESS

Audience Comments

There was no audience present.

THIRD ORDER OF BUSINESS

Staff Reports

A. District Counsel

No Updates

B. District Engineer

No Updates

C. District Manager

1. Presentation of District Manager Report
2. Presentation of Registered Voter Count
3. Website Audit

Ms. DeLuna presented the registered voter count to the Board and asked if there were any questions. There were none.

FOURTH ORDER OF BUSINESS

**Consideration of Minutes of the Board
of Supervisors Meeting Held August
7, 2025**

Ms. Deluna presented the minutes and asked the Members of the Board if there were any questions or revisions needed. There were no requested revisions.

On a Motion by Mr. Butler, seconded by Mr. Stone, with all in favor, the Board approved the Minutes for the Board Meeting held on August 7, 2025, for Magnolia Creek Community Development District.

FIFTH ORDER OF BUSINESS

**Ratification of Operation and
Maintenance Expenditures for the
Months of July 2025 - March 2026**

Ms. Deluna reviewed the Operation and Maintenance Expenditures for the Months of July 2025 - March 2026 with the Members of the Board and asked if there were any questions.

There were no questions at this time.

On a Motion by Mr. Duncan, seconded by Mr. Stone, with all in favor, the Board ratified Operation and Maintenance Expenditures for July 2025 (\$5,385.67), August 2025 (\$44,001.42), September 2025 (\$5,686.32), October 2025 (\$17,390.42), November 2025 (\$8,947.00), December 2025 (\$9,145.74), January 2026 (\$7,670.32), February 2026 (\$13,676.91), and March 2026 (\$) for Magnolia Creek Community Development District.

SIXTH ORDER OF BUSINESS

Presentation of BOS CDD Application

Ms. Deluna presented the application and asked the Members of the Board if there were any questions. There were no questions.

On a Motion by Mr. Butler, seconded by Mr. Stone, with all in favor, the Board approved the Minutes for the Board Meeting held on August 7, 2025, for Magnolia Creek Community Development District.

SEVENTH ORDER OF BUSINESS

**Consideration of Resolution 2026-01,
Designating Officers**

Ms. Deluna presented the resolution and asked the Members of the Board if there were any questions. There were no questions.

On a Motion by Mr. Butler, seconded by Mr. Stone, with all in favor, the Board adopted Resolution 2026-01, Designating Officers, for Magnolia Creek Community Development District.

EIGHTH ORDER OF BUSINESS

**Consideration of Resolution 2026-02,
Setting a Landowner Election Date**

Ms. Deluna presented the resolution and asked the Members of the Board if there were any questions. There were no questions.

On a Motion by Mr. Butler, seconded by Mr. Stone, with all in favor, the Board adopted Resolution 2026-02, Setting a Landowner Election Date, for Magnolia Creek Community Development District.

NINTH ORDER OF BUSINESS

Ratification of District Items

1. FY 25-26 District Insurance Policy
2. FY 24-25 Engagement Letter for Auditing Services
3. Chair's Acceptance of the FY 2024 Financial Audit

Ms. Deluna presented the items for ratification and asked the Members of the Board if there were any questions. There were no questions.

On a Motion by Mr. Butler, seconded by Mr. Stone, with all in favor, the Board ratified FY 25-26 District Insurance Policy, FY 24-25 Engagement Letter for Auditing Services, and Chair's Acceptance of the FY 2024 Financial Audit, for Magnolia Creek Community Development District.

TENTH ORDER OF BUSINESS

Presentation of Audit Response

Ms. Deluna presented the audit response and asked the Members of the Board if there were any questions. There were no questions.

ELEVENTH ORDER OF BUSINESS

Consideration of District Engineering Services Proposal

Ms. Deluna presented the proposal and asked the Members of the Board if there were any questions. There were no questions.

On a Motion by Mr. Butler, seconded by Mr. Stone, with all in favor, the Board approved the District Engineering Services Proposal, in substantial form and approved by District Counsel, for Magnolia Creek Community Development District.

The Board meeting was paused for a continuance meeting.

The Board meeting resumed June 4, 2026 at 10:00 AM.

TWELFTH ORDER OF BUSINESS

Consideration of Resolution 2026-03, Approving FY 26/27 Proposed Budget & Setting Public Hearing

Ms. Deluna presented the resolution and asked the Members of the Board if there were any questions. There were no questions.

On a Motion by Mr. Butler, seconded by Mr. Stone, with all in favor, the Board adopted Resolution 2026-03, Approving FY 26/27 Proposed Budget & Setting Public Hearing, for Magnolia Creek Community Development District.

THIRTEENTH ORDER OF BUSINESS

SUPERVISOR REQUESTS and AUDIENCE COMMENTS

There were no Supervisor requests or Audience Comments.

FOURTEENTH ORDER OF BUSINESS

ADJOURNMENT

On a Motion by Mr. Butler, seconded by Mr. Stone, with all in favor, the Board of Supervisors Adjourned the Meeting at 10:25 a.m., for Magnolia Creek Community Development District.

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Secretary/Assistant Secretary

Chairman/Vice Chairman

Tab 4

Magnolia Creek Community Development District

District Office · Panama City Beach, Florida, 32407

Mailing Address – 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614

www.magnoliacreekcdd.org

Operations and Maintenance Expenditures

April 2026

For Board Approval

Attached please find the check register listing the Operation and Maintenance expenditures paid from April 1, 2026 through April 30, 2026. This does not include expenditures previously approved by the Board.

The total items being presented: **\$9,825.65**

Approval of Expenditures:

_____ Chairperson

_____ Vice Chairperson

_____ Assistant Secretary

Magnolia Creek Community Development District

Paid Operation & Maintenance Expenditures

April 1, 2026 Through April 30, 2026

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
CHELCO	300057	33156822	Electric Account # 9000190620 03/26	\$ 1,672.73
Kutak Rock, LLP	300058	3732144	Legal Services 01/26-02/26 and 03/26	\$ 3,303.50
Kutak Rock, LLP	300055	3718725	Legal Services 11/25	\$ 210.00
Rizzetta & Company, Inc.	300054	INV0000108076	Accounting Services 04/26	\$ 4,514.42
Walton County Chamber of Commerce	300056	45520	BOS Meeting Room Rental 03/26	<u>\$ 125.00</u>
Report Total				<u>\$ 9,825.65</u>

Magnolia Creek Community Development District

District Office · Panama City Beach, Florida, 32407

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www.magnoliacreekcdd.org

Operations and Maintenance Expenditures

May 2026

For Board Approval

Attached please find the check register listing the Operation and Maintenance expenditures paid from May 1, 2026 through May 31, 2026. This does not include expenditures previously approved by the Board.

The total items being presented: **\$12,366.92**

Approval of Expenditures:

_____ Chairperson

_____ Vice Chairperson

_____ Assistant Secretary

Magnolia Creek Community Development District

Paid Operation & Maintenance Expenditures

May 1, 2026 Through May 31, 2026

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Berger, Toombs, Elam, Gaines & Frank CPA	300060	376507	Audit Services FY 09/30/2025	\$ 4,800.00
Innerlight Engineering Corporation	300061	22400127-000 - 1	General Engineering Services 05/26	\$ 3,052.50
Rizzetta & Company, Inc.	300059	INV0000109168	Accounting Services 05/26	<u>\$ 4,514.42</u>
Report Total				<u>\$ 12,366.92</u>

Magnolia Creek Community Development District

District Office · Panama City Beach, Florida, 32407

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Operations and Maintenance Expenditures

June 2026

For Board Approval

Attached please find the check register listing the Operation and Maintenance expenditures paid from June 1, 2026 through June 30, 2026. This does not include expenditures previously approved by the Board.

The total items being presented: **\$6,388.92**

Approval of Expenditures:

_____ Chairperson

_____ Vice Chairperson

_____ Assistant Secretary

Magnolia Creek Community Development District

Paid Operation & Maintenance Expenditures

June 1, 2026 Through June 30, 2026

Vendor Name	Check Number	Invoice Number	Invoice Description	Invoice Amount
Kutak Rock, LLP	300064	3748623	Legal Services 04/26	\$ 1,624.50
Rizzetta & Company, Inc.	300063	INV0000109956	Administrative Services 06/26	\$ 4,514.42
Walton County Chamber of Commerce	300062	45751	BOS Meeting Room Rental 05/26	<u>\$ 250.00</u>
Report Total				<u>\$ 6,388.92</u>

Tab 5

Stephanie,

Magnolia Creek Community Development District Audited Financial Statements for the year ended September 30, 2025.

Presentation of the audited financial statements to the BOS:

The financial statements of the District are required to be audited pursuant to the requirements outlined in Florida Statutes Chapter 218. The Audited financial statements should be evaluated based on several items: The Auditor's Report, the financial statements and the notes to the financial statements, the Report on Internal Control and the Management Letter.

Auditor's Opinion -

An unqualified opinion is the Auditor's opinion of the financial statements, given without any reservations. Such an opinion basically states that the auditor feels the District followed all accounting rules appropriately and that the financial reports are an accurate representation of the District's financial condition.

Is the Auditor's opinion unqualified for this district ☒ YES NO (Circle one.)

See pages 1-3 of audit report.

Financial Statements and the Notes to the Financial Statements -

The financial statements themselves are presented in accordance with generally accepted accounting principles and include the notes to the financial statements. The phrase "see notes to the financial statements" (or similar wording) is a phrase you will see at the bottom of the financial statements. This means that reading the notes in conjunction with the financial statements will provide a more complete picture of the District's financial position and the results of its operations. The notes serve to explain, clarify, and expand upon the figures presented in the financial statements, and provide some additional information as well.

Report on Internal Control -

Report on Internal Control over financial reporting and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards. The auditor includes this report to specifically identify any internal control deficiencies or instances of noncompliance with laws, regulations and contracts.

Instances or adverse findings reported for this district YES ☒ NO (Circle one.) If yes, see further explanation below.

See pages 28-29

Management Letter -

The Management Letter is issued pursuant to the rules of the Auditor General of the State of Florida. This report is issued by the auditors to present any findings or recommendations the auditors may have as well as the status of any findings that may have been identified in the prior year. This report also identifies compliance with the provisions of the Auditor General of the State of Florida.

Instances or adverse findings reported for this district in the current year	YES	NO
Instances or adverse findings reported for this district in the prior year	YES	NO

(Circle one.) If yes, see further explanation below.

See pages 30-33

If there are any questions with the audit report, the numbers or any of the disclosures, please contact Venessa Smith.

Please let me know when the BOS accepts the report.

Thanks,

Venessa

**Magnolia Creek Community
Development District**

ANNUAL FINANCIAL REPORT

September 30, 2025

**Magnolia Creek Community Development District
ANNUAL FINANCIAL REPORT**

September 30, 2025

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REPORT OF INDEPENDENT AUDITORS

To the Board of Supervisors
Magnolia Creek Community Development District
City of Freeport, Florida

Report on Audit of the Financial Statements

Opinion

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

In our opinion, the accompanying 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 and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 (*Government Auditing Standards*). 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 opinion.

Responsibilities of Management for the Financial Statements

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.



To the Board of Supervisors
Magnolia Creek Community Development District

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 one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility 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 and *Government Auditing Standards* 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 and *Government Auditing Standards*, 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 be presented to supplement the basic financial statements.



To the Board of Supervisors
Magnolia Creek Community Development District

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 GAAS, 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 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

Management is responsible for the other information included in the financial report. The other information comprises the information for compliance with Florida Statutes 218.39(3)(c) but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic 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 basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic 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 a report dated April 17, 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 and contracts and grant agreements and other matters.

The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

April 17, 2026

Magnolia Creek Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2025

Management's discussion and analysis of Magnolia Creek Community Development District's (the "District") financial performance provides an objective and easily readable analysis of the District's financial activities. The analysis provides summary financial information for the District and should be read in conjunction with the District's financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

The District's basic financial statements comprise three components; 1) *Government-wide financial statements*, 2) *Fund financial statements*, and 3) *Notes to financial statements*. The *Government-wide financial statements* present an overall picture of the District's financial position and results of operations. The *Fund financial statements* present financial information for the District's major funds. The *Notes to financial statements* provide additional information concerning the District's finances.

The *Government-wide financial statements* are the **statement of net position** and the **statement of activities**. These statements use accounting methods similar to those used by private-sector companies. Emphasis is placed on the net position of governmental activities and the change in net position. Governmental activities are primarily supported by special assessments.

The **statement of net position** presents information on all assets and liabilities of the District, with the difference between assets and liabilities reported as net position. Net position is reported in three categories; 1) net investment in capital assets, 2) restricted, and 3) unrestricted. Assets, liabilities, and net position are reported for all Governmental activities.

The **statement of activities** presents information on all revenues and expenses of the District and the change in net position. Expenses are reported by major function and program revenues relating to those functions are reported, providing the net cost of all functions provided by the District. To assist in understanding the District's operations, expenses have been reported as governmental activities. Governmental activities financed by the District include general government, physical environment, transportation, and debt service.

Fund financial statements present financial information for governmental funds. These statements provide financial information for the major funds of the District. Governmental fund financial statements provide information on the current assets and liabilities of the funds, changes in current financial resources (revenues and expenditures), and current available resources.

Magnolia Creek Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2025

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Fund financial statements include a **balance sheet** and a **statement of revenues, expenditures and changes in fund balances** for all governmental funds. A **statement of revenues, expenditures, and changes in fund balances – budget and actual** is provided for the District's General Fund. *Fund financial statements* provide more detailed information about the District's activities. Individual funds are established by the District to track revenues that are restricted to certain uses or to comply with legal requirements.

The *government-wide financial statements* and the *fund financial statements* provide different pictures of the District. The *government-wide financial statements* provide an overall picture of the District's financial standing. These statements are comparable to private-sector companies and give a good understanding of the District's overall financial health and how the District paid for the various activities, or functions, provided by the District. All assets of the District, including capital assets are reported in the **statement of net position**. All liabilities, including principal outstanding on bonds are included. The **statement of activities** includes depreciation on all long-lived assets of the District, but transactions between the different functions of the District have been eliminated in order to avoid "doubling up" the revenues and expenses. The *fund financial statements* provide a picture of the major funds of the District. In the case of governmental activities, outlays for long lived assets are reported as expenditures and long-term liabilities, such as capital improvement revenue bonds payable, are not included in the fund financial statements. To provide a link from the *fund financial statements* to the *government-wide financial statements*, reconciliations are provided from the *fund financial statements* to the *government-wide financial statements*.

