INFRAMARK
INFRASTRUCTURE MANAGEMENT SERVICES

Town Center at Palm Coast Community Development District

July 24, 2026

Agenda Package

TEAMS MEETING INFORMATION
MEETING ID: 287 233 660 547 1 PASSCODE: fk2c2Cj9

or
DIAL BY PHONE:
1-646-838-1601
Phone Conference ID: 958437831#

313 Campus Street, Celebration, Florida 34747

CLEAR PARTNERSHIPS

COLLABORATION LEADERSHIP EXCELLENCE ACCOUNTABILITY RESPECT

Town Center at Palm Coast
Community Development District

Board of Supervisors	District Staff
Jeffrey Douglas, Chairman	Samantha Harvey, District Manager
Greg Eckley, Vice Chairperson	Vincent Sullivan, District Counsel
Frances Estrada, Assistant Secretary	Robert Gaylord, District Engineer
Dr. Pamela Jackson-Banks, Assistant Secretary	Clint Smith, Field Services Manager
Vacant, Assistant Secretary	Diana Lopez, District Accountant
	Kareen Baker, District Admin

Regular Meeting Agenda

Friday, July 24, 2026, at 10:00 a.m.

The Regular Meeting of the **Town Center at Palm Coast Community Development District** will be held on **Friday, July 24, 2026, at 10:00 a.m. at the Hilton Garden Inn Palm Coast/Town Center, located at 55 Town Center Boulevard, Palm Coast, Florida 32164.** Please let us know at least 24 hours in advance if you are planning to call into the meeting. Following is the Agenda for the Meeting:

Join the meeting now

Meeting ID: 287 233 660 547 1 **Passcode:** fk2c2Cj9

Dial-In by Phone: 1-646-838-1601 **Phone Conference ID:** 958437831#

THE REGULAR MEETING OF THE BOARD OF SUPERVISORS

1. **CALL TO ORDER/ROLL CALL**
2. **APPROVAL OF AGENDA**
3. **AUDIENCE COMMENTS**
   (Each individual has the opportunity to comment and is limited to three (3) minutes for such comment)
4. **STAFF REPORTS**
   A. District Counsel
   B. District Engineer
   C. Field Services Manager
      i. VerdeGO Landscape Maintenance Summary………………………………………………….. Page 4
      ii. SOLitude Lake Management Stormwater Pond Summary…………………………………….. Page 6
   D. District Manager
      i. Requisition for Disbursement…………………………………………………………………….. Page 11
5. **BUSINESS ITEMS**
   A. Public Hearings to Adopt the Fiscal Year 2027 Budget and Levy of Non-Ad Valorem Assessments……………………………………………………………………………………… Page 14
      i. Consideration of Resolution 2026-06, Annual Appropriations, and Adopting the

The next meeting is scheduled for Friday, September 18, 2026, at 10:00 a.m.

LANDSCAPE STATUS REPORT

REPORT SUMMARY

REPORT DATE	PROPERTY NAME	PREPARED BY	MONTH OF SERVICE
06/05/26	Town Center	David Landschoot	May

SERVICE SUMMARY

COMPLETED IN MAY

- **Full-Service maintenance (Mowing/Edging/String Trimming/Blowing).**
- **Detail Work (Weeding/Spraying/Pruning).**
- **Queen Palm replacements from auto collision installed.**
- **St Augustine SOD installed from overturned semi-truck by roundabout.**

ANTICPATED FOR NEXT MONTH

- **Full-Service maintenance (Mowing/Edging/String Trimming/Blowing).**
- **Continued Detail Work (Spraying of landscape bed weeds/Trimming/Weeding of beds).**
- **Continued Palm tree trimming.**

LANDSCAPE STATUS REPORT

REPORT SUMMARY

REPORT DATE	PROPERTY NAME	PREPARED BY	MONTH OF SERVICE
07/10/26	Town Center	David Landschoot	June

SERVICE SUMMARY

COMPLETED IN JUNE

- **Full-Service maintenance (Mowing/Edging/String Trimming/Blowing).**
- **Detail Work (Weeding/Spraying/Pruning).**
- **Canopy lifting behind Town Center sign for better visibility for store fronts behind sign.**
- **Fert/Chem treated for turf insects and fungus.**

ANTICPATED FOR NEXT MONTH

- **Full-Service maintenance (Mowing/Edging/String Trimming/Blowing).**
- **Continued Detail Work (Spraying of landscape bed weeds/Trimming/Weeding of beds).**
- **String trimming of ditch along SR 100**
- **Removal of Annual flowers and Prep for next flower rotation.**

Service Report

SOLITUDE LAKE MANAGEMENT

Work Order	00969910
Work Order Number	00969910
Created Date	5/15/2026

Account	Town Center at Palm Coast
Contact	Clint Smith
Address	145 City Place/Suite#300 Palm Coast, FL 32164 United States

Work Details

Specialist Comments to Customer	5/13/26 good afternoon!! For this months first visit I brought out atv to treat ponds and canals for shoreline grass and emergents very well and throughout made my inspections by checking outflows and removing any visible trash and debris along the way emergents treated will be dying out into week ponds are looking good made treatments for for alage and duckweed as well need boatbon properties to treat bigger lakes next visit. have a great day!!	Prepared By	CORTNEY DUNFORD

Work Order Assets

Asset	Status	Product Work Type
Town Ctr @ Palm Coast-Lake-ALL	Treated	

Service Parameters

Asset	Product Work Type	Specialist Comments to Customer
Town Ctr @ Palm Coast-Lake-ALL	SHORELINE WEED CONTROL	
Town Ctr @ Palm Coast-Lake-ALL	LITTORAL SHELF	
Town Ctr @ Palm Coast-Lake-ALL	LAKE WEED CONTROL	
Town Ctr @ Palm Coast-Lake-ALL	ALGAE CONTROL	
Town Ctr @ Palm Coast-Lake-ALL		