Notes to financial statements provide additional detail concerning the financial activities and financial balances of the District. Additional information about the accounting practices of the District, investments of the District, capital assets and long-term debt are some of the items included in the *notes to financial statements*.

Financial Highlights

The following are the highlights of financial activity for the year ended September 30, 2025.

- ◆ The District's total assets exceeded total liabilities by \$14,286,825 (net position). Net investment in capital assets for the District was \$13,987,896. Unrestricted net position was \$253,282 and restricted net position was \$45,647.
- ◆ Governmental activities revenues totaled \$214,274 while governmental activities expenses totaled \$385,221.

**Magnolia Creek Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2025**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District

The following schedule provides a summary of the assets, liabilities and net position of the District and is presented by category for comparison purposes.

Net Position

	Governmental Activities	
	2025	2024
Current assets	\$ 308,545	\$ 385,252
Restricted assets	217,496	198,496
Capital assets	14,640,837	14,875,277
Total Assets	15,166,878	15,459,025
Current liabilities	185,053	271,253
Non-current liabilities	695,000	730,000
Total Liabilities	880,053	1,001,253
Net Position		
Net investment in capital assets	13,987,896	14,187,320
Restricted net position	45,647	25,803
Unrestricted	253,282	244,649
Total Net Position	\$ 14,286,825	\$ 14,457,772

The decrease in current assets is primarily related to the decrease in cash in the current year.

The decrease in current liabilities is related to the decrease in matured bonds payable in the current year.

The decrease in capital assets is related to current year depreciation.

The decrease in non-current liabilities is related to the principal payment in the current year.

**Magnolia Creek Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2025**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District (Continued)

The following schedule provides a summary of the changes in net position of the District and is presented by category for comparison purposes.

Change In Net Position

	Governmental Activities	
	2025	2024
Program Revenues		
Charges for services	\$ 201,140	\$ 213,156
General Revenues		
Miscellaneous revenues	-	5,716
Investment earnings	13,134	17,624
Total Revenues	<u>214,274</u>	<u>236,496</u>
Expenses		
General government	102,677	88,654
Physical environment	3,829	3,566
Transportation	234,440	234,440
Interest and other charges	44,275	49,560
Total Expenses	<u>385,221</u>	<u>376,220</u>
Change in Net Position	(170,947)	(139,724)
Net Position - Beginning of Year	<u>14,457,772</u>	<u>14,597,496</u>
Net Position - End of Year	<u>\$ 14,286,825</u>	<u>\$ 14,457,772</u>

The decrease in charges for services is related to the decrease in special assessments in the current year.

The increase in general government is due to the increase in trustee fees in the current year.

**Magnolia Creek Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2025**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Capital Assets Activity

The following schedule provides a summary of the District's capital assets as of September 30, 2025 and 2024:

Description	Governmental Activities	
	2025	2024
Construction in progress	\$ 11,124,235	\$ 11,124,235
Infrastructure	4,688,802	4,688,802
Accumulated depreciation	(1,172,200)	(937,760)
Total Capital Assets, net	<u>\$ 14,640,837</u>	<u>\$ 14,875,277</u>

During the year, depreciation was \$234,440.

General Fund Budgetary Highlights

The final budgeted expenditures exceeded actual expenditures due to lower legal fee expenditures than were anticipated.

The General Fund budget was not amended.

Debt Management

Governmental Activities debt includes the following:

- In July 2007, the District issued \$21,640,000 of Capital Improvement Revenue Bonds, consisting of \$7,635,000 Series 2007A Bonds and \$14,005,000 Series 2007B Bonds. The Bonds were issued to finance the acquisition and construction of certain improvements within the District. In a prior year, matured bonds totaling \$15,605,000, including a portion of the outstanding balance of the Series 2007A bonds and the entire outstanding balance of the Series 2007B bonds, were cancelled; however, the District failed to meet the scheduled debt service requirements and the remaining Series 2007A Bonds remain in default. Matured bonds payable were paid in full in the current year. The unmatured balance outstanding at September 30, 2025 was \$730,000.

**Magnolia Creek Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2025**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Economic Factors and Next Year's Budget

The District has paid the remaining matured principal on the outstanding bonds. The District cannot anticipate the effect on the financial position or results of operations of the District in fiscal year 2026.

Request for Information

The financial report is designed to provide a general overview of Magnolia Creek Community Development District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Magnolia Creek Community Development District's Accounting Department at 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614.

Magnolia Creek Community Development District
STATEMENT OF NET POSITION
September 30, 2025

	Governmental Activities
ASSETS	
Current Assets	
Cash	\$ 283,377
Assessments receivable	24,793
Prepaid expenses	375
Total Current Assets	<u>308,545</u>
Non-current Assets	
Restricted Assets	
Investments	217,496
Capital Assets, Not Being Depreciated	
Construction in progress	11,124,235
Capital Assets, Being Depreciated	
Infrastructure	4,688,802
Accumulated depreciation	<u>(1,172,200)</u>
Total Non-current Assets	<u>14,858,333</u>
Total Assets	<u>15,166,878</u>
LIABILITIES	
Current Liabilities	
Accounts payable and accrued expenses	566
Due to other governments	76,844
Unearned revenues	54,697
Bonds payable	35,000
Accrued interest	17,946
Total Current Liabilities	<u>185,053</u>
Non-current Liabilities	
Bonds payable	<u>695,000</u>
Total Liabilities	<u>880,053</u>
NET POSITION	
Net investment in capital assets	13,987,896
Restricted for debt service	45,647
Unrestricted	<u>253,282</u>
Total Net Position	<u>\$ 14,286,825</u>

See accompanying notes to financial statements.

Magnolia Creek Community Development District
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2025

Functions/Programs	Expenses	Program Revenues Charges for Services	Net (Expenses)/ Revenues and Changes in Net Position Governmental Activities
Governmental Activities			
General government	\$ (102,677)	\$ 106,904	\$ 4,227
Physical environment	(3,829)	3,987	158
Transportation	(234,440)	-	(234,440)
Interest and other charges	(44,275)	90,249	45,974
Total Governmental Activities	<u>\$ (385,221)</u>	<u>\$ 201,140</u>	<u>(184,081)</u>
General Revenues			
Investment income			<u>13,134</u>
Change in Net Position			(170,947)
Net Position - Beginning of Year			<u>14,457,772</u>
Net Position - End of Year			<u>\$ 14,286,825</u>

See accompanying notes to financial statements.

Magnolia Creek Community Development District
BALANCE SHEET –
GOVERNMENTAL FUNDS
September 30, 2025

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash	\$ 283,377	\$ -	\$ -	\$ 283,377
Assessments receivable	24,793	-	-	24,793
Prepaid expenses	375	-	-	375
Restricted assets:				
Investments	-	217,469	27	217,496
Total Assets	<u>\$ 308,545</u>	<u>\$ 217,469</u>	<u>\$ 27</u>	<u>\$ 526,041</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable and accrued expenses	\$ 566	\$ -	\$ -	\$ 566
Due to other governments	-	76,844	-	76,844
Unearned revenues	54,697	-	-	54,697
Total Liabilities	<u>55,263</u>	<u>76,844</u>	<u>-</u>	<u>132,107</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	<u>21,794</u>	<u>-</u>	<u>-</u>	<u>21,794</u>
FUND BALANCES				
Nonspendable:				
Prepaid expenses	375	-	-	375
Restricted:				
Debt service	-	140,625	-	140,625
Capital projects	-	-	27	27
Unassigned	231,113	-	-	231,113
Total Fund Balances	<u>231,488</u>	<u>140,625</u>	<u>27</u>	<u>372,140</u>
Total Liabilities and Fund Balances	<u>\$ 308,545</u>	<u>\$ 217,469</u>	<u>\$ 27</u>	<u>\$ 526,041</u>

See accompanying notes to financial statements.

Magnolia Creek Community Development District
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2025

Total Governmental Fund Balances	\$ 372,140
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets, construction in progress, \$11,124,235, and infrastructure, \$4,688,802, net of accumulated depreciation, \$(1,172,200), used in governmental activities are not current financial resources, and therefore, are not reported at the fund level.	14,640,837
Long-term liabilities, bonds payable, are not due and payable in the current period, and therefore, are not reported at the fund level.	(730,000)
Unavailable revenues are recognized as deferred inflows of resources at the fund level, however, revenues are recognized when earned at the government-wide level.	21,794
Accrued interest expense for long-term debt is not a current financial use, and therefore, is not reported at the fund level.	<u>(17,946)</u>
Net Position of Governmental Activities	<u><u>\$ 14,286,825</u></u>

See accompanying notes to financial statements.

Magnolia Creek Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
For the Year Ended September 30, 2025

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
Special assessments	\$ 89,097	\$ 90,249	\$ -	\$ 179,346
Investment income	4,248	8,886	-	13,134
Total Revenues	<u>93,345</u>	<u>99,135</u>	<u>-</u>	<u>192,480</u>
EXPENDITURES				
Current				
General government	102,677	-	-	102,677
Physical environment	3,829	-	-	3,829
Debt service				
Principal	-	35,000	-	35,000
Interest	-	46,979	-	46,979
Total Expenditures	<u>106,506</u>	<u>81,979</u>	<u>-</u>	<u>188,485</u>
Excess of revenues over/(under) expenditures	<u>(13,161)</u>	<u>17,156</u>	<u>-</u>	<u>3,995</u>
OTHER FINANCING SOURCES/(USES)				
Transfers in	-	-	16	16
Transfers out	-	(16)	-	(16)
Total Other Financing Sources/(Uses)	<u>-</u>	<u>(16)</u>	<u>16</u>	<u>-</u>
Net Change in Fund Balance	(13,161)	17,140	16	3,995
Fund Balances - Beginning of Year	<u>244,649</u>	<u>123,485</u>	<u>11</u>	<u>368,145</u>
Fund Balances - End of Year	<u>\$ 231,488</u>	<u>\$ 140,625</u>	<u>\$ 27</u>	<u>\$ 372,140</u>

See accompanying notes to financial statements.

Magnolia Creek Community Development District
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2025

Net Change in Fund Balances - Total Governmental Funds	\$	3,995
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the costs of those assets is allocated over their estimated useful lives as depreciation. This is the amount of depreciation in the current year.		(234,440)
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Unavailable revenues are recognized as deferred inflow of resources at the fund level, however, revenues are recognized when earned at the government-wide level. This is the current year change in unavailable revenues.		21,794
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Repayment of bond principal are expenditures at the fund level, but the repayment reduces long-term liabilities in the Statement of Net Position.		35,000
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At the government-wide level, interest is accrued on outstanding bonds; whereas at the fund level, interest expenditures are reported when due. This is the current year change in accrued interest.		2,704
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Change in Net Position of Governmental Activities	\$	(170,947)
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See accompanying notes to financial statements.

Magnolia Creek Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND
For the Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Special assessments	\$ 110,117	\$ 110,117	\$ 89,097	\$ (21,020)
Investment income	-	-	4,248	4,248
Total Revenues	<u>110,117</u>	<u>110,117</u>	<u>93,345</u>	<u>(16,772)</u>
Expenditures				
Current				
General government	99,662	99,662	102,677	(3,015)
Physical environment	<u>10,455</u>	<u>10,455</u>	<u>3,829</u>	<u>6,626</u>
Total Expenditures	<u>110,117</u>	<u>110,117</u>	<u>106,506</u>	<u>3,611</u>
Net Change in Fund Balances	-	-	(13,161)	(13,161)
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>244,649</u>	<u>244,649</u>
Fund Balances - End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 231,488</u></u>	<u><u>\$ 231,488</u></u>

See accompanying notes to financial statements.

Magnolia Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District's more significant accounting policies are described below.

1. Reporting Entity

The District was established on September 12, 2006 pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), by City of Freeport Ordinance 2006-26 as a Community Development District. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of the infrastructure necessary for community development within its jurisdiction. The District is authorized to issue bonds for the purpose, among others, of financing, funding, planning, establishing, acquiring, constructing district roads, landscaping, and other basic infrastructure projects within or outside the boundaries of the Magnolia Creek Community Development District. The District is governed by a five-member Board of Supervisors who are elected on an at large basis by landowners of the District. The District operates within the criteria established by Chapter 190, Florida Statutes.

As required by GAAP, these financial statements present the Magnolia Creek Community Development District (the primary government) as a stand-alone government. The reporting entity for the District includes all functions of government in which the District's Board exercises oversight responsibility including, but not limited to, financial interdependency, selection of governing authority, designation of management, significant ability to influence operations and accountability for fiscal matters.

2. Measurement Focus and Basis of Accounting

The basic financial statements of the District are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to financial statements

Magnolia Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

a. Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Government-wide financial statements report all non-fiduciary information about the reporting government as a whole. These statements include all the governmental activities of the primary government. The effect of interfund activity has been removed from these statements.

Governmental activities are supported by special assessments and interest. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets, rather than reported as an expenditure. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as an other financing source.

Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

b. Fund Financial Statements

The underlying accounting system of the District is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental funds are presented after the government-wide financial statements. These statements display information about major funds individually.

Magnolia Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds

The District classifies fund balance in accordance with Governmental Accounting Standards Board Statement 54 – Fund Balance Reporting and Governmental Fund Type Definitions. The Statement requires the fund balance for governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

The District has various policies governing the fund balance classifications.

Nonspendable Fund Balance – This classification consists of amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

Restricted Fund Balance – This classification includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Assigned Fund Balance – This classification consists of the Board of Supervisors' intent to be used for specific purposes, but are neither restricted nor committed. The assigned fund balances can also be assigned by the District's management company.

Unassigned Fund Balance – This classification is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. Unassigned fund balance is considered to be utilized first when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Fund Balance Spending Hierarchy – For all governmental funds except special revenue funds, when restricted, committed, assigned, and unassigned fund balances are combined in a fund, qualified expenditures are paid first from restricted or committed fund balance, as appropriate, then assigned and finally unassigned fund balances.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collected within the current period or soon thereafter, to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Magnolia Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds (Continued)

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Interest associated with the current fiscal period is considered to be an accrual item and so has been recognized as revenue of the current fiscal period.

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of “available spendable resources”.

Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources are expended, rather than as fund assets. The proceeds of long-term debt are recorded as an other financing source rather than as a fund liability.

Debt service expenditures are recorded only when payment is due.

3. Basis of Presentation

a. Governmental Major Funds

General Fund – The General Fund is the District’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Debt Service Fund – The Debt Service Fund accounts for the accumulation of resources for the annual payment of principal and interest on the District’s capital improvement bonds.

Magnolia Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Basis of Presentation (Continued)

a. Governmental Major Funds (Continued)

Capital Projects Fund – The Capital Projects Fund account for the construction of infrastructure improvements within the boundaries of the District.

b. Non-current Governmental Assets/Liabilities

GASB Statement 34 requires that non-current governmental assets, such as capital assets, and non-current governmental liabilities, such as capital improvement bonds be reported in the governmental activities column in the government-wide Statement of Net Position.

4. Assets, Liabilities, Deferred Inflows of Resources, and Net Position or Equity

a. Cash and Investments

Florida Statutes require state and local governmental units to deposit monies with financial institutions classified as "Qualified Public Depositories," a multiple financial institution pool whereby groups of securities pledged by the various financial institutions provide common collateral from their deposits of public funds. This pool is provided as additional insurance to the federal depository insurance and allows for additional assessments against the member institutions, providing full insurance for public deposits.

The District is authorized to invest in those financial instruments as established by Section 218.415, Florida Statutes. The authorized investments consist of:

1. Direct obligations of the United States Treasury;
2. The Local Government Surplus Funds Trust or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperative Act of 1969;
3. Interest-bearing time deposits or savings accounts in authorized qualified public depositories;
4. Securities and Exchange Commission, registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

Cash equivalents include time deposits and all highly liquid debt instruments with original maturities of three months or less and held in a qualified public depository as defined by Section 280.02, Florida Statutes.

Magnolia Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Assets, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

b. Restricted Net Position

Certain net position of the District is classified as restricted on the Statement of Net Position because their use is limited either by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors. In a fund with both restricted and unrestricted net position, qualified expenses are considered to be paid first from restricted net position and then from unrestricted net position.

c. Capital Assets

Capital assets, which include construction in progress and infrastructure, are reported in the governmental activities column.

The District defines capital assets as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of two years. The valuation basis for all assets is historical cost.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation of capital assets is computed and recorded by utilizing the straight-line method over a 20 year estimated useful life.

d. Budgets

Budgets are prepared and adopted after a public hearing for the governmental funds, pursuant to Chapter 190, Florida Statutes. The District utilizes the same basis of accounting for budgets as it does for revenues and expenditures in its various funds. The legal level of budgetary control is at the fund level. All budgeted appropriations lapse at year end. Formal budgets are adopted for the general and debt service funds. As a result, deficits in the budget columns of the accompanying financial statements may occur.

e. Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position that applies to a future reporting period(s) and so will not be recognized as an inflow of resources (revenue) until then. The District only has one item that qualifies for reporting in the category. Unavailable revenues are reported only in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that amounts become available

Magnolia Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**4. Assets, Liabilities, Deferred Inflows of Resources, and Net Position or Equity
(Continued)**

f. Use of Estimates

The preparation of the 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 financial statement date and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE B – CASH AND INVESTMENTS

All deposits are held in qualified public depositories and are included on the accompanying balance sheet as cash and investments.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk; however, they follow the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2025, the District's bank balance was \$283,577 and the carrying value was \$283,377. Exposure to custodial credit risk was as follows. The District maintains all deposits in a qualified public depository in accordance with the provisions of Chapter 280, Florida Statutes, which means that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes.

Investments

As of September 30, 2025, the District had the following investments and maturities:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
U.S. Bank Managed Money Market	N/A	<u>\$ 217,496</u>

The District categorizes its fair value measurements within the fair value hierarchy recently established by generally accepted accounting principles. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The District uses a market approach in measuring fair value that uses prices and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

Magnolia Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE B – CASH AND INVESTMENTS (CONTINUED)

Investments (continued)

Assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted price for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining quoted prices for identical or similar assets, or liabilities, in markets that are not active. Level 3 is the least reliable and uses significant unobservable inputs that use the best information available under the circumstances, which includes the District's own data in measuring unobservable inputs.

Based on the criteria in the preceding paragraph, the investments listed above are Level 1 assets.

Interest Rate Risk

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

Credit Risk

The District's investments are limited by state statutory requirements and bond compliance. The District has no investment policy that would further limit its investment choices. As of September 30, 2025, the District's investment in U.S. Bank Managed Money Market was not rated.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one fund. The District's investment in the U.S. Bank Managed Money Market represents 100% of the District's total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2025 were typical of these items during the fiscal year then ended. The District considers any decline in fair value to be temporary.

NOTE C – SPECIAL ASSESSMENT REVENUES

Assessment revenues recognized for the 2024-2025 fiscal year were levied in August 2024. All taxes are due and payable on November 1 or as soon as the assessment roll is certified and delivered to the Tax Collector. Per Section 197.162, Florida Statutes, discounts are allowed for early payment at the rate of 4% in November, 3% in December, 2% in January, and 1% in February. Taxes paid in March are without discount.

All unpaid taxes become delinquent as of April 1. Virtually all unpaid taxes are collected via the sale of tax certificates on or prior to June 1; therefore, there were no material taxes receivable at fiscal year end.

Magnolia Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE D – CAPITAL ASSETS

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

	Balance October 1, 2024	Additions	Deletions	Balance September 30, 2025
<u>Governmental activities:</u>				
Capital assets, not being depreciated:				
Construction in progress	\$ 11,124,235	\$ -	\$ -	\$ 11,124,235
Capital assets, being depreciated				
Infrastructure	4,688,802	-	-	4,688,802
Accumulated depreciation				
Infrastructure	(937,760)	(234,440)	-	(1,172,200)
Capital Assets Being Depreciated, net	<u>3,751,042</u>	<u>(234,440)</u>	<u>-</u>	<u>3,516,602</u>
Governmental Activities Capital Assets	<u>\$ 14,875,277</u>	<u>\$ (234,440)</u>	<u>\$ -</u>	<u>\$ 14,640,837</u>

Depreciation of \$234,440 was charged to transportation.

NOTE E – LONG-TERM DEBT

The following is a summary of activity for long-term debt of the Governmental Activities for the year ended September 30, 2025:

Long-term debt at October 1, 2024	\$ 765,000
Principal payments	<u>(35,000)</u>
Long-term debt at September 30, 2025	<u>\$ 730,000</u>

Long-term debt for Governmental Activities is comprised of the following:

Capital Improvement Revenue Bonds

\$7,635,000 Series 2007A Capital Improvement Revenue Bonds are due in annual principal installments beginning May 2010 maturing May 2039. Interest at 5.90% is due May and November beginning November 2007. Current portion is \$35,000.

\$ 730,000

Magnolia Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE E – LONG-TERM DEBT (CONTINUED)

The annual requirements to amortize the principal and interest of bonded debt outstanding as of September 30, 2025 are as follows:

Year Ending September 30,	Principal	Interest	Total
2026	\$ 35,000	\$ 43,070	\$ 78,070
2027	35,000	41,005	76,005
2028	40,000	38,940	78,940
2029	40,000	36,580	76,580
2030	45,000	34,220	79,220
2031-2035	265,000	128,620	393,620
2036-2039	270,000	41,300	311,300
Totals	<u>\$ 730,000</u>	<u>\$ 363,735</u>	<u>\$ 1,093,735</u>

Summary of Significant Bond Resolution Terms and Covenants

Capital Improvement Revenue Bonds

Significant Bond Provisions

The Series 2007A Bonds are subject to redemption at the option of the District prior to their maturity, in whole or in part, at any time after May 1, 2017 at a redemption price set forth in the Trust Indenture. The Series 2007A Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Trust Indenture.

The Trust Indenture established certain amounts be maintained in a reserve account. In addition, the Trust 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 agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements.

The following is a schedule of the reserve balance and requirement as of September 30, 2025:

Capital Improvement Bonds		
	Reserve Balance	Reserve Requirement
Series 2007A	\$ 87,695	\$ 77,032

Magnolia Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE F – ECONOMIC DEPENDENCY AND RELATED PARTIES

The Developer still owns a portion of assessable property within the District on which it is obligated to pay operating and maintenance assessments. During fiscal year 2025, the District recognized assessments totaling \$86,438. As of September 30, 2025, the three board members were affiliated with the current Developer.

NOTE G – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The District has not filed any claims under this commercial coverage during the last three years.



**Berger, Toombs, Elam,
Gaines & Frank**

Certified Public Accountants PL

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**INDEPENDENT AUDITORS' 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
Magnolia Creek Community Development District
City of Freeport, 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 (*Government Auditing Standards*), the financial statements, as listed in the table of contents, of Magnolia Creek Community Development District, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements and have issued our report thereon dated April 17, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit, we considered Magnolia Creek Community Development District's internal control over financial reporting (internal control) as a basis for designing 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 Magnolia Creek Community Development District's internal control. Accordingly, we do not express an opinion on the effectiveness of Magnolia Creek Community Development District's internal control.

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

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



To the Board of Supervisors
Magnolia Creek Community Development District

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Magnolia Creek Community Development District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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.

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

April 17, 2026



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

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MANAGEMENT LETTER

To the Board of Supervisors
Magnolia Creek Community Development District
City of Freeport, Florida

Report on the Financial Statements

We have audited the financial statements of the Magnolia Creek Community Development District as of and for the year ended September 30, 2025, and have issued our report thereon dated April 17, 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 Reports and Schedule

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 Financial Statements Performed in Accordance with *Government Auditing Standards* and our 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 April 17, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been made to address findings and recommendations made in the preceding financial audit report. The following findings or recommendations were noted in the preceding financial audit report:



To the Board of Supervisors
Magnolia Creek Community Development District

Finding 2019-02 Financial Condition, Meet Debt Service Reserves, Make Debt Service Payments

Finding

The District's financial condition continues to deteriorate. Certain scheduled debt service payments were not made, which resulted in events of default.

Recommendation

The District should take all legally available steps to remedy the deteriorating financial condition.

Management Response

The past due principal payments were paid October 1, 2024.

Current Status:

The finding was corrected in the current year.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not Magnolia Creek Community Development District met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that Magnolia Creek Community Development District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for Magnolia Creek Community Development District. It is management's responsibility to monitor Magnolia Creek Community Development District's financial condition; and our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.



To the Board of Supervisors
Magnolia Creek Community Development District

Specific Information

The information below was provided by management and has not been audited by us; therefore, we do not express an opinion or provide any assurance on the information.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, Magnolia Creek Community Development District reported:

- 1) The total number of District employees compensated in the last pay period of the District's fiscal year as: 0
- 2) The total number of independent contractors, defined as individuals or entities that receive 1099s, to whom nonemployee compensation was paid in the last month of the District's fiscal year as: 1
- 3) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as: \$0
- 4) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: \$403
- 5) Each construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1, 2024, together with the total expenditures for such project as: N/A
- 6) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes: The Board did not amend the budget.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)9, Rules of the Auditor General, Magnolia Creek Community Development District reported:

- 1) The rate or rates of non-ad valorem special assessments imposed by the District as: \$90.03 – \$150.06 for the General Fund and \$1,215.00 – \$1,350.00 for the Debt Service Fund.
- 2) The amount of special assessments collected by or on behalf of the District as: Total special assessments collected was \$201,140.
- 3) The total amount of outstanding bonds issued by the District and the terms of such bonds are as follows: \$730,000 Series 2007A Bonds due on May 1, 2039



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Gaines & Frank
Certified Public Accountants PL

To the Board of Supervisors
Magnolia Creek Community Development District

Additional Matters

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

Purpose of this Letter

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

*Berger Toombs Elam
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

April 17, 2026



**Berger, Toombs, Elam,
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**INDEPENDENT ACCOUNTANTS' REPORT/COMPLIANCE WITH
SECTION 218.415, FLORIDA STATUTES**

To the Board of Supervisors
Magnolia Creek Community Development District
City of Freeport, Florida

We have examined Magnolia Creek Community Development District's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2025. Management is responsible for Magnolia Creek Community Development District's compliance with those requirements. Our responsibility is to express an opinion on Magnolia Creek Community Development 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 and, accordingly, included examining, on a test basis, evidence about Magnolia Creek Community Development District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on Magnolia Creek Community Development District's compliance with the specified requirements.

In our opinion, Magnolia Creek Community Development District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2025.

*Berger Toombs Elam
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

April 17, 2026

Tab 6



Rotolo Consultants Incorporated

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To:	Magnolia Creek CDD dhartzell@rizzetta.com	Proposal Date:	6-17-2026
Project Name:	Brushhog common areas Magnolia Creek CDD	Proposal ID:	87-20999-FL-E12109
Project Location:	Silverthorn Street, Freeport, Florida 32439	Estimator:	Taylor Thompson
		License:	FL CBC1262789

Scope of Project

On Magnolia Creek CDD property behind Silverthorn Street residences and around to Staggerbush Street, provide labor and equipment to brush hog undeveloped area.

*Service Description	Quantity
LABOR AND MATERIALS	1.00

Total Project Cost: \$1,461.96

Qualifications

Above price does not include any applicable taxes. Price is valid for 30 days unless a notice to proceed or a contract is executed. Above pricing includes labor and material to install project as listed and described. Plant material is not covered under warranty if not irrigated.

Proposal ID: **87-20999-FL-E12109**

Total Project Cost:

\$1,461.96

Date And Signature Below Shall Serve As Notice To Proceed

Date

Signature

Name And Email To Receive Final Invoice:

Name and Email

Additional Project Notes



Tab 7

**AGREEMENT BETWEEN THE MAGNOLIA CREEK COMMUNITY DEVELOPMENT
DISTRICT AND INNERLIGHT ENGINEERING, LLC,
FOR PROFESSIONAL ENGINEERING SERVICES**

THIS AGREEMENT, made and entered into this ___ day of _____, 2026, by and between:

Magnolia Creek Community Development District, a local unit of special-purpose government established pursuant to Chapter 190, Florida Statutes, and located in the city of Freeport, Florida, (“**District**”); and

Innerlight Engineering, LLC, a Florida limited liability company, whose mailing address is 11490 Emerald Coast Parkway, Suite 2W, Miramar Beach, FL 32550 (“**Engineer**”).

WHEREAS, the District is a local unit of special purpose government established pursuant to the Uniform Community Development District Act of 1980, as codified in Chapter 190, Florida Statutes (“Uniform Act”), by ordinance 06-26 of the City Council of the City of Freeport, Florida; and

WHEREAS, the District is authorized to plan, acquire, and/or maintain improvements, facilities, and services in conjunction with the development and maintenance of the lands within the District; and

WHEREAS, Engineer submitted a proposal to serve in this capacity;

WHEREAS, the District’s Board of Supervisors (the “**Board**”) intends to employ Engineer to perform engineering, construction administration, environmental management and permitting, financial and economic studies, as defined by a separate work authorization or work authorizations;

WHEREAS, the Engineer shall serve as District’s professional representative in each service or project to which this Agreement applies and will give consultation and advice to the District during performance of these services.