Service Report

SOLITUDE
LAKE MANAGEMENT

Work Order	00968799	Account	Town Center at Palm Coast
Work Order Number	00968799	Contact	Clint Smith
Created Date	5/26/2026	Address	145 City Place/Suite#300 Palm Coast, FL 32164 United States

Work Details

Specialist Comments to Customer	5/19/26 Good afternoon!! For this months treatments I brought out atv to make spot treatments of alage on all lakes and ponds spot treated shoreline grass and emergents very well made my inspections by checking outflows and removing any visible trash and debris along the way emergents treated will be dying out into week thanks and have a great day I will be back on sight to continue treatments. !!	Prepared By	CORTNEY DUNFORD

Work Order Assets

Asset	Status	Product Work Type
Town Ctr @ Palm Coast-Lake-ALL	Inspected	

Service Parameters

Asset	Product Work Type	Specialist Comments to Customer
Town Ctr @ Palm Coast-Lake-ALL	SHORELINE WEED CONTROL	
Town Ctr @ Palm Coast-Lake-ALL	LITTORAL SHELF	
Town Ctr @ Palm Coast-Lake-ALL	LAKE WEED CONTROL	
Town Ctr @ Palm Coast-Lake-ALL	ALGAE CONTROL	
Town Ctr @ Palm Coast-Lake-ALL		

Service Report

SOLITUDE LAKE MANAGEMENT

		Account	Town Center at Palm Coast
Work Order	00973465	Contact	Clint Smith
Work Order Number	00973465	Address	145 City Place/Suite#300 Palm Coast, FL 32164 United States
Created Date	5/20/2026		

Work Details

Specialist Comments to Customer	5/19/26 good afternoon for this week's treatments I brought out atv to make spot treatments of alage grass and emergents very well and throughout added dye to ponds as well checked outflows and removed any visible trash and debris along the way emergents treated will be dying out into week super windy during Visit will follow up on certain ponds for grass treatments thanks and have a great day!!	Prepared By	CORTNEY DUNFORD

Work Order Assets

Asset	Status	Product Work Type
Town Ctr @ Palm Coast-Lake-ALL	Treated	

Service Parameters

Asset	Product Work Type	Specialist Comments to Customer
Town Ctr @ Palm Coast-Lake-ALL	SHORELINE WEED CONTROL	
Town Ctr @ Palm Coast-Lake-ALL	LITTORAL SHELF	
Town Ctr @ Palm Coast-Lake-ALL	LAKE WEED CONTROL	
Town Ctr @ Palm Coast-Lake-ALL	ALGAE CONTROL	
Town Ctr @ Palm Coast-Lake-ALL		

Service Report

SOLITUDE LAKE MANAGEMENT

		Account	Town Center at Palm Coast
Work Order	00985950	Contact	Clint Smith
Work Order Number	00985950	Address	145 City Place/Suite#300 Palm Coast, FL 32164 United States
Created Date	6/24/2026		

Work Details

Specialist Comments to Customer	6/22/26 good afternoon! For this months 3rd visit i brought out boat to make treatments of shoreline grass alage and submersed aquatics very well and throughout made my inspections by checking outflows and removing any visible trash and debris along the way cut down dead debris as and also added dye to pond as well will be working on canal and atv pond this week thanks and have a great day!! Any questions concerns or special requests I will be happy to assist with!!	Prepared By	CORTNEY DUNFORD

Work Order Assets

Asset	Status	Product Work Type
Town Ctr @ Palm Coast-Lake-ALL	Treated	

Service Parameters

Asset	Product Work Type	Specialist Comments to Customer
Town Ctr @ Palm Coast-Lake-ALL	SHORELINE WEED CONTROL	
Town Ctr @ Palm Coast-Lake-ALL	LITTORAL SHELF	
Town Ctr @ Palm Coast-Lake-ALL	LAKE WEED CONTROL	
Town Ctr @ Palm Coast-Lake-ALL	ALGAE CONTROL	
Town Ctr @ Palm Coast-Lake-ALL		

Service Report

SOLITUDE LAKE MANAGEMENT

Work Order	00990713	Account	Town Center at Palm Coast
Work Order Number	00990713	Contact	Clint Smith
Created Date	6/30/2026	Address	145 City Place/Suite#300 Palm Coast, FL 32164 United States

Work Details

Specialist Comments to Customer	6/18/26 good afternoon!! For this months 3rd visit i brought out atv to make treatments on available ponds and canals for shoreline grass and alage throughout ponds very well made my inspections by checking outflows and removing any visible trash and debris along the way. Construction has made it hard to treat certain canals as well as growth around canals had made it hard to access to make treatments will do the best I can to treat what I can emergents treated will be dying out into week thanks and have a great day!!	Prepared By	CORTNEY DUNFORD

Work Order Assets

Asset	Status	Product Work Type
Town Ctr @ Palm Coast-Lake-ALL	Treated	

Service Parameters

Asset	Product Work Type	Specialist Comments to Customer
Town Ctr @ Palm Coast-Lake-ALL	SHORELINE WEED CONTROL	
Town Ctr @ Palm Coast-Lake-ALL	LITTORAL SHELF	
Town Ctr @ Palm Coast-Lake-ALL	LAKE WEED CONTROL	
Town Ctr @ Palm Coast-Lake-ALL	ALGAE CONTROL	
Town Ctr @ Palm Coast-Lake-ALL		

EXHIBIT A

FORM OF REQUISITION

The undersigned, an Authorized Officer of Town Center at Palm Coast Community Development District (the ***"District")*** hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture from the. District to SunTrust Bank, as trustee (the ***"Trustee"),*** dated as of March 1, 2005 (the ***"Master Indenture"),*** as amended and supplemented by the First Supplemental Indenture from the District to the Trustee, dated as of March 1, 2005 (the Master Indenture as amended and supplemented is hereinafter referred to as the ***"Indenture")*** (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture):

(A) Requisition Number: REQ 376

(B) Name of Payee: FLORIDA LANDMARK COMMUNITIES, LLC

(C) Amount Payable: $100,000

(D) Purpose for which paid or incurred (refer also to specific contract if amount is due and payable pursuant to a contract involving progress payments, or, state Costs of Issuance, if applicable): REPAYMENT OF COSTS ADVANCED BY FLC FOR CONSTRUCTION PROJECT.