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained, the acts and deeds to be performed by the parties hereto and the payments by the District to the Engineer of the sums of money herein specified, it is mutually covenanted and agreed as follows:

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

ARTICLE 2. SCOPE OF SERVICES.

A. The Engineer will provide general engineering services for the District, including:

1. Preparation of any necessary reports and attendance at meetings of the Board.
2. Assisting in meeting with necessary parties involving bond issues, special reports, feasibility studies or other tasks.
3. Providing professional engineering services, including but not limited to, review and execution of documents under the District's Trust Indentures and monitoring of District projects.
4. Any other items requested by the Board.

B. Engineer shall, when authorized by the Board, provide general services related to construction of any District projects, including but not limited to:

5. Periodic visits to the site, or full-time construction management of District projects, as directed by District.
6. Processing of contractors' pay estimates.
7. Preparation of, and/or assistance with, the preparation of work authorizations, requisitions, change orders and acquisitions for review by the District Manager, District Counsel, and the Board.
8. Final inspection and requested certificates for construction, including the final certificate of construction.
9. Consultation and advice during construction, including performing all roles and actions required of any construction contract between District and any contractor(s) in which Engineer is named as owner's representative or "Engineer."
10. Any other activity related to construction as authorized by the Board.

C. With respect to maintenance of the facilities, Engineer shall render such services as authorized by the Board.

ARTICLE 3. METHOD OF AUTHORIZATION. Each service or project shall be authorized in writing by the District. The written authorization shall be incorporated in a work authorization which shall include the scope of services, compensation, project schedule, and special provisions or conditions specific to the service or project being authorized and shall be in a form similar to the form set for in **Exhibit A** hereto ("**Work Authorization**"). Authorization of services or projects under this Agreement shall be at the sole option of the District.

ARTICLE 4. COMPENSATION. It is understood and agreed that the payment of compensation for services under this Agreement shall be stipulated in each Work Authorization. One of the following methods will be utilized:

- A. Lump Sum Amount – The District and Engineer shall mutually agree to a lump sum amount for the services to be rendered payable monthly in direct proportion to the work accomplished. For any lump-sum or cost-plus-a-fixed-fee professional service contract over the threshold amount provided in Section 287.017 of the Florida Statutes for CATEGORY FOUR, the District shall require the Engineer to execute a truth-in-negotiation certificate stating that wage rates and other factual unit costs supporting the compensation are accurate, complete, and current at the

time of contracting. The price for any lump sum Work Authorization, and any additions thereto, will be adjusted to exclude any significant sums by which the District determines the Work Authorization was increased due to inaccurate, incomplete, or noncurrent wage rates and other factual unit costs. All such adjustments must be made within one (1) year following the completion of the work contemplated by the lump sum Work Authorization.

- B. Hourly Personnel Rates – For services or projects where the scope of services is not clearly defined or recurring services or other projects where the District desires the use of the hourly compensation rates, the rates outlined in **Exhibit B**, attached hereto and incorporated by this reference, shall apply. The District and Engineer may agree to a “not to exceed” amount when utilizing hourly personnel rates for a specific work authorization.

ARTICLE 5. REIMBURSABLE EXPENSES. Reimbursable expenses consist of actual expenditures made by Engineer, its employees, or its consultants in the interest of the services for the incidental expenses as listed as follows:

- A. Expenses of transportation and living when traveling in connection with a project and fees paid for securing approval of authorities having jurisdiction over the project. All expenditures shall be made in accordance with Chapter 112, Florida Statutes, and with the District’s travel policy.
- B. Expense of reproduction, postage and handling of drawings and specifications.

ARTICLE 6. TERM OF AGREEMENT. It is understood and agreed that the term of this Agreement will be from the time of execution of this Agreement by the parties hereto until terminated in accordance with its terms.

ARTICLE 7. SPECIAL CONSULTANTS. When authorized in writing by the District, additional special consulting services may be utilized by Engineer and paid for on a cost basis.

ARTICLE 8. BOOKS AND RECORDS. Engineer shall maintain comprehensive books and records relating to any services performed under this Agreement, which shall be retained by Engineer for a period of at least four (4) years from and after completion of any services hereunder, or such further time as required under Florida law. The District, or its authorized representative, shall have the right to audit such books and records at all reasonable times upon prior notice to Engineer.

ARTICLE 9. OWNERSHIP OF DOCUMENTS.

- A. Upon payment of all applicable compensation as properly invoiced and paid pursuant to Article 4, all rights in and title to all plans, drawings, specifications, ideas, concepts, designs, sketches, models, programs, software, creation, inventions, reports, or other tangible work product originally developed by Engineer pursuant to this Agreement (the “Work Product”) shall be and remain the

sole and exclusive property of the District when developed and shall be considered work for hire.

- B. Upon payment of all applicable compensation as properly invoiced and paid pursuant to Article 4, the Engineer shall deliver all Work Product to the District upon completion thereof, unless it is necessary for the Engineer in the District's sole discretion to retain possession for a longer period of time. Notwithstanding the foregoing, the Engineer agrees that delivery of any Work Product necessary to proceed with the ongoing work of the District shall not be withheld or unreasonably delayed solely based upon the timing of the invoicing or payment. Upon early termination of the Engineer's services hereunder, the Engineer shall deliver to the District all such Work Product, whether complete or not. The District shall have all rights to use any and all Work Product. Engineer shall retain copies of the Work Product for its permanent records, provided the Work Product is not used in whole without the District's prior express written consent. The Engineer agrees not to recreate any Work Product contemplated by this Agreement, or portions thereof, which if constructed or otherwise materialized, would be reasonably identifiable with the District.
- C. The District exclusively retains all manufacturing rights to all materials or designs developed under this Agreement. To the extent the services performed under this Agreement produce or include copyrightable or patentable materials or designs, such materials or designs are work made for hire for the District as the author, creator, or inventor thereof upon creation, and the District shall have all rights therein including, without limitation, the right of reproduction, with respect to such work. The Engineer hereby assigns to the District any and all rights the Engineer may have including, without limitation, the copyright with respect to such work. The Engineer acknowledges that the District is the motivating factor for, and for the purpose of copyright or patent, has the right to direct and supervise, the preparation of such copyrightable or patentable materials or designs.

ARTICLE 10. REUSE OF DOCUMENTS. All documents including drawings and specifications furnished by Engineer pursuant to this Agreement are instruments of service. Such documents are not intended or represented to be suitable for reuse by District or others on extensions of the work for which they were provided or on any other project. Any reuse without specific written consent by Engineer will be at the District's sole risk and without liability or legal exposure to Engineer. All documents including drawings, plans and specifications furnished by Engineer to District are subject to reuse in accordance with Section 287.055(10), Florida Statutes.

ARTICLE 11. ESTIMATE OF COST. Since Engineer has no control over the cost of labor, materials, or equipment or over a contractor's methods of determining prices, or over competitive bidding or market conditions, Engineer's opinions of probable cost provided as a service hereunder are to be made on the basis of its experience and qualifications and represent Engineer's best judgment as a design professional familiar with the construction industry, but Engineer cannot and does not guarantee that proposals, bids, or the construction costs will not vary from opinions of probable cost prepared by Engineer. If the District wishes greater assurance as to

the construction costs, it shall employ an independent cost estimator at its own expense. Services to modify approved documents to bring the construction cost within any limitation established by the District will be considered additional services and justify additional fees.

ARTICLE 12. INSURANCE.

- A. Subject to the provisions of this Article, the Engineer shall maintain throughout the term of this Agreement the following insurance:
 - 1. Workers' Compensation Insurance in accordance with the laws of the State of Florida.
 - 2. Commercial General Liability Insurance, including but not limited to, bodily injury (including contractual), property damage (including contractual), products and completed operations, and personal injury with limits of One Million Dollars and No Cents (\$1,000,000.00) per occurrence, and Two Million Dollars and No Cents (\$2,000,000.00) in the aggregate covering all work performed under this Agreement.
 - 3. Automobile Liability Insurance, including without limitation bodily injury and property damage, including all vehicles owned, leased, hired, and non-owned vehicles with limits of One Million Dollars and No Cents (\$1,000,000.00) combined single limit covering all work performed under this Agreement.
 - 4. Professional Liability Insurance for Errors and Omissions, with limits of One Million Dollars and No Cents (\$1,000,000.00).
- B. All insurance policies, except for the Professional Liability Insurance, secured by Engineer pursuant to the terms of this Agreement shall be written on an "occurrence" basis to the extent permitted by law.
- C. The District and the District's officers, supervisors, agents, staff, and representatives shall be named as additional insured parties, except with respect to the Worker's Compensation Insurance and Professional Liability Insurance for which only proof of insurance shall be provided. The Engineer shall furnish the District with the Certificate of Insurance evidencing compliance with the requirements of this Section. No certificate shall be acceptable to the District, unless it provides that any material change or termination within the policy periods of the insurance coverage, as certified, shall not be effective within thirty (30) days of prior written notice to the District. Insurance coverage shall be from a reputable insurance carrier, licensed to conduct business in the state of Florida.
- D. If the Engineer fails to have secured and maintained the required insurance, the District has the right (without any obligation to do so, however), to secure such required insurance in which event, the Engineer shall pay the cost for that required

insurance and shall furnish, upon demand, all information that may be required in connection with the District's obtaining the required insurance.

ARTICLE 13. CONTINGENT FEE. The Engineer warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Engineer, to solicit or secure this Agreement and that it has not paid or agreed to pay any person, company, corporation, individual, or firm, other than a bona fide employee working solely for the Engineer, any fee, commission, percentage, gift, or other consideration contingent upon or resulting from the award or making of this Agreement.

ARTICLE 14. AUDIT. Records of the Engineer pertaining to the services provided hereunder shall be kept on a basis of generally accepted accounting principles and shall be available to the District or its authorized representative for observation or audit at mutually agreeable times. The Engineer agrees that the District or any of its duly authorized representatives shall have access to and the right to examine any books, documents, papers, and records of the Engineer involving transactions related to the Agreement for a period of four (4) years or longer as required by law. The Engineer agrees that payment made under the Agreement shall be subject to reduction for amounts charged thereto that are found on the basis of audit examination not to constitute allowable costs. All required records shall be maintained until either (a) the completion of an audit and resolution of all questions arising therefrom, or (b) three years after the expenditure of all funds under this Agreement, or (c) the public record retention period established by the District's records retention policy, whichever comes later.

ARTICLE 15. COMPLIANCE WITH GOVERNMENTAL REGULATIONS. In performing its obligations under this Agreement, the Engineer and each of its agents, servants, employees, or anyone directly or indirectly employed by the Engineer, shall comply with all applicable laws, ordinances, rules, regulations, and orders of any public or governmental authority having appropriate jurisdiction. If the Engineer fails to notify the District in writing within ten (10) days of the receipt of any notice, order, required to comply notice, or a report of a violation or an alleged violation, made by any local, State, or Federal governmental body or agency or subdivision thereof with respect to the services being rendered under this Agreement or any action of the Engineer or any of its agents, servants, or employees, or fails to comply with any requirement of such agency within ten (10) days after receipt of any such notice, order request to comply notice, or report of a violation or an alleged violation, the District may terminate this Agreement, such termination to be effective upon the giving of notice of termination.

ARTICLE 16. COMPLIANCE WITH PROFESSIONAL STANDARDS. In performing its obligations under this Agreement, the Engineer and each of its agents, servants, employees, or anyone directly or indirectly employed by Engineer, shall maintain the generally accepted professional standard of care, skill, diligence, and professional competency for such work and/or services consistent with industry standards used by members of the Engineer's profession practicing under similar circumstances. Any designs, drawings, reports, or specifications prepared or furnished by Engineer that contain errors, conflicts, or omissions will be promptly corrected by Engineer at no cost to the District.

ARTICLE 17. INDEMNIFICATION AND LIMITATION OF LIABILITY.

- A. The Engineer agrees, to the fullest extent permitted by law (except against professional liability claims), to indemnify, defend, and hold harmless the District and the District's officers, supervisors, agents, staff, and representatives (together, the "Indemnitees"), from liabilities, damages, losses, and costs, including but not limited to, reasonable attorneys' fees, to the extent caused by the negligence, recklessness, or intentionally wrongful conduct of the Engineer and other persons employed or utilized by the Engineer in the performance of this Agreement, including without limitation the Engineer's contractors, subcontractors, and sub-subcontractors. To the extent a limitation on liability is required by Section 725.06 of the Florida Statutes or other applicable law, liability under this section shall in no event exceed the sum of One Million Dollars and No Cents (\$1,000,000.00) and Engineer shall carry, at his own expense, insurance in a company satisfactory to District to cover the aforementioned liability. Engineer agrees such limitation bears a reasonable commercial relationship to the Agreement and was part of the project specifications or bid documents.
- B. The Engineer agrees and covenants that nothing in this Agreement shall constitute or be construed as a waiver of the District's sovereign immunity pursuant to Section 768.28, Florida Statutes, or other law, and nothing in the Agreement shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred under the Doctrine of Sovereign Immunity or by operation of law.
- C. In the event that any indemnification, defense, or hold harmless provision of this Agreement is determined to be unenforceable, the provision shall be reformed in accordance with the mutual intent of the Engineer and the District to provide indemnification, defense, and hold harmless provisions to the maximum effect allowed by Florida law and for the benefit of the Indemnitees.
- D. **CONSEQUENTIAL DAMAGES WAIVER.** Neither District nor Engineer shall be liable to the other party in any circumstances for any indirect, economic, special or consequential loss or damage, including but not limited to, loss of revenue, loss of production or loss of profit.
- E. **GENERAL LIMITATION OF LIABILITY.** Except as limited by applicable law, the total aggregate liability of the Engineer to the District for any and all injuries, claims, losses, expenses, or damages whatsoever from any cause or causes, including, but not limited to, strict liability, breach of contract, breach of warranty, negligence, or errors or omissions (collectively, the "Claims") shall not exceed the greater of (1) the proceeds of the Engineer's available liability insurance required under this Agreement for coverage of any Claims or (2) the compensation paid by the District to the Engineer pursuant to this Agreement, but not less than \$60,000.

- a. The foregoing general limitation of liability shall not apply to Engineer's indemnification obligations in Section A. of this Article 17, nor shall it apply to injuries, claims, losses, expenses, or damages of any type whatsoever arising from Engineer's gross negligence, willful misconduct, fraud, or intentional misrepresentation. The foregoing general limitation of liability shall also be inapplicable in the event of Engineer's failure to have maintained insurance as required under Article 12.

ARTICLE 18. EMPLOYMENT VERIFICATION. The Engineer agrees that it shall bear the responsibility for verifying the employment status, under the Immigration Reform and Control Act of 1986, of all persons it employs in the performance of this Agreement.

ARTICLE 19. INDEPENDENT CONTRACTOR. In all matters relating to this Agreement, the District and the Engineer agree and acknowledge that the Engineer shall serve as an independent contractor of the District. Neither the Engineer nor employees of the Engineer, if any, are employees of the District under the meaning or application of any Federal or State unemployment, insurance laws, or any other potentially applicable laws. The Engineer agrees to assume all liabilities or obligations by any one or more of such laws with respect to employees of the Engineer, if any, in the performance of this Agreement. The Engineer shall not have any authority to assume or create any obligation, express or implied, on behalf of the District and the Engineer shall have no authority to represent as agent, employee, or in any other capacity the District, unless set forth differently herein or authorized by vote of the Board.

ARTICLE 20. CONTROLLING LAW. The Engineer and the District agree that this Agreement shall be controlled and governed by the laws of the State of Florida. Venue for all proceedings with respect to this Agreement shall be Walton County, Florida.

ARTICLE 21. NOTICE. All notices, requests, consents and other communications under this Agreement ("Notices") shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or overnight delivery service, to the parties, as follows:

A. If to Engineer:	Innerlight Engineering, LLC 11490 Emerald Coast Parkway Suite 2W Miramar Beach, FL 325 Attn:
B. If to District:	Magnolia Creek Community Development District 3434 Colwell Ave, Suite 200 Attn: District Manager
With a copy to:	Kutak Rock LLP 107 West College Avenue Tallahassee, Florida 32301 Attn: District Counsel

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 Engineer may deliver Notice on behalf of the District and the Engineer. 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.

ARTICLE 22. PUBLIC RECORDS. Engineer understands and agrees that all documents of any kind provided to the District in connection with this Agreement may be public records, and, accordingly, Engineer agrees to comply with all applicable provisions of Florida law in handling such records, including but not limited to Section 119.0701, Florida Statutes. Engineer acknowledges that the designated public records custodian for the District is ("Public Records Custodian"). Among other requirements and to the extent applicable by law, the Engineer shall 1) keep and maintain public records required by the District to perform the Services; 2) upon request by the Public Records Custodian, provide the District with the requested public records or allow the records to be inspected or copied within a reasonable time period at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes; 3) ensure that public records which are exempt or confidential, and exempt from public records disclosure requirements, are not disclosed except as authorized by law for the duration of the Agreement term and following the Agreement term if the Engineer does not transfer the records to the Public Records Custodian of the District; and 4) upon completion of the Agreement, transfer to the District, at no cost, all public records in Engineer's possession or, alternatively, keep, maintain and meet all applicable requirements for retaining public records pursuant to Florida laws. When such public records are transferred by the Engineer, the Engineer shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the District in a format that is compatible with Microsoft Word or Adobe PDF formats (latest editions).

IF THE ENGINEER HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, *FLORIDA STATUTES*, TO THE ENGINEER'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE PUBLIC RECORDS CUSTODIAN AT 850-334-9055, SDELUNA@RIZZETTA.COM, DISTRICT MANAGER, RIZZETTA & COMPANY, INC., 3434 COLWELL AVE., SUITE 200, TAMPA, FL 33614

ARTICLE 23. NO THIRD-PARTY BENEFITS. Nothing in the Agreement shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred by operation of law.

ARTICLE 24. 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.

ARTICLE 25. ASSIGNMENT. Except as provided otherwise in this Agreement, neither the District nor the Engineer shall assign, sublet, or transfer any rights under or interest in this Agreement without the express written consent of the other. Any purported assignment without such written consent is void. Nothing in this paragraph shall prevent the Engineer from employing such independent professional associates and consultants as Engineer deems appropriate and consistent with this Agreement.

ARTICLE 26. CONSTRUCTION DEFECTS. Any claims for construction defects are subject to the notice and cure provisions of Chapter 558, Florida Statutes.

ARTICLE 27. AMENDMENT. Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing that is executed by both the District and the Engineer.

ARTICLE 28. ARM'S LENGTH TRANSACTION. This Agreement reflects the negotiated agreement of the District and the Engineer, each represented by competent legal counsel. Accordingly, this Agreement shall be construed as if both parties jointly prepared it, and no presumption against one party or the other shall govern the interpretation or construction of any of the provisions of this Agreement.

ARTICLE 29. INDIVIDUAL LIABILITY. Under this Agreement, and pursuant to the requirements of Section 558.0035, Florida Statutes, the requirements of which are expressly incorporated herein, an individual employee or agent of the Engineer may not be held individually liable for negligence.

ARTICLE 30. TERMINATION. The District may terminate this Agreement for cause immediately upon notice to Engineer. The District or the Engineer may terminate this Agreement without cause upon thirty (30) days' written notice. At such time as the Engineer receives notification of the intent of the District to terminate the Agreement, the Engineer shall not perform any further services, unless directed to do so in writing by the District. In the event of any termination or breach of any kind, the Engineer shall not be entitled to consequential damages of any kind (including but not limited to lost profits), but instead the Engineer's sole remedy will be to recover payment for services rendered to the date of the notice of termination, subject to any offsets.

ARTICLE 31. HEADINGS FOR CONVENIENCE ONLY. The descriptive headings in this Agreement are for convenience only and shall neither control nor affect the meaning or construction of any of the provisions of this Agreement.

ARTICLE 32. ENFORCEMENT OF AGREEMENT. In the event that either the District or the Engineer is required to enforce this Agreement by court proceedings or otherwise, then the substantially prevailing party shall be entitled to recover from the other party all costs incurred, including reasonable attorney's fees, paralegal fees, expert witness fees, and costs at all judicial levels.

ARTICLE 33. ACCEPTANCE. Acceptance of this Agreement is indicated by the signatures of the authorized representatives of the District and the Engineer in the spaces provided below.

ARTICLE 34. COUNTERPARTS. This instrument may be executed in any number of counterparts, each of which, when executed and delivered, shall constitute an original, and such counterparts together shall constitute one and the same instrument. Signature and acknowledgment pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document.

ARTICLE 35. E-VERIFY. The Engineer shall comply with and perform all applicable provisions of Section 448.095, Florida Statutes. Accordingly, to the extent required by Florida Statute, Engineer shall register with and use the United States Department of Homeland Security's E-Verify system to verify the work authorization status of all newly hired employees. The District may terminate this Agreement immediately for cause if there is a good faith belief that the Engineer has knowingly violated Section 448.09(1), Florida Statutes. By entering into this Agreement, the Engineer represents that no public employer has terminated a contract with the Engineer under Section 448.095(2)(c), Florida Statutes, within the year immediately preceding the date of this Agreement.

ARTICLE 36. COMPLIANCE WITH SECTION 20.055, FLORIDA STATUTES. The Engineer agrees to comply with Section 20.055(5), Florida Statutes, to cooperate with the inspector general in any investigation, audit, inspection, review, or hearing pursuant to such section and to incorporate in all subcontracts the obligation to comply with Section 20.055(5), Florida Statutes.

ARTICLE 37. SCRUTINIZED COMPANIES STATEMENT. Engineer certifies it: (i) is not in violation of Section 287.135, Florida Statutes; (ii) is not on the Scrutinized Companies with Activities in Sudan List; (iii) is not on the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List; (iv) does not have business operations in Cuba or Syria; (v) is not on the Scrutinized Companies that Boycott Israel List; and (vi) is not participating in a boycott of Israel. If the Engineer is found to have submitted a false statement with regards to the prior sentence, has been placed on the Scrutinized Companies with Activities in Sudan List, the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or the Scrutinized Companies that Boycott Israel List, has engaged in business operations in Cuba or Syria, and/or has engaged in a boycott of Israel, the District may immediately terminate the Contract.

[signatures on following page]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year first above written.

Attest:

**MAGNOLIA CREEK COMMUNITY
DEVELOPMENT DISTRICT**

Secretary / Assistant Secretary

Chairperson / Vice Chairperson,
Board of Supervisors

INNERLIGHT ENGINEERING, LLC
a Florida Limited Liability Company

Witness

By:
Its:

EXHIBIT A: Form of Work Authorization
EXHIBIT B: Rate Schedule

Exhibit A
Form of Work Authorization
_____, 202_

Magnolia Creek Community Development District
City of Freeport, Florida

Subject: **Work Authorization Number** ____
 Magnolia Creek Community Development District

Dear Chairperson, Board of Supervisors:

Innerlight Engineering, LLC (“Engineer”), is pleased to submit this work authorization to provide engineering services for the Magnolia Creek Community Development District (the “District”). We will provide these services pursuant to our current agreement dated _____, 2026 (“Engineering Agreement”) as follows:

I. Scope of Work. The District will engage Engineer to perform those services [INSERT SERVICES TO BE PROVIDED].

II. Fees. The District will compensate Engineer pursuant to the hourly rate schedule contained in the Engineering Agreement.

This proposal, together with the Engineering Agreement, represents the entire understanding between the District and Engineer with regard to the referenced work authorization. If you wish to accept this work authorization, please sign both copies where indicated, and return one complete copy to our office. Upon receipt, we will promptly schedule our services.

Thank you for considering Innerlight Engineering, LLC. We look forward to helping you create a quality project.

APPROVED AND ACCEPTED

Sincerely,

By: _____
Authorized Representative of
Magnolia Creek Community
Development District

Date: _____

EXHIBIT B
PAPE-DAWSON FLORIDA (NW)
2026 STANDARD HOURLY RATES

Labor Category	2026 Billing Rates
ENGINEERING & TECHNICAL	
Principal	\$ 350
Senior Vice President	\$ 300
Managing Vice President	\$ 300
Vice President	\$ 290
Associate Vice President	\$ 280
Practice Leader	\$ 280
Senior Project Manager	\$ 270
Design Leader	\$ 250
Principal Engineer	\$ 240
Senior Project Engineer	\$ 230
Project Manager	\$ 225
Senior Substation Designer	\$ 205
Project Engineer	\$ 200
Senior Designer	\$ 180
Designer	\$ 160
Engineer IV	\$ 180
Engineer III	\$ 160
Engineer II	\$ 150
Engineer I	\$ 140
Production Manager	\$ 165
Technician III	\$ 165
Technician II	\$ 145
Technician I	\$ 135
Senior Plat Manager	\$ 175
Plat Manager	\$ 155
Plat Coordinator	\$ 150
Senior Project Coordinator	\$ 160
Project Coordinator	\$ 125
Project Controls Manager	\$ 195
Project Controls Specialist	\$ 140
Administrative Assistant	\$ 100
Engineering Intern	\$ 80
CONSTRUCTION & DEVELOPMENT	
Practice Leader	\$ 280
Senior Project Manager - Development Services	\$ 250
Project Manager - Development Services	\$ 215
Senior Construction Manager	\$ 205
Construction Manager	\$ 185
Senior Construction Representative	\$ 180
Construction Representative	\$ 160
Senior Construction Inspector	\$ 160
Construction Inspector	\$ 130
Senior Project Coordinator	\$ 160
Project Coordinator	\$ 125
GIS	
GIS Manager	\$ 185
GIS Technician	\$ 170
GIS Analyst	\$ 135

Labor Category	2026 Billing Rates
LANDSCAPE ARCHITECTURE	
Vice President, Landscape Architecture & Planning	\$ 300
Associate Vice President, Landscape Architecture & Planning	\$ 280
Practice Leader, Landscape Architecture / Planning	\$ 280
Design Leader, Landscape Architecture / Planning	\$ 275
Principal Landscape Architect / Principal Planner	\$ 250
Senior Project Manager, Landscape Architecture & Planning	\$ 250
Project Manager, Landscape Architecture & Planning	\$ 225
Senior Landscape Architect / Senior Planner	\$ 225
Landscape Architect / Project Planner	\$ 200
Landscape Designer IV / Planner IV	\$ 175
Landscape Designer III / Planner III	\$ 150
Landscape Designer II / Planner II	\$ 140
Landscape Designer I / Planner I	\$ 125
Landscape Designer Intern	\$ 75
Senior Designer, Planning	\$ 165
Planning Technician III	\$ 145
Planning Technician II	\$ 135
Planning Technician I	\$ 120
SURVEY	
Associate Vice President	\$ 280
Survey Department Manager	\$ 250
Senior Survey Project Manager	\$ 245
Survey Project Manager	\$ 225
Senior Project Surveyor	\$ 230
Project Surveyor II	\$ 190
Project Surveyor I	\$ 165
Surveyor-in-Training	\$ 140
Senior Survey Technician	\$ 175
Survey Technician III	\$ 165
Survey Technician II	\$ 145
Survey Technician I	\$ 130
Senior Plat Manager	\$ 175
Plat Manager	\$ 155
Plat Coordinator	\$ 150
Construction Survey Manager	\$ 225
Senior Field Coordinator	\$ 195
Field Coordinator	\$ 150
3-Person Survey Field Crew/Sr. Party Chief	
\$ 315	
2-Person Survey Field Crew/Sr. Party Chief	
\$ 245	
1-Person Robotic Crew	
\$ 245	
Catamaran & Sonar	
\$ 275	
Drone & Licensed Pilot	
\$ 295	

Tab 8

RESOLUTION 2026-04

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE MAGNOLIA CREEK
COMMUNITY DEVELOPMENT DISTRICT ADOPTING THE ANNUAL MEETING
SCHEDULE FOR FISCAL YEAR 2026-2027; AND PROVIDING FOR AN EFFECTIVE
DATE**

WHEREAS, the Magnolia Creek 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 Freeport, Florida; and

WHEREAS, the District is required by Section 189.015, *Florida Statutes*, to file quarterly, semi-annually, or annually a schedule (including date, time, and location) of its regular meetings with local governing authorities; and

WHEREAS, further, in accordance with the above-referenced statute, the District shall also publish quarterly, semi-annually, or annually the District’s regular meeting schedule in a newspaper of general paid circulation in the county in which the District is located; and

WHEREAS, the Board desires to adopt annual meeting schedule for the Fiscal Year beginning October 1, 2026, and ending September 30, 2027 (“Fiscal Year 2026-2027”), attached as **Exhibit A**.