(E) Fund or Account and subaccount, if any, from which disbursement to be made: DEFERRED COST ACCOUNT

The undersigned hereby certifies that [obligations in the stated amount set forth above have been incurred by the District, that each disbursement set forth above is a proper charge against the 2005 Acquisition and Construction Account and the subaccount, if any, referenced above, that each disbursement set forth above was incurred in connection with the acquisition and construction of the 2005 Project and each represents a Cost of the 2005 Project, and has not previously been paid] OR [this requisition is for Costs of Issuance payable from the Costs of Issuance Account that has not previously been paid].

The undersigned hereby further certifies that there has not been filed with or served upon the District notice of any lien, right to lien, or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to the Payee set forth above, which has not been released or will not be released simultaneously with the payment hereof.

The undersigned hereby further certifies that such requisition contains no item representing payment on account of any retained percentage which the District is at the date of such certificate entitled to retain.

If this requisition is for a disbursement from other than the Costs of Issuance Account or for payment of capitalized interest, there shall be attached a resolution of the Governing Body of the District approving this requisition or the approving the specific contract with respect to which disbursements pursuant to this requisition are due and payable.

Attached hereto are originals of the invoice(s) from the vendor of the property acquired or services rendered with respect to which disbursement is hereby requested.

TOWN CENTER AT PALM COAST COMMUNITY DEVELOPMENT DISTRICT

By: ________________________________
Authorized Officer

CONSULTING ENGINEER'S APPROVAL FOR NON-COST OF ISSUANCE AND CAPITALIZED INTEREST REQUESTS ONLY

If this requisition is for a disbursement from other than Capitalized Interest or Costs of Issuance, the undersigned Consulting Engineer hereby certifies that this disbursement is for a Cost of the 2005 Project and is consistent with: (i) the applicable *acquisition or* construction contract; (ii) the plans and specifications for the portion of the 2005 Project with respect to which such disbursement is being made; and (ii) the report of the Consulting Engineer attached as an Exhibit to the First Supplemental Indenture, as such report shall have been amended or modified on the date hereof.

____
Consulting Engineer

INFRAMARK
INFRASTRUCTURE MANAGEMENT SERVICES

Town Center at Palm Coast
Community Development District

FISCAL YEAR 2027

PROPOSED BUDGET

July 24, 2026

CLEAR PARTNERSHIPS

COLLABORATION LEADERSHIP EXCELLENCE ACCOUNTABILITY RESPECT

Table of Contents

Town Center at Palm Coast

Community Development District

Budget Overview

FY 2027

Town Center at Palm Coast

Community Development District

Operating Budget

FY 2027

Summary of Revenues Expenditures and Changes in Fund Balance

Fiscal Year 2027 Budget

General Fund

ACCOUNT DESCRIPTION	ADOPTED BUDGET FY 2026	ACTUAL THRU 5/31/2026	PROJECTED June- 9/30/2026	TOTAL PROJECTED FY 2026	% +/(-) Budget	ANNUAL BUDGET FY 2027
REVENUES						
Interest - Investments	$25,000.00	$27,561.00	$0.00	$27,561.00	10%	$25,000.00
Special Assmnts- Tax Collector	$1,390,205.00	$1,403,229.00	$0.00	$1,403,229.00	1%	$1,388,378.72
Special Assmnts- Discounts	-$55,608.00	-$45,584.00	$0.00	-$45,584.00	-18%	-$55,535.15
Other Miscellaneous Revenues	$0.00	$5,363.00	$0.00	$5,363.00	0%	$0.00
TOTAL REVENUES	**$1,359,597.00**	**$1,390,569.00**	**$0.00**	**$1,390,569.00**	**2%**	**$1,357,843.57**
EXPENDITURES						
Administrative						
P/R-Board of Supervisors	$6,000.00	$3,200.00	$2,800.00	$6,000.00	0%	$6,000.00
FICA Taxes	$470.00	$92.00	$378.00	$470.00	0%	$459.00
ProfServ-Arbitrage Rebate	$600.00	$0.00	$600.00	$600.00	0%	$600.00
ProfServ-Dissemination Agent	$5,000.00	$0.00	$5,000.00	$5,000.00	0%	$1,000.00
ProfServ-Engineering	$5,400.00	$6,859.00	$0.00	$6,859.00	27%	$5,400.00
ProfServ-Legal Services	$11,000.00	$7,143.00	$3,630.53	$10,773.53	-2%	$11,000.00
ProfServ-Mgmt Consulting	$62,988.00	$41,992.00	$20,996.00	$62,988.00	0%	$64,878.00
ProfServ-Special Assessment	$6,105.00	$6,105.00	$0.00	$6,105.00	0%	$6,105.00
ProfServ-Trustee Fees	$9,600.00	$4,638.00	$4,962.00	$9,600.00	0%	$9,600.00
Auditing Services	$5,000.00	$4,800.00	$200.00	$5,000.00	0%	$4,800.00
Website Compliance	$3,500.00	$179.00	$3,321.00	$3,500.00	0%	$3,500.00
Postage and Freight	$1,000.00	$812.00	$412.71	$1,224.71	22%	$1,700.00
Insurance - General Liability	$12,948.00	$12,229.00	$719.00	$12,948.00	0%	$13,452.00
Printing and Binding	$1,400.00	$120.00	$1,280.00	$1,400.00	0%	$1,400.00
Legal Advertising	$2,600.00	$118.00	$2,482.00	$2,600.00	0%	$2,000.00
Miscellaneous Services	$500.00	$0.00	$500.00	$500.00	0%	$500.00
Misc-Assessment Collection Cost	$27,804.00	$28,428.00	$14,448.94	$42,876.94	54%	$27,767.57
Misc-Contingency	$5,000.00	$104.00	$4,896.00	$5,000.00	0%	$5,000.00
Misc-Web Hosting	$1,000.00	$1,549.00	$0.00	$1,549.00	55%	$1,000.00
Office Supplies	$250.00	$60.00	$190.00	$250.00	0%	$250.00
Rental - Meeting Room	$760.00	$261.00	$499.00	$760.00	0%	$760.00
Annual District Filing Fee	$175.00	$175.00	$0.00	$175.00	0%	$175.00
Total Administrative	**$169,100.00**	**$118,864.00**	**$67,315.19**	**$186,179.19**	**10%**	**$167,346.57**
Field						
ProfServ-Administrative	$36,000.00	$24,000.00	$12,000.00	$36,000.00	0%	$36,000.00
Contracts-Lake and Wetland	$70,451.00	$48,377.00	$22,074.00	$70,451.00	0%	$70,451.00
Contracts-Landscape	$468,132.00	$303,566.00	$164,566.00	$468,132.00	0%	$468,132.00
Security Service - Sheriff	$134,179.00	$104,221.00	$29,958.00	$134,179.00	0%	$156,000.00
Electricity - General	$8,248.00	$5,767.00	$2,481.00	$8,248.00	0%	$8,248.00
Utility - Irrigation	$95,978.00	$60,079.00	$35,899.00	$95,978.00	0%	$95,978.00
Misc-Contingency	$6,061.00	$518.00	$5,543.00	$6,061.00	0%	$9,240.00