**NOW THEREFORE BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE
MAGNOLIA CREEK COMMUNITY DEVELOPMENT DISTRICT:**

SECTION 1. The Fiscal Year 2026-2027 annual meeting schedule attached hereto and incorporated by reference herein as **Exhibit A** is hereby approved and shall be published in accordance with the requirements of Florida law and also provided to applicable governing authorities.

SECTION 2. This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED this 6th day of August 2026.

ATTEST:

**MAGNOLIA CREEK COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chairman, Board of Supervisors

Exhibit A: Fiscal Year 2026-2027 Annual Meeting Schedule

Exhibit A

BOARD OF SUPERVISORS MEETING DATES MAGNOLIA CREEK COMMUNITY DEVELOPMENT DISTRICT FISCAL YEAR 2026-2027

The Board of Supervisors of the Magnolia Creek Community Development District will hold their regular meetings for Fiscal Year 2026-2027 at the **Walton Chamber of Commerce** located at **63 South Centre Trail, Santa Rosa Beach, FL 32459**, unless otherwise indicated as follows:

November (x), 2026	10:00 A.M.
February (x), 2027	10:00 A.M.
May (x), 2027	10:00 A.M.
August (x), 2027	10:00 A.M.

The meetings are open to the public and will be conducted in accordance with the provisions of Florida Law for Community Development Districts. The meetings may be continued to a date, time, and place to be specified on the record at the meeting. A copy of the agenda for these meetings may be obtained by mail from Rizzetta & Company, Inc., 3434 Colwell Ave., Suite 200, Tampa, Florida 33614 or by calling (850) 334-9055 ("District Office").

There may be occasions when one or more Supervisors or staff will participate by telephone. Pursuant to provisions of the Americans with Disabilities Act, any person requiring special accommodations at this meeting because of a disability or physical impairment should contact the District Office at (850) 334-9055 at least 48 hours prior to the meeting. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) / 1-800-955-8770 (Voice), for aid in contacting the District Office.

A person who decides to appeal any decision made at the meeting with respect to any matter considered at the meeting is advised that person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

*Stephanie
DeLuna*
District Manager

Tab 9

RESOLUTION 2026-05
[FY 2027 APPROPRIATION RESOLUTION]

THE ANNUAL APPROPRIATION RESOLUTION OF THE MAGNOLIA CREEK COMMUNITY DEVELOPMENT DISTRICT (“DISTRICT”) RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGET(S) FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2026, AND ENDING SEPTEMBER 30, 2027; AUTHORIZING BUDGET AMENDMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, for the fiscal year beginning October 1, 2026, and ending September 30, 2027 (“**FY 2027**”), the District Manager prepared and submitted to the Board of Supervisors (“**Board**”) of the Magnolia Creek Community Development District (“**District**”) prior to June 15, 2026, proposed budget(s) (“**Proposed Budget**”) along with an explanatory and complete financial plan for each fund of the District, pursuant to the provisions of Section 190.008(2)(a), *Florida Statutes*; and

WHEREAS, at least sixty (60) days prior to the adoption of the Proposed Budget, the District filed a copy of the Proposed Budget with the local general-purpose government(s) having jurisdiction over the area included in the District pursuant to the provisions of Section 190.008(2)(b), *Florida Statutes*; and

WHEREAS, the Board set a public hearing on the Proposed Budget and caused notice of such public hearing to be given by publication pursuant to Section 190.008(2)(a), *Florida Statutes*; and

WHEREAS, the District Manager posted the Proposed Budget on the District’s website in accordance with Section 189.016, *Florida Statutes*; and

WHEREAS, Section 190.008(2)(a), *Florida Statutes*, requires that, prior to October 1st of each year, the Board, by passage of the Annual Appropriation Resolution, shall adopt a budget for the ensuing fiscal year and appropriate such sums of money as the Board deems necessary to defray all expenditures of the District during the ensuing fiscal year.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE MAGNOLIA CREEK COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. BUDGET

- a. The Proposed Budget, attached hereto as **Exhibit A**, as amended by the Board, is hereby adopted in accordance with the provisions of Section 190.008(2)(a), *Florida Statutes* (“**Adopted Budget**”), and incorporated herein by reference; provided, however, that the comparative figures contained in the Adopted Budget may be subsequently revised as deemed necessary by the District Manager to reflect actual revenues and expenditures.
- b. The Adopted Budget, as amended, shall be maintained in the office of the District Manager and at the District’s Local Records Office and identified as “The Budget for the Magnolia Creek Community Development District for the Fiscal Year Ending September 30, 2027.”
- c. The Adopted Budget shall be posted by the District Manager on the District’s official website in accordance with Section 189, *Florida Statutes* and shall remain on the website for at least two (2) years.

SECTION 2. APPROPRIATIONS

There is hereby appropriated out of the revenues of the District, for FY 2027, the sum(s) set forth in **Exhibit A** to be raised by the levy of assessments and/or otherwise, which sum is deemed by the Board to be necessary to defray all expenditures of the District during said budget year, to be divided and appropriated as set forth in **Exhibit A**.

SECTION 3. BUDGET AMENDMENTS

Pursuant to Section 189.016, *Florida Statutes*, the District at any time within FY 2027 or within 60 days following the end of the FY 2027 may amend its Adopted Budget for that fiscal year as follows:

- a. A line-item appropriation for expenditures within a fund may be decreased or increased by motion of the Board recorded in the minutes, and approving the expenditure, if the total appropriations of the fund do not increase.
- b. The District Manager or Treasurer may approve an expenditure that would increase or decrease a line-item appropriation for expenditures within a fund if the total appropriations of the fund do not increase and if either (i) the aggregate change in the original appropriation item does not exceed the greater of \$15,000 or 15% of the original appropriation, or (ii) such expenditure is authorized by separate disbursement or spending resolution.
- c. Any other budget amendments shall be adopted by resolution and consistent with Florida law. The District Manager or Treasurer must ensure that any amendments to the budget under this paragraph c. are posted on the District's website in accordance with Section 189, *Florida Statutes*, and remain on the website for at least two (2) years.

SECTION 4. APPROVAL OF PRIOR ACTIONS. The actions of the Chairman, Vice Chairman, Secretary, Treasurer, Assistant Secretaries, and all District Staff in finalizing the Adopted Budget, including preparing the Proposed Budget and setting, noticing, and all other actions required for the public hearing on the Proposed Budget, are hereby ratified, approved, and confirmed in all respects.

SECTION 5. SEVERABILITY; EFFECTIVE DATE. The invalidity or unenforceability of any one or more provisions of the Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED THIS 6th DAY OF AUGUST, 2026.

ATTEST:

**MAGNOLIA CREEK COMMUNITY
DEVELOPMENT DISTRICT**

Secretary / Assistant Secretary

Chair/Vice Chair, Board of Supervisors

Exhibit A: FY 2027 Budget

Proposed Budget Magnolia Creek Community Development District General Fund Fiscal Year 2026/2027							
Chart of Accounts Classification		Actual YTD through 06/30/26	Projected Annual Totals 2025/2026	Annual Budget for 2025/2026	Projected Budget variance for 2025/2026	Budget for 2026/2027	Budget Increase (Decrease) vs 2025/2026
1							
2	ASSESSMENT REVENUES						
3							
4	Special Assessments						
5	Tax Roll*	\$ 114,861	\$ 114,861	\$ 24,988	\$ 89,873	\$ 46,736	\$ 21,748
6	Off Roll*	\$ 25,574	\$ 25,574	\$ 93,068	\$ (67,494)	\$ 119,846	\$ 26,778
7							
8	Assessment Revenue Subtotal	\$ 140,435	\$ 140,435	\$ 118,056	\$ 22,379	\$ 166,582	\$ 48,526
9							
10	OTHER REVENUES						
11							
12	Balance Forward from Prior Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	Interest Earnings	\$ 4,936	\$ 6,581	\$ -	\$ 6,581	\$ -	\$ -
14							
15	Other Revenue Subtotal	\$ 4,936	\$ 6,581	\$ -	\$ 6,581	\$ -	\$ -
16							
17	TOTAL REVENUES	\$ 145,371	\$ 147,016	\$ 118,056	\$ 28,960	\$ 166,582	\$ 48,526
18							
19	EXPENDITURES - ADMINISTRATIVE						
20							
21	Legislative						
22	Supervisor Fees	\$ -	\$ -	\$ 2,800	\$ 2,800	\$ 4,000	\$ 1,200

Proposed Budget
Magnolia Creek Community Development District
General Fund
Fiscal Year 2026/2027

Chart of Accounts Classification		Actual YTD through 06/30/26	Projected Annual Totals 2025/2026	Annual Budget for 2025/2026	Projected Budget variance for 2025/2026	Budget for 2026/2027	Budget Increase (Decrease) vs 2025/2026
23	Financial & Administrative						
24	ADA Website Hosting, Maintenance, Remediation, and Compliance	\$ 2,528	\$ 3,371	\$ 3,835	\$ 464	\$ 3,835	\$ -
25	Accounting Services	\$ 11,384	\$ 15,179	\$ 15,179	\$ 0	\$ 15,634	\$ 455
26	Administrative Services	\$ 3,686	\$ 4,915	\$ 3,070	\$ (1,845)	\$ 3,315	\$ 245
27	Arbitrage Rebate Calculation	\$ -	\$ -	\$ 500	\$ 500	\$ 500	\$ -
28	Assessment Roll	\$ 5,460	\$ 5,460	\$ 5,460	\$ -	\$ 5,624	\$ 164
29	Auditing Services	\$ 4,800	\$ 4,800	\$ 5,865	\$ 1,065	\$ 5,865	\$ -
30	Disclosure Report	\$ 3,000	\$ 4,000	\$ 3,000	\$ (1,000)	\$ 6,000	\$ 3,000
31	District Engineer	\$ 9,505	\$ 12,673	\$ 6,299	\$ (6,374)	\$ 20,000	\$ 13,701
32	District Management	\$ 20,475	\$ 27,300	\$ 19,653	\$ (7,647)	\$ 21,225	\$ 1,572
33	Dues, Licenses & Fees	\$ 175	\$ 233	\$ 175	\$ (58)	\$ 175	\$ -
34	Financial & Revenue Collections	\$ 4,095	\$ 5,460	\$ 5,460	\$ -	\$ 5,624	\$ 164
35	Legal Advertising	\$ 101	\$ 135	\$ 1,000	\$ 798	\$ 1,000	\$ -
36	Public Officials Liability Insurance	\$ 3,447	\$ 3,447	\$ 4,100	\$ 653	\$ 4,100	\$ -
37	Trustee Fees	\$ -	\$ -	\$ 5,910	\$ 5,910	\$ 5,910	\$ -
38	Legal Counsel						
39	District Counsel	\$ 7,010	\$ 9,347	\$ 25,000	\$ 15,653	\$ 25,000	\$ -
40							
41	Administrative Subtotal	\$ 75,666	\$ 96,319	\$ 107,306	\$ 10,920	\$ 127,807	\$ 20,501
42							
43	EXPENDITURES - FIELD OPERATIONS						

Proposed Budget
Magnolia Creek Community Development District
General Fund
Fiscal Year 2026/2027

Chart of Accounts Classification		Actual YTD through 06/30/26	Projected Annual Totals 2025/2026	Annual Budget for 2025/2026	Projected Budget variance for 2025/2026	Budget for 2026/2027	Budget Increase (Decrease) vs 2025/2026
44							
45	Other Physical Environment						
46	General Liability Insurance	\$ 3,794	\$ 3,794	\$ 4,100	\$ 306	\$ 4,173	\$ 73
47	Road & Street Facilities						
48	Roadway Repair & Maintenance	\$ -	\$ -	\$ 2,500	\$ 2,500	\$ 25,000	\$ 22,500
49	Contingency						
50	Miscellaneous Contingency	\$ 18,427	\$ 24,569	\$ 4,150	\$ (20,419)	\$ 9,602	\$ 5,452
51							
52	Field Operations Subtotal	\$ 22,221	\$ 28,363	\$ 10,750	\$ (17,613)	\$ 38,775	\$ 28,025
53							
54	TOTAL EXPENDITURES	\$ 97,887	\$ 124,682	\$ 118,056	\$ (6,693)	\$ 166,582	\$ 48,526
55							
56	EXCESS OF REVENUES OVER EXPENDITURES	\$ 47,484	\$ 22,334	\$ -	\$ 22,267	\$ -	\$ -
57							

Magnolia Creek Community Development District

Debt Service

Fiscal Year 2026/2027

Chart of Accounts Classification	Series 2007A	Budget for 2026/2027
REVENUES		
Special Assessments		
Net Special Assessments ⁽¹⁾	\$75,886.20	\$75,886.20
TOTAL REVENUES	\$75,886.20	\$75,886.20
EXPENDITURES		
Administrative		
Debt Service Obligation	\$75,886.20	\$75,886.20
Administrative Subtotal	\$75,886.20	\$75,886.20
TOTAL EXPENDITURES	\$75,886.20	\$75,886.20
EXCESS OF REVENUES OVER EXPENDITURES	\$0.00	\$0.00

Collection and Discount % applicable to the county:

6.0%

GROSS ASSESSMENTS

\$80,730.00

Notes:

Tax Roll Collection Costs and Early Payment Discount for Walton County are 6.0% of Tax Roll. Budgeted net of tax roll assessments. See Assessment Table.

⁽¹⁾ The above amounts do not include any debt service assessments which are the subject of Case No. 2010 CA 001562 currently pending in the First Judicial Circuit Court in and for Walton County, Florida.

MAGNOLIA CREEK COMMUNITY DEVELOPMENT DISTRICT					
FISCAL YEAR 2026/2027 O&M & DEBT SERVICE ASSESSMENT SCHEDULE					
2026/2027 O&M Budget:		\$166,582.00	2025/2026 O&M Budget:		\$118,056.00
Collection Costs:	2%	\$3,544.30	2026/2027 O&M Budget:		\$166,582.00
Early Payment Discounts:	4%	\$7,088.60			
2026/2027 Total:		\$177,214.89	Total Difference:		\$48,526.00

Lot Size		Assessment Breakdown		Per Unit Annual Assessment Comparison		Proposed Increase / Decrease	
				2025/2026	2026/2027	\$	%
Platted							
Cottage/Small House	Series 2007A Debt Service		\$1,215.00	\$1,215.00	\$0.00	0.00%	
	Operations/Maintenance		\$95.02	\$177.71	\$82.69	87.02%	
	Total		\$1,310.02	\$1,392.71	\$82.69	6.31%	
House	Series 2007A Debt Service		\$1,350.00	\$1,350.00	\$0.00	0.00%	
	Operations/Maintenance		\$105.57	\$197.45	\$91.88	87.03%	
	Total		\$1,455.57	\$1,547.45	\$91.88	6.31%	
Side Yard	Series 2007A Debt Service		\$1,350.00	\$1,350.00	\$0.00	0.00%	
	Operations/Maintenance		\$105.57	\$197.45	\$91.88	87.03%	
	Total		\$1,455.57	\$1,547.45	\$91.88	6.31%	
Live/Work Unit	Series 2007A Debt Service		\$0.00	\$0.00	\$0.00	0.00%	
	Operations/Maintenance		\$158.36	\$296.18	\$137.82	87.03%	
	Total		\$158.36	\$296.18	\$137.82	87.03%	
Unplatted (Per Acre)	Operations/Maintenance		\$166.09	\$248.94	\$82.85	49.88%	
	GROSS Total		\$166.09	\$248.94	\$82.85	49.88%	
	NET Total		\$156.12	\$234.00			

MAGNOLIA CREEK COMMUNITY DEVELOPMENT DISTRICT

FISCAL YEAR 2026/2027 O&M & DEBT SERVICE ASSESSMENT SCHEDULE

TOTAL ADMIN O&M BUDGET				\$127,807.00
COLLECTION COSTS @			2%	\$2,719.30
EARLY PAYMENT DISCOUNT @			4%	\$5,438.60
TOTAL O&M ASSESSMENT				\$135,964.89

TOTAL FIELD O&M BUDGET				\$38,775.00
COLLECTION COSTS @			2%	\$825.00
EARLY PAYMENT DISCOUNT @			4%	\$1,650.00
TOTAL O&M ASSESSMENT				\$41,250.00

UNITS ASSESSED			ALLOCATION OF ADMINISTRATIVE O&M BUDGET					ALLOCATION OF FIELD O&M BUDGET					PER LOT ANNUAL ASSESSMENT		
LOT SIZE	O&M	SERIES 2007A DEBT SERVICE ⁽¹⁾	EAU FACTOR	TOTAL EAU's	% TOTAL EAU's	ADMIN BUDGET PER PRODUCT	ADMIN O/M PER LOT	EAU FACTOR	TOTAL EAU's	% TOTAL EAU's	FIELD PER PRODUCT	FIELD O/M PER LOT	TOTAL O&M	SERIES 2007A DEBT SERVICE ⁽²⁾	TOTAL ⁽³⁾
Platted															
Phases 1A, 1B, 1C															
Cottage/Small House	102	32	0.90	91.80	2.27%	\$3,087.65	\$30.27	0.90	91.80	36.46%	\$15,038.72	\$147.44	\$177.71	\$1,215.00	\$1,392.71
House	105	9	1.00	105.00	2.60%	\$3,531.62	\$33.63	1.00	105.00	41.70%	\$17,201.15	\$163.82	\$197.45	\$1,350.00	\$1,547.45
Side Yard	52	22	1.00	52.00	1.29%	\$1,748.99	\$33.63	1.00	52.00	20.65%	\$8,518.67	\$163.82	\$197.45	\$1,350.00	\$1,547.45
Live/Work Unit	2	0	1.50	3.00	0.07%	\$100.90	\$50.45	1.50	3.00	1.19%	\$491.46	\$245.73	\$296.18	\$0.00	\$296.18
Phases 1B1, 1E															
Cottage/Small House	45	0	0.90	40.50	1.00%	\$1,362.20	\$30.27	0.90	40.50	16.08%	\$6,634.73	\$147.44	\$177.71	\$0.00	\$177.71
House	97	0	1.00	97.00	2.40%	\$3,262.55	\$33.63	1.00	97.00	38.52%	\$15,890.59	\$163.82	\$197.45	\$0.00	\$197.45
Side Yard	5	0	1.00	5.00	0.12%	\$168.17	\$33.63	1.00	5.00	1.99%	\$819.10	\$163.82	\$197.45	\$0.00	\$197.45
Total Platted	408	63	251.80		6.23%	\$8,469.17		251.80		100.00%	\$41,250.00				
Unplatted															
Phase 2A															
House	217	0	1.00	217.00	5.37%	\$7,298.69	\$33.63	0.00	0.00	0.00%	\$0.00	\$0.00	\$33.63	\$0.00	\$33.63
Future Phases															
Rowhouse/Townhouse	186	0	0.90	167.40	4.14%	\$5,630.42	\$30.27	0.00	0.00	0.00%	\$0.00	\$0.00	\$30.27	\$0.00	\$30.27
House	1772	0	1.00	1772.00	43.84%	\$59,600.36	\$33.63	0.00	0.00	0.00%	\$0.00	\$0.00	\$33.63	\$0.00	\$33.63
Apartment	300	0	0.50	150.00	3.71%	\$5,045.18	\$16.82	0.00	0.00	0.00%	\$0.00	\$0.00	\$16.82	\$0.00	\$16.82
Clubouse	1	0	5.00	5.00	0.12%	\$168.17	\$168.17	0.00	0.00	0.00%	\$0.00	\$0.00	\$168.17	\$0.00	\$168.17
Golf Clubhouse	1	0	5.00	5.00	0.12%	\$168.17	\$168.17	0.00	0.00	0.00%	\$0.00	\$0.00	\$168.17	\$0.00	\$168.17
Commercial	2421.936	0	0.60	1453.16	35.95%	\$48,876.39	\$20.18	0.00	0.00	0.00%	\$0.00	\$0.00	\$20.18	\$0.00	\$20.18
Private Storage Use	35.1	0	0.60	21.06	0.52%	\$708.34	\$20.18	0.00	0.00	0.00%	\$0.00	\$0.00	\$20.18	\$0.00	\$20.18
Total Unplatted	4934.036	0	3790.62		93.77%	\$127,495.72		0.00		0.00%	\$0.00				
Total Community	5342.036	63	4042.42		100%	\$135,964.89		251.80		100%	\$41,250.00				

LESS: Walton County Collection Costs (2%) and Early Payment Discount Costs (4%) :

(\$8,157.89)

(\$2,475.00)

Net Revenue to be Collected

\$127,807.00

\$38,775.00

⁽¹⁾ Reflects the number of total lots with Series 2007A debt outstanding.

⁽²⁾ Annual debt service assessment per lot adopted in connection with the Series 2007A bond issue. Annual assessment includes principal, interest, Walton County collection costs and early payment discount costs.

⁽³⁾ Annual assessment that will appear on November 2026 Walton County property tax bill platted lots. Amount shown includes all applicable collection costs. Property owner is eligible for a discount of up to 4% if paid early.

⁽⁴⁾ O&M assessments are allocated to unplatted parcels on a per acreage basis.

UNPLATTED PARCELS	ACRES	O&M/ACRE	TOTAL
25-1N-19-17000-001-0000	5.57	\$248.94	\$1,386.58
25-1N-19-17000-001-0021	17.55	\$248.94	\$4,368.85
25-1N-19-17000-001-0050	154.72	\$248.94	\$38,515.58
25-1N-19-17000-002-0000	66.88	\$248.94	\$16,648.93
25-1N-19-17000-001-0020	217.02	\$248.94	\$54,024.37
36-1N-19-17000-001-0040	24.46	\$248.94	\$6,089.01
25-1N-19-17000-001-0060	25.96	\$248.94	\$6,462.41

Tab 10

RESOLUTION 2026-06
[FY 2027 ASSESSMENT RESOLUTION]

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE MAGNOLIA CREEK COMMUNITY DEVELOPMENT DISTRICT PROVIDING FOR FUNDING FOR THE FY 2026 ADOPTED BUDGET(S); PROVIDING FOR THE COLLECTION AND ENFORCEMENT OF SPECIAL ASSESSMENTS, INCLUDING BUT NOT LIMITED TO PENALTIES AND INTEREST THEREON; CERTIFYING AN ASSESSMENT ROLL; PROVIDING FOR AMENDMENTS TO THE ASSESSMENT ROLL; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Magnolia Creek Community Development District ("**District**") is a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, for the purpose of providing, operating and maintaining infrastructure improvements, facilities and services to the lands within the District, located in Walton County, Florida ("**County**"); and

WHEREAS, the District has constructed or acquired various infrastructure improvements and provides certain services in accordance with the District's adopted capital improvement plan and Chapter 190, *Florida Statutes*; and

WHEREAS, for the fiscal year beginning October 1, 2026, and ending September 30, 2027 ("**FY 2027**"), the Board of Supervisors ("**Board**") of the District has determined to undertake various operations and maintenance and other activities described in the District's budget ("**Adopted Budget**"), attached hereto as **Exhibit A**; and

WHEREAS, pursuant to Chapter 190, *Florida Statutes*, the District may fund the Adopted Budget through the levy and imposition of special assessments on benefitted lands within the District and, regardless of the imposition method utilized by the District, under Florida law the District may collect such assessments by direct bill, tax roll, or in accordance with other collection measures provided by law; and

WHEREAS, in order to fund the District's Adopted Budget, the District's Board now desires to adopt this Resolution setting forth the means by which the District intends to fund its Adopted Budget.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE MAGNOLIA CREEK COMMUNITY DEVELOPMENT DISTRICT:

1. **FUNDING.** The District's Board hereby authorizes the funding mechanisms for the Adopted Budget as provided further herein and as indicated in the Adopted Budget attached hereto as **Exhibit A** and the assessment roll attached hereto as **Exhibit B ("Assessment Roll")**.

2. **OPERATIONS AND MAINTENANCE ASSESSMENTS.**

- a. **Benefit Findings.** The provision of the services, facilities, and operations as described in **Exhibit A** confers a special and peculiar benefit to the lands within the District, which benefit exceeds or equals the cost of the assessments. The allocation of the assessments to the specially benefitted lands is shown in **Exhibit A** and **Exhibit B** and is hereby found to be fair and reasonable.

- b. **O&M Assessment Imposition.** Pursuant to Chapter 190, *Florida Statutes*, a special assessment for operations and maintenance (“**O&M Assessment(s)**”) is hereby levied and imposed on benefitted lands within the District and in accordance with **Exhibit A** and **Exhibit B**. The lien of the O&M Assessments imposed and levied by this Resolution shall be effective upon passage of this Resolution.
- 3. **DEBT SERVICE SPECIAL ASSESSMENTS.** The District’s Board hereby certifies for collection the FY 2027 installment of the District’s previously levied debt service special assessments (“**Debt Assessments**,” and together with the O&M Assessments, the “**Assessments**”) in accordance with this Resolution and as further set forth in **Exhibit A** and **Exhibit B**, and hereby directs District staff to affect the collection of the same.
- 4. **COLLECTION AND ENFORCEMENT; PENALTIES; INTEREST.** Pursuant to Chapter 190, *Florida Statutes*, the District is authorized to collect and enforce the Assessments as set forth below.
 - a. **Tax Roll Assessments.** To the extent indicated in **Exhibit A** and **Exhibit B**, those certain O&M Assessments and Debt Assessments imposed on the “**Tax Roll Property**” identified in **Exhibit B** shall be collected by the County Tax Collector at the same time and in the same manner as County property taxes in accordance with Chapter 197, *Florida Statutes* (“**Uniform Method**”). That portion of the Assessment Roll which includes the Tax Roll Property is hereby certified to the County Tax Collector and shall be collected by the County Tax Collector in the same manner and time as County property taxes. The District’s Board finds and determines that such collection method is an efficient method of collection for the Tax Roll Property.
 - b. **Direct Bill Assessments.** To the extent indicated in **Exhibit A** and **Exhibit B**, those certain O&M Assessments imposed on “**Direct Collect Property**” identified in **Exhibit B** shall be collected directly by the District in accordance with Florida law, as set forth in **Exhibit A** and **Exhibit B**. The District’s Board finds and determines that such collection method is an efficient method of collection for the Direct Collect Property.
 - i. *Due Date (O&M Assessments).* O&M Assessments directly collected by the District shall be due and payable in full on December 1, 2026; provided, however, that, to the extent permitted by law, the O&M Assessments due may be paid in several partial, deferred payments and according to the following schedule: 50% due no later than December 1, 2026, 25% due no later than February 1, 2027 and 25% due no later than May 1, 2027.
 - ii. In the event that an Assessment payment is not made in accordance with the schedule(s) stated above, the whole of such Assessment, including any remaining partial, deferred payments for the Fiscal Year: shall immediately become due and payable; shall accrue interest, penalties in the amount of one percent (1%) per month, and all costs of collection and

enforcement; and shall either be enforced pursuant to a foreclosure action, or, at the District's sole discretion, collected pursuant to the Uniform Method on a future tax bill, which amount may include penalties, interest, and costs of collection and enforcement. Any prejudgment interest on delinquent Assessments shall accrue at the rate of any bonds secured by the Assessments, or at the statutory prejudgment interest rate, as applicable. In the event an Assessment subject to direct collection by the District shall be delinquent, the District Manager and District Counsel, without further authorization by the Board, may initiate foreclosure proceedings pursuant to Chapter 170, *Florida Statutes*, or other applicable law to collect and enforce the whole Assessment, as set forth herein.

- c. **Future Collection Methods.** The District's decision to collect Assessments by any particular method – e.g., on the tax roll or by direct bill – does not mean that such method will be used to collect special assessments in future years, and the District reserves the right in its sole discretion to select collection methods in any given year, regardless of past practices.

5. **ASSESSMENT ROLL; AMENDMENTS.** The Assessment Roll, attached hereto as **Exhibit B**, is hereby certified for collection. The Assessment Roll shall be collected pursuant to the collection methods provided above. The proceeds therefrom shall be paid to the District. The District Manager shall keep apprised of all updates made to the County property roll by the Property Appraiser after the date of this Resolution and shall amend the Assessment Roll in accordance with any such updates, for such time as authorized by Florida law, to the County property roll.

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 upon the passage and adoption of this Resolution by the Board.

[CONTINUED ON NEXT PAGE]

PASSED AND ADOPTED this 6th day of August, 2026.