Town Center at Palm Coast
Community Development District

General Fund

ACCOUNT DESCRIPTION	ADOPTED BUDGET FY 2026	ACTUAL THRU 5/31/2026	PROJECTED June- 9/30/2026	TOTAL PROJECTED FY 2026	% +/(-) Budget	ANNUAL BUDGET FY 2027
Cap Outlay - Streetlight Impr	$266,448.00	$177,632.00	$88,816.00	$266,448.00	0%	$266,448.00
Total Field	**$1,085,497.00**	**$724,160.00**	**$361,337.00**	**$1,085,497.00**	**0%**	**$1,110,497.00**
Reserves						
Reserve - Capital Projects	$105,000.00	$55,000.00	$50,000.00	$105,000.00	0%	$80,000.00
Total Reserves	**$105,000.00**	**$55,000.00**	**$50,000.00**	**$105,000.00**	**0%**	**$80,000.00**
TOTAL EXPENDITURES & RESERVES	**$1,359,597.00**	**$898,024.00**	**$478,652.19**	**$1,376,676.19**	**1%**	**$1,357,843.57**
Excess (deficiency) of revenues Over (under) expenditures	$0.00	$492,545.00	-$478,652.19	$13,892.81	0%	$0.00
Net change in fund balance		$492,545.00	-$478,652.19	$13,892.81	0%	$0.00
FUND BALANCE, BEGINNING	$1,401,922.00	$1,401,922.00	$0.00	$1,401,922.00	0%	$1,415,814.81
FUND BALANCE, ENDING	**$1,401,922.00**	**$1,894,467.00**	**-$478,652.19**	**$1,415,814.81**	1%	**$1,415,814.81**

Exhibit "A"
Allocation of Fund Balances

FISCAL YEAR 2026 RESERVE FUND ANALYSIS		
Beginning Fund Balance - Carry Forward Surplus as of 10/1/2026		$1,401,922.00
Less: Forecasted Surplus/(Deficit) as of 9/30/2027		$80,000.00
Estimated Funds Available - 9/30/2026		**$1,481,922.00**

FISCAL YEAR 2027 RESERVE FUND ANALYSIS		
Assigned Fund Balance		
Less: First Quarter Operating Reserve		$339,460.89
Reserves - Others Prior Years		$150,000.00
Capital Reserves Prior Year	400,000	
Fiscal Year 2026	105,000	
Less Expenses	(55,000)	
Fiscal Year 2027	80,000	$530,000.00
Total Allocations of Available Funds		**$1,019,460.89**
Estimated Remaining Undesignated Cash as of 9/30/2027		**$462,461.11**

Notes

(1) Represents approximately 3 months of operating expenditures

Budget Narrative
Fiscal Year 2027

REVENUES

Interest-Investments

The District earns interest on its operating accounts.

Operations & Maintenance Assessments – On Roll

The District will levy a Non-Ad Valorem assessment on all the assessable property within the District to pay for the operating expenditures during the Fiscal Year. The collection will be provided by the Tax Collector pursuant to Section 197.3632, Florida Statutes, which is the Uniform Collection Methodology.

Developer Contributions

The district will direct bill and collect non-ad valorem assessments on assessable property in order to pay for the debt service expenditures during the fiscal year.

Other Miscellaneous Revenues

Additional revenue sources not otherwise specified by other categories.

Special Assessments-Discounts

Per Section 197.162, Florida Statutes, discounts are allowed for early payment of assessments only when collected by the Tax Collector. The budgeted amount for the fiscal year is calculated at 4% of the anticipated Non-Ad Valorem assessments.

EXPENDITURES

<u>Financial and Administrative</u>

Supervisor Fees

Chapter 190 of the Florida Statutes allows for members of the Board of Supervisors to be compensated $200 per meeting at which they are in attendance. The amount for the Fiscal Year is based upon four supervisors attending 14 meetings.

Onsite Staff

The district may incur expenses for employees or other staff members needed for recreational facilities such as clubhouse staff.

District Management

The District retains the services of a consulting manager, who is responsible for the daily administration of the District's business, including any and all financial work related to the Bond Funds and Operating Funds of the District, and preparation of the minutes of the Board of Supervisors. In addition, the District Manager prepares the Annual Budget(s), implements all policies of the Board of Supervisors and attends all meetings of the Board of Supervisors.

Field Management

The District has a contract with Inframark Infrastructure Management Services. for services in the administration and operation of the Property and its contractors.

Administration

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Inframark Infrastructure Management Services.

Budget Narrative
Fiscal Year 2027

Financial and Administrative (continued)

Recording Secretary
Inframark provides recording services with near verbatim minutes.

Construction Accounting
Accounting services as described within the Accounting Services but specifically regarding construction.

Financial/Revenue Collections
Service includes all functions necessary for the timely billing and collection and reporting of District assessments in order to ensure adequate funds to meet the District's debt service and operations and maintenance obligations. These services include, but are not limited to, assessment roll preparation and certification, direct billings and funding request processing as well as responding to property owner questions regarding District assessments. This line item also includes the fees incurred for a collection agent to collect the funds for the principal and interest payment for its short-term bond issues and any other bond related collection needs. These funds are collected as prescribed in the Trust Indenture. The Collection Agent also provides for the release of liens on property after the full collection of bond debt levied on particular properties.

Rentals and Leases
The anticipated cost of rental expenses including but not limited to renting meeting room space for district board meetings.

Data Storage
Cost of server maintenance and technical support for CDD related IT needs.

Accounting Services
Services including the preparation and delivery of the District's financial statements in accordance with Governmental Accounting Standards, accounts payable and accounts receivable functions, asset tracking, investment tracking, capital program administration and requisition processing, filing of annual reports required by the State of Florida and monitoring of trust account activity.

Dissemination Agent/Reporting
The District is required by the Securities and Exchange Commission to comply with rule 15c2-12(b)-(5), which relates to additional reporting requirements for unrelated bond issues. The budgeted amount for the fiscal year is based on standard fees charged for this service.

Website Administration Services
The cost of web hosting and regular maintenance of the District's website by Inframark Management Services.

District Engineer
The District's engineer provides general engineering services to the District, i.e., attendance and preparation for board meetings when requested, review of invoices, and other specifically requested assignments.

District Counsel
The District's attorney provides general legal services to the District, i.e., attendance and preparation for Board meetings, review of contracts, agreements, resolutions, and other research as directed or requested by the BOS District Manager.

Trustee Fees
The District pays US Bank an annual fee for trustee services on the Series 2014 and Series 2015 Bonds. The budgeted amount for the fiscal year is based on previous year plus any out-of-pocket expenses.

Budget Narrative
Fiscal Year 2027

Financial and Administrative (continued)

Auditing Services
The District is required to conduct an annual audit of its financial records by an Independent Certified Public Accounting Firm. The budgeted amount for the fiscal year is an estimate based on prior year costs.

Postage, Phone, Faxes, Copies
This item refers to the cost of materials and service to produce agendas and conduct day-to-day business of the District.

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

Professional Services – Arbitrage Rebate
The District is required to annually calculate the arbitrage rebate liability on its Series 2013A and 2020 bonds.

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

Miscellaneous-Assessment Collection Costs
The District reimburses the tax collector for necessary administrative costs. Per the Florida Statutes, administrative costs shall include, but not be limited to, those costs associated with personnel, forms, supplies, data processing, computer equipment, postage, and programming. The District also compensates the tax collector for the actual cost of collection or 2% on the amount of special assessments collected and remitted, whichever is greater. The assessment collection cost is based on a maximum of 2% of the anticipated assessment collections.

Bank Fees
This represents the cost of bank charges and other related expenses that are incurred during the year.

Dues, Licenses and Fees
This represents the cost of the District's operating license as well as the cost of memberships in necessary organizations.

Onsite Office Supplies
This represents the cost of supplies used to prepare agenda packages, create required mailings, and perform other special projects. The budget for this line item also includes the cost for supplies in the District office.

Website ADA Compliance
Cost of maintaining district website's compliance with the Americans with Disabilities Act of 1990.

Disclosure Report
On a quarterly and annual basis, disclosure of relevant district information is provided to the Muni Council, as required within the bond indentures.

Annual Stormwater Report
Cost to produce annual report on CDD stormwater infrastructure.

Miscellaneous Administrative
All other administrative costs not otherwise specified above.

Budget Narrative
Fiscal Year 2027

Insurance

Insurance-General Liability
The District's General Liability & Public Officials Liability Insurance policy is with Egis Insurance Advisors, LLC. The budgeted amount allows for a projected increase in the premium.

Public Officials Insurance
The District will incur expenditures for public officials' liability insurance for the Board and Staff and may incur a 10% premium increase.

Property & Casualty Insurance
The District will incur fees to insure items owned by the district for its property needs.

Deductible
District's share of expenses for insured property when a claim is filed.

Utility Services

Electric Utility Services
Electricity for accounts with the local Utilities Commissions for the swim club, parks, and irrigation. Fees are based on historical costs for metered use.

Streetlights
Local Utility Company charges electricity usage (maintenance fee). The budget is based on historical costs.

Lighting Replacement
Cost of replacing defective lights and bulbs in CDD facilities.

Decorative Light Maintenance
Cost of replacement and repair of decorative lighting fixtures.

Amenity Internet
Internet service for clubhouse and other amenity locations.

Water/Waste
The District charges each new water/sewer system customer an Accrued Guaranteed Revenue Fee (AGRF) for wastewater service in accordance with the adopted rate schedule.

Gas
Cost of natural gas for CDD facilities. Regular fuel costs (automobile etc.)

Facility A/C & Heating R&M
Cost of repairs and regular maintenance of Air Conditioning and central heating of CDD facilities.

Utilities – Other
Utility expenses not otherwise specified in above categories.

Budget Narrative
Fiscal Year 2027

Amenity

Pool Monitor
Cost of staff members to facilitate pool safety services.

Janitorial – Contract
Cost of janitorial labor for CDD Facilities.

Janitorial Supplies/Other
Cost of janitorial supplies for CDD Facilities.

Garbage Dumpster – Rental and Collection
Cost of dumpster rental and trash collection at CDD facilities.

Amenity Pest Control
Cost of exterminator and pesticides at CDD amenities and facilities.

Amenity R&M
Cost of repairs and regular maintenance of CDD amenities.

Amenity Furniture R&M
Cost of repairs and maintenance to amenity furniture.

Access Control R&M
Cost of repairs and maintenance to electronic locks, gates, and other security fixtures.

Key Card Distribution
Cost of providing keycards to residents to access CDD Facilities.

Recreation/Park Facility Maintenance
Cost of upkeep and repairs to all parks and recreation facilities in the CDD

Athletic Courts and Field Maintenance
Cost of upkeep and repairs for athletic fields and courts (ex. Basketball Courts) on CDD property.

Park Restroom Maintenance
Upkeep and cleaning of park restrooms on CDD property.

Playground Equipment and Maintenance
Cost of acquisition and upkeep of playground equipment for CDD parks.

Clubhouse Office Supplies
Cost of supplies for clubhouse clerical duties (pens, paper, ink, etc.)

Clubhouse IT Support
Cost of IT services and for clubhouse operational needs.

Dog Waste Station Service & Supplies
Cost of cleaning and resupplying dog waste stations.

Entrance Monuments, Gates, Walls R&M
Cost of repairs and regular maintenance for entryways, walls, and gates.

Budget Narrative
Fiscal Year 2027

<u>Amenity (Continued)</u>

Pool Maintenance – Contract
Cost of Maintenance for CDD pool facilities.

Security Monitoring Services
Cost of CDD security personnel and equipment.

Special Events
Cost of holiday celebrations and events hosted on CDD property.

Community Activities
Cost of recreational events hosted on CDD property.

Holiday Decorations
Cost of decorations for major holidays (i.e., Christmas)

Miscellaneous Amenity
Amenity Expenses not otherwise specified.

<u>Landscape and Pond Maintenance</u>

R&M – Stormwater System
Cost of repairs and regular maintenance to the CDD's stormwater and drainage infrastructure.

Landscape Maintenance - Contract
Landscaping company to provide maintenance consisting of mowing, edging, trimming, blowing, fertilizing, and applying pest and disease control chemicals to turf throughout the District.

Landscaping - R&M
Cost of repairs and regular maintenance to landscaping equipment.

Landscaping – Plant Replacement Program
Cost of replacing dead or damaged plants throughout the district.

Irrigation Maintenance
Purchase of irrigation supplies. Unscheduled maintenance consists of major repairs and replacement of system components including weather station and irrigation lines.

Aquatics – Contract
Expenses related to the care and maintenance of the lakes and ponds for the control of nuisance plant and algae species.

Wetlands Maintenance and Monitoring
Cost of upkeep and protection of wetlands on CDD property.

Aquatics – Plant Replacement
The expenses related to replacing beneficial aquatic plants, which may or may not have been required by other governmental entities.

Waterway Management Program
Cost of maintaining waterways and rivers on district property.

Town Center at Palm Coast

Community Development District

Debt Service Budget

FY 2027

Summary of Revenues Expenditures and Changes in Fund Balance

Fiscal Year 2027 Budget

Series 2005 Bonds

ACCOUNT DESCRIPTION	ADOPTED BUDGET FY 2026	ACTUAL THRU 5/31/2026	PROJECTED June- 9/30/2026	TOTAL PROJECTED FY 2026	% +/(-) Budget	ANNUAL BUDGET FY 2027
REVENUES						
Interest - Investments	$10,000.00	$39,208.00	$0.00	$39,208.00	292%	$10,000.00
Special Assmnts- Tax Collector	$1,493,394.00	$1,205,717.00	$287,677.00	$1,493,394.00	0%	$1,493,394.32
Special Assmnts- Discounts	-$59,736.00	-$39,168.00	$0.00	-$39,168.00	-34%	-$59,735.77
Special Assmnts-Prepayment	$0.00	$2,107.00	$0.00	$2,107.00	0%	$0.00
TOTAL REVENUES	**$1,443,658.00**	**$1,207,864.00**	**$287,677.00**	**$1,495,541.00**	**4%**	**$1,443,658.55**
EXPENDITURES						
Administrative						
Misc-Assessment Collection Cost	$29,868.00	$23,331.00	$6,537.00	$29,868.00	0%	$29,867.89
Total Administrative	**$29,868.00**	**$23,331.00**	**$6,537.00**	**$29,868.00**	**0%**	**$29,867.89**
Debt Service						
Principal Debt Retirement	$770,000.00	$740,000.00	$30,000.00	$770,000.00	0%	$820,000.00
Interest Expense	$676,800.00	$669,900.00	$6,900.00	$676,800.00	0%	$653,700.00
Total Debt Service	**$1,446,800.00**	**$1,409,900.00**	**$36,900.00**	**$1,446,800.00**	**0%**	**$1,473,700.00**
TOTAL EXPENDITURES	**$1,476,668.00**	**$1,433,231.00**	**$43,437.00**	**$1,476,668.00**		**$1,503,567.89**
Excess (deficiency) of revenues Over (under) expenditures	-$33,010.00	-$225,367.00	$244,240.00	$18,873.00	-157%	-$59,909.34
OTHER FINANCING SOURCES (USES)						
Transfer Out - Capital Project	$0.00	-$19,671.00	$0.00	-$19,671.00	0%	$0.00
TOTAL OTHER SOURCES (USES)	**$0.00**	**-$19,671.00**	**$0.00**	**-$19,671.00**		**$0.00**
Net change in fund balance	-$33,010.00	-$245,038.00	$244,240.00	-$798.00	-98%	-$59,909.34
FUND BALANCE, BEGINNING	$1,519,232.00	$1,519,232.00	$0.00	$1,519,232.00	0%	$1,518,434.00
FUND BALANCE, ENDING	**$1,486,222.00**	**$1,274,194.00**	**$244,240.00**	**$1,518,434.00**	2%	**$1,458,524.66**

PAR VALUE OF BONDS AFTER ANNUAL PRINCIPAL PAYMENT

	11/1/2024	11/1/2025	11/1/2026	11/1/2027
Series 2005 Bonds	$1,449,250.00	$1,451,800.00	$1,446,800.00	$1,449,100.00

CAPITAL IMPROVEMENT REVENEUE BONDS SERIES 2005

Debt Service Amortization Schedule (After 11/01/2022 Payment Date)

Date	Principal	Rate	Interest	Total	Annual Debt Service
11/1/2026			$326,850.00	$326,850.00	$1,446,800.00
5/1/2027	$820,000.00	6.000%	$326,850.00	$1,146,850.00	
11/1/2027			$302,250.00	$302,250.00	$1,449,100.00
5/1/2028	$870,000.00	6.000%	$302,250.00	$1,172,250.00	
11/1/2028			$276,150.00	$276,150.00	$1,448,400.00
5/1/2029	$925,000.00	6.000%	$276,150.00	$1,201,150.00	
11/1/2029			$248,400.00	$248,400.00	$1,449,550.00
5/1/2030	$980,000.00	6.000%	$248,400.00	$1,228,400.00	
11/1/2030			$219,000.00	$219,000.00	$1,447,400.00
5/1/2031	$1,040,000.00	6.000%	$219,000.00	$1,259,000.00	
11/1/2031			$187,800.00	$187,800.00	$1,446,800.00
5/1/2032	$1,105,000.00	6.000%	$187,800.00	$1,292,800.00	
11/1/2032			$154,650.00	$154,650.00	$1,447,450.00
5/1/2033	$1,175,000.00	6.000%	$154,650.00	$1,329,650.00	
11/1/2033			$119,400.00	$119,400.00	$1,449,050.00
5/1/2034	$1,250,000.00	6.000%	$119,400.00	$1,369,400.00	
11/1/2034			$81,900.00	$81,900.00	$1,451,300.00
5/1/2035	$1,325,000.00	6.000%	$81,900.00	$1,406,900.00	
11/1/2035			$42,150.00	$42,150.00	$1,449,050.00
5/1/2036	$1,405,000.00	6.000%	$42,150.00	$1,447,150.00	
	$13,080,000.00		**$6,145,500.00**	**$20,282,250.00**	

Budget Narrative
Fiscal Year 2027

REVENUES

Interest-Investments
The District earns interest on its operating accounts.

Operations & Maintenance Assessments – On Roll
The District will levy a Non-Ad Valorem assessment on all the assessable property within the District to pay for the operating expenditures during the Fiscal Year. The collection will be provided by the Tax Collector pursuant to Section 197.3632, Florida Statutes, which is the Uniform Collection Methodology.

Other Miscellaneous Revenues
Additional revenue sources not otherwise specified by other categories.

Special Assessments-Discounts
Per Section 197.162, Florida Statutes, discounts are allowed for early payment of assessments only when collected by the Tax Collector. The budgeted amount for the fiscal year is calculated at 4% of the anticipated Non-Ad Valorem assessments.

EXPENDITURES

Administrative

Miscellaneous-Assessment Collection Costs
The District reimburses the tax collector for necessary administrative costs. Per the Florida Statutes, administrative costs shall include, but not be limited to, those costs associated with personnel, forms, supplies, data processing, computer equipment, postage, and programming. The District also compensates the tax collector for the actual cost of collection or 2% on the amount of special assessments collected and remitted, whichever is greater. The assessment collection cost is based on a maximum of 2% of the anticipated assessment collections.

Debt Service

Principal Debt Retirement
The district pays regular principal payments to annually to pay down/retire the debt.

Interest Expense
The District Pays interest Expenses on the debt twice a year.

Town Center at Palm Coast

Community Development District

Supporting Budget Schedule

FY 2027

Comparison of Non-Ad Valorem Assessments
Fiscal Year 2027 vs. Fiscal Year 2026

Product	General Fund			Debt Service			Total Assessments per Unit		
	FY 2027 Fund	FY 2026 Fund	Percent Change	FY 2027 Fund	FY 2026 Fund	Percent Change	FY 2027 Fund	FY 2026 Fund	Percent Change
Residential	$262.16	$262.51	-0.1%	$381.07	$381.07	0.0%	$643.24	$643.58	-0.1%
Office	$163.85	$164.07	-0.1%	$238.17	$238.17	0.0%	$402.02	$402.24	-0.1%
Retail	$196.62	$196.88	-0.1%	$285.81	$285.81	0.0%	$482.43	$482.69	-0.1%
Assisted Living	$65.54	$65.63	-0.1%	$95.27	$95.27	0.0%	$160.81	$160.90	-0.1%
Non-Retail Comm	$131.08	$131.25	-0.1%	$190.54	$190.54	0.0%	$321.62	$321.79	-0.1%

Product	Tax Collector		Direct Billed		Total	Total	Prepaid	EAU	TOTAL
	GF Units	DS Units	GF Units	DS Units	O&M Units	DS Units	Units	FACTOR	EAU's
Residential	2879.461	1762.622	0.000	0.000	2879.461	1762.622	998.000	2.00	5,758.92
Office (1)	1278.441	1155.263	0.000	0.000	1278.441	1155.263	0.000	1.25	1,598.05
Retail (1)	1511.654	1322.774	0.000	0.000	1511.654	1322.774	112.500	1.50	2,267.48
Assisted Living	407.000	397.060	0.000	0.000	407.000	397.060	0.000	0.50	203.50
Non-Retail Comm	763.721	685.801	0.000	0.000	763.721	685.801	0.000	1.00	763.72
	6840.277	5323.521	0.000	0.000	6840.277	5323.521	1110.500		10,591.68

RESOLUTION 2026-06

A RESOLUTION OF THE TOWN CENTER AT PALM COAST COMMUNITY DEVELOPMENT DISTRICT (THE “DISTRICT”) RELATING TO THE ANNUAL APPROPRIATIONS OF THE DISTRICT AND ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2026 AND ENDING SEPTEMBER 30, 2027 AND REFERENCING THE MAINTENANCE AND BENEFIT SPECIAL ASSESSMENTS TO BE LEVIED BY THE DISTRICT FOR SAID FISCAL YEAR

WHEREAS, the District Manager has, prior to the fifteenth (15th) day in June, 2026, submitted to the Board of Supervisors (the "Board") a proposed budget for the next ensuing budget year 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 Annual Budget and any proposed long-term financial plan or program of the District for future operations (the “Proposed Budget”) the District did file a copy of the Proposed Budget with the general purpose local governing authorities having jurisdiction over the area included in the District pursuant to the provisions of Section 190.008(2)(b), Florida Statutes; and

WHEREAS, on May 22, 2026, the Board set July 24, 2026, as the date for a Public Hearing thereon and caused notice of such Public Hearing to be given by publication pursuant to Section 190.008(2)(a) Florida Statutes; and

WHEREAS, Section 190.008(2)(a), Florida Statutes requires that, prior to October 1 of each year, the District 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; and

WHEREAS, the District Manager has prepared a Proposed Budget on a Cash Flow Budget basis, whereby the budget shall project the cash receipts and disbursements anticipated during a given time period, including reserves for contingencies for emergency or other unanticipated expenditures during the Fiscal Year; and

WHEREAS, Section 190.021, Florida Statutes provides that the Annual Appropriation Resolution shall also fix the Maintenance Special Assessments and Benefit Special Assessments upon each piece of property within the boundaries of the District benefited, specifically and peculiarly, by the maintenance and/or capital improvement programs of the District, such levy representing the amount of District assessments necessary to provide for payment during the ensuing budget year of all properly authorized expenditures to be incurred by the District, including principal and interest of special revenue, capital improvement and/or benefit assessment bonds, in order for the District to exercise its various general and special powers to implement its single and specialized infrastructure provision purpose; and

WHEREAS, the Board of Supervisors of the Town Center at Palm Coast Community Development District finds and determines that the non-ad valorem special assessments it imposes and levies by this Resolution for maintenance on the parcels of property involved will constitute a mechanism by which the property owners lawfully and validly will reimburse the District for those certain special and peculiar benefits the District has determined are received by, and flow to, the parcels of property from the systems, facilities and services being provided, and that the special and peculiar benefits are apportioned in a manner that is fair and reasonable in accordance with applicable assessment methodology and related case law; and

WHEREAS, the Chair of the Board of Supervisors may designate the District Manager or other person to certify the Non-Ad Valorem Assessment Roll to the Tax Collector in and for Flagler County political subdivision on compatible electronic medium tied to the property identification number no later than September 15, 2026 so that the Tax Collector may merge that roll with others into the collection roll from which the November tax notice is to be printed and mailed; and

WHEREAS, the proceeds from the collections of these imposed and levied non-ad valorem assessments shall be paid to the Town Center at Palm Coast Community Development District; and

WHEREAS, the Tax Collector, under the direct supervision of the Florida Department of Revenue performs the state work in preparing, mailing out, collecting and enforcing against delinquency the non-ad valorem assessments of the District using the Uniform Collection Methodology for non-ad valorem assessments; and

WHEREAS, if the Property Appraiser and the Tax Collector have adopted a different technological procedure for certifying and merging the rolls, then that procedure must be worked out and negotiated with Board approval through the auspices of the District Manager before there are any deviations from the provisions of Section 197.3632, Florida Statutes, and Rule 12D-18, Florida Administrative Code.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE TOWN CENTER AT PALM COAST COMMUNITY DEVELOPMENT DISTRICT:

Section 1. The provisions of the whereas clauses are true and correct and are incorporated herein as dispositive.

Section 2. Budget

a. That the Board of Supervisors has reviewed the District Manager's Proposed Budget, a copy of which is on file with the Office of the District Treasurer and the Office of the Records Administration Department, and is hereby attached to this Resolution, and hereby approves certain amendments thereto, as shown in Section 3 below.

b. That the District Manager's Proposed Budget, as amended by the Board, is adopted hereby in accordance with the provisions of Section 190.008(2)(a), Florida Statutes and incorporated herein by reference; provided, however, that the comparative figures contained in the Adopted