ATTEST:

**MAGNOLIA CREEK COMMUNITY
DEVELOPMENT DISTRICT**

Secretary / Assistant Secretary

By: _____

Its: _____

Exhibit A: Budget
Exhibit B: Assessment Roll

Proposed Budget

Magnolia Creek Community Development District

General Fund

Fiscal Year 2026/2027

Chart of Accounts Classification		Actual YTD through 06/30/26	Projected Annual Totals 2025/2026	Annual Budget for 2025/2026	Projected Budget variance for 2025/2026	Budget for 2026/2027	Budget Increase (Decrease) vs 2025/2026
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3							
4	Special Assessments						
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10	OTHER REVENUES						
11							
12	Balance Forward from Prior Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	Interest Earnings	\$ 4,936	\$ 6,581	\$ -	\$ 6,581	\$ -	\$ -
14							
15	Other Revenue Subtotal	\$ 4,936	\$ 6,581	\$ -	\$ 6,581	\$ -	\$ -
16							
17	TOTAL REVENUES	\$ 145,371	\$ 147,016	\$ 118,056	\$ 28,960	\$ 166,582	\$ 48,526
18							
19	EXPENDITURES - ADMINISTRATIVE						
20							
21	Legislative						
22	Supervisor Fees	\$ -	\$ -	\$ 2,800	\$ 2,800	\$ 4,000	\$ 1,200

Proposed Budget
Magnolia Creek Community Development District
General Fund
Fiscal Year 2026/2027

Chart of Accounts Classification		Actual YTD through 06/30/26	Projected Annual Totals 2025/2026	Annual Budget for 2025/2026	Projected Budget variance for 2025/2026	Budget for 2026/2027	Budget Increase (Decrease) vs 2025/2026
23	Financial & Administrative						
24	ADA Website Hosting, Maintenance, Remediation, and Compliance	\$ 2,528	\$ 3,371	\$ 3,835	\$ 464	\$ 3,835	\$ -
25	Accounting Services	\$ 11,384	\$ 15,179	\$ 15,179	\$ 0	\$ 15,634	\$ 455
26	Administrative Services	\$ 3,686	\$ 4,915	\$ 3,070	\$ (1,845)	\$ 3,315	\$ 245
27	Arbitrage Rebate Calculation	\$ -	\$ -	\$ 500	\$ 500	\$ 500	\$ -
28	Assessment Roll	\$ 5,460	\$ 5,460	\$ 5,460	\$ -	\$ 5,624	\$ 164
29	Auditing Services	\$ 4,800	\$ 4,800	\$ 5,865	\$ 1,065	\$ 5,865	\$ -
30	Disclosure Report	\$ 3,000	\$ 4,000	\$ 3,000	\$ (1,000)	\$ 6,000	\$ 3,000
31	District Engineer	\$ 9,505	\$ 12,673	\$ 6,299	\$ (6,374)	\$ 20,000	\$ 13,701
32	District Management	\$ 20,475	\$ 27,300	\$ 19,653	\$ (7,647)	\$ 21,225	\$ 1,572
33	Dues, Licenses & Fees	\$ 175	\$ 233	\$ 175	\$ (58)	\$ 175	\$ -
34	Financial & Revenue Collections	\$ 4,095	\$ 5,460	\$ 5,460	\$ -	\$ 5,624	\$ 164
35	Legal Advertising	\$ 101	\$ 135	\$ 1,000	\$ 798	\$ 1,000	\$ -
36	Public Officials Liability Insurance	\$ 3,447	\$ 3,447	\$ 4,100	\$ 653	\$ 4,100	\$ -
37	Trustee Fees	\$ -	\$ -	\$ 5,910	\$ 5,910	\$ 5,910	\$ -
38	Legal Counsel						
39	District Counsel	\$ 7,010	\$ 9,347	\$ 25,000	\$ 15,653	\$ 25,000	\$ -
40							
41	Administrative Subtotal	\$ 75,666	\$ 96,319	\$ 107,306	\$ 10,920	\$ 127,807	\$ 20,501
42							
43	EXPENDITURES - FIELD OPERATIONS						

Proposed Budget
Magnolia Creek Community Development District
General Fund
Fiscal Year 2026/2027

Chart of Accounts Classification		Actual YTD through 06/30/26	Projected Annual Totals 2025/2026	Annual Budget for 2025/2026	Projected Budget variance for 2025/2026	Budget for 2026/2027	Budget Increase (Decrease) vs 2025/2026
44							
45	Other Physical Environment						
46	General Liability Insurance	\$ 3,794	\$ 3,794	\$ 4,100	\$ 306	\$ 4,173	\$ 73
47	Road & Street Facilities						
48	Roadway Repair & Maintenance	\$ -	\$ -	\$ 2,500	\$ 2,500	\$ 25,000	\$ 22,500
49	Contingency						
50	Miscellaneous Contingency	\$ 18,427	\$ 24,569	\$ 4,150	\$ (20,419)	\$ 9,602	\$ 5,452
51							
52	Field Operations Subtotal	\$ 22,221	\$ 28,363	\$ 10,750	\$ (17,613)	\$ 38,775	\$ 28,025
53							
54	TOTAL EXPENDITURES	\$ 97,887	\$ 124,682	\$ 118,056	\$ (6,693)	\$ 166,582	\$ 48,526
55							
56	EXCESS OF REVENUES OVER EXPENDITURES	\$ 47,484	\$ 22,334	\$ -	\$ 22,267	\$ -	\$ -
57							

Magnolia Creek Community Development District

Debt Service

Fiscal Year 2026/2027

Chart of Accounts Classification	Series 2007A	Budget for 2026/2027
REVENUES		
Special Assessments		
Net Special Assessments ⁽¹⁾	\$75,886.20	\$75,886.20
TOTAL REVENUES	\$75,886.20	\$75,886.20
EXPENDITURES		
Administrative		
Debt Service Obligation	\$75,886.20	\$75,886.20
Administrative Subtotal	\$75,886.20	\$75,886.20
TOTAL EXPENDITURES	\$75,886.20	\$75,886.20
EXCESS OF REVENUES OVER EXPENDITURES	\$0.00	\$0.00

Collection and Discount % applicable to the county:

6.0%

GROSS ASSESSMENTS

\$80,730.00

Notes:

Tax Roll Collection Costs and Early Payment Discount for Walton County are 6.0% of Tax Roll. Budgeted net of tax roll assessments. See Assessment Table.

⁽¹⁾ The above amounts do not include any debt service assessments which are the subject of Case No. 2010 CA 001562 currently pending in the First Judicial Circuit Court in and for Walton County, Florida.

MAGNOLIA CREEK COMMUNITY DEVELOPMENT DISTRICT					
FISCAL YEAR 2026/2027 O&M & DEBT SERVICE ASSESSMENT SCHEDULE					
2026/2027 O&M Budget:		\$166,582.00	2025/2026 O&M Budget:		\$118,056.00
Collection Costs:	2%	\$3,544.30	2026/2027 O&M Budget:		\$166,582.00
Early Payment Discounts:	4%	\$7,088.60			
2026/2027 Total:		\$177,214.89	Total Difference:		\$48,526.00

Lot Size		Assessment Breakdown		Per Unit Annual Assessment Comparison		Proposed Increase / Decrease	
				2025/2026	2026/2027	\$	%
Platted							
Cottage/Small House	Series 2007A Debt Service		\$1,215.00	\$1,215.00	\$0.00	0.00%	
	Operations/Maintenance		\$95.02	\$177.71	\$82.69	87.02%	
	Total		\$1,310.02	\$1,392.71	\$82.69	6.31%	
House	Series 2007A Debt Service		\$1,350.00	\$1,350.00	\$0.00	0.00%	
	Operations/Maintenance		\$105.57	\$197.45	\$91.88	87.03%	
	Total		\$1,455.57	\$1,547.45	\$91.88	6.31%	
Side Yard	Series 2007A Debt Service		\$1,350.00	\$1,350.00	\$0.00	0.00%	
	Operations/Maintenance		\$105.57	\$197.45	\$91.88	87.03%	
	Total		\$1,455.57	\$1,547.45	\$91.88	6.31%	
Live/Work Unit	Series 2007A Debt Service		\$0.00	\$0.00	\$0.00	0.00%	
	Operations/Maintenance		\$158.36	\$296.18	\$137.82	87.03%	
	Total		\$158.36	\$296.18	\$137.82	87.03%	
Unplatted (Per Acre)	Operations/Maintenance		\$166.09	\$248.94	\$82.85	49.88%	
	GROSS Total		\$166.09	\$248.94	\$82.85	49.88%	
	NET Total		\$156.12	\$234.00			

MAGNOLIA CREEK COMMUNITY DEVELOPMENT DISTRICT

FISCAL YEAR 2026/2027 O&M & DEBT SERVICE ASSESSMENT SCHEDULE

TOTAL ADMIN O&M BUDGET				\$127,807.00
COLLECTION COSTS @			2%	\$2,719.30
EARLY PAYMENT DISCOUNT @			4%	\$5,438.60
TOTAL O&M ASSESSMENT				\$135,964.89

TOTAL FIELD O&M BUDGET				\$38,775.00
COLLECTION COSTS @			2%	\$825.00
EARLY PAYMENT DISCOUNT @			4%	\$1,650.00
TOTAL O&M ASSESSMENT				\$41,250.00

UNITS ASSESSED			ALLOCATION OF ADMINISTRATIVE O&M BUDGET					ALLOCATION OF FIELD O&M BUDGET					PER LOT ANNUAL ASSESSMENT		
LOT SIZE	O&M	SERIES 2007A DEBT SERVICE ⁽¹⁾	EAU FACTOR	TOTAL EAU's	% TOTAL EAU's	ADMIN BUDGET PER PRODUCT	ADMIN O/M PER LOT	EAU FACTOR	TOTAL EAU's	% TOTAL EAU's	FIELD PER PRODUCT	FIELD O/M PER LOT	TOTAL O&M	SERIES 2007A DEBT SERVICE ⁽²⁾	TOTAL ⁽³⁾
Platted															
Phases 1A, 1B, 1C															
Cottage/Small House	102	32	0.90	91.80	2.27%	\$3,087.65	\$30.27	0.90	91.80	36.46%	\$15,038.72	\$147.44	\$177.71	\$1,215.00	\$1,392.71
House	105	9	1.00	105.00	2.60%	\$3,531.62	\$33.63	1.00	105.00	41.70%	\$17,201.15	\$163.82	\$197.45	\$1,350.00	\$1,547.45
Side Yard	52	22	1.00	52.00	1.29%	\$1,748.99	\$33.63	1.00	52.00	20.65%	\$8,518.67	\$163.82	\$197.45	\$1,350.00	\$1,547.45
Live/Work Unit	2	0	1.50	3.00	0.07%	\$100.90	\$50.45	1.50	3.00	1.19%	\$491.46	\$245.73	\$296.18	\$0.00	\$296.18
Phases 1B1, 1E															
Cottage/Small House	45	0	0.90	40.50	1.00%	\$1,362.20	\$30.27	0.90	40.50	16.08%	\$6,634.73	\$147.44	\$177.71	\$0.00	\$177.71
House	97	0	1.00	97.00	2.40%	\$3,262.55	\$33.63	1.00	97.00	38.52%	\$15,890.59	\$163.82	\$197.45	\$0.00	\$197.45
Side Yard	5	0	1.00	5.00	0.12%	\$168.17	\$33.63	1.00	5.00	1.99%	\$819.10	\$163.82	\$197.45	\$0.00	\$197.45
Total Platted	408	63	251.80		6.23%	\$8,469.17		251.80		100.00%	\$41,250.00				
Unplatted															
Phase 2A															
House	217	0	1.00	217.00	5.37%	\$7,298.69	\$33.63	0.00	0.00	0.00%	\$0.00	\$0.00	\$33.63	\$0.00	\$33.63
Future Phases															
Rowhouse/Townhouse	186	0	0.90	167.40	4.14%	\$5,630.42	\$30.27	0.00	0.00	0.00%	\$0.00	\$0.00	\$30.27	\$0.00	\$30.27
House	1772	0	1.00	1772.00	43.84%	\$59,600.36	\$33.63	0.00	0.00	0.00%	\$0.00	\$0.00	\$33.63	\$0.00	\$33.63
Apartment	300	0	0.50	150.00	3.71%	\$5,045.18	\$16.82	0.00	0.00	0.00%	\$0.00	\$0.00	\$16.82	\$0.00	\$16.82
Clubouse	1	0	5.00	5.00	0.12%	\$168.17	\$168.17	0.00	0.00	0.00%	\$0.00	\$0.00	\$168.17	\$0.00	\$168.17
Golf Clubhouse	1	0	5.00	5.00	0.12%	\$168.17	\$168.17	0.00	0.00	0.00%	\$0.00	\$0.00	\$168.17	\$0.00	\$168.17
Commercial	2421.936	0	0.60	1453.16	35.95%	\$48,876.39	\$20.18	0.00	0.00	0.00%	\$0.00	\$0.00	\$20.18	\$0.00	\$20.18
Private Storage Use	35.1	0	0.60	21.06	0.52%	\$708.34	\$20.18	0.00	0.00	0.00%	\$0.00	\$0.00	\$20.18	\$0.00	\$20.18
Total Unplatted	4934.036	0	3790.62		93.77%	\$127,495.72		0.00		0.00%	\$0.00				
Total Community	5342.036	63	4042.42		100%	\$135,964.89		251.80		100%	\$41,250.00				

LESS: Walton County Collection Costs (2%) and Early Payment Discount Costs (4%) :

(\$8,157.89)

(\$2,475.00)

Net Revenue to be Collected

\$127,807.00

\$38,775.00

⁽¹⁾ Reflects the number of total lots with Series 2007A debt outstanding.

⁽²⁾ Annual debt service assessment per lot adopted in connection with the Series 2007A bond issue. Annual assessment includes principal, interest, Walton County collection costs and early payment discount costs.

⁽³⁾ Annual assessment that will appear on November 2026 Walton County property tax bill platted lots. Amount shown includes all applicable collection costs. Property owner is eligible for a discount of up to 4% if paid early.

⁽⁴⁾ O&M assessments are allocated to unplatted parcels on a per acreage basis.

UNPLATTED PARCELS	ACRES	O&M/ACRE	TOTAL
25-1N-19-17000-001-0000	5.57	\$248.94	\$1,386.58
25-1N-19-17000-001-0021	17.55	\$248.94	\$4,368.85
25-1N-19-17000-001-0050	154.72	\$248.94	\$38,515.58
25-1N-19-17000-002-0000	66.88	\$248.94	\$16,648.93
25-1N-19-17000-001-0020	217.02	\$248.94	\$54,024.37
36-1N-19-17000-001-0040	24.46	\$248.94	\$6,089.01
25-1N-19-17000-001-0060	25.96	\$248.94	\$6,462.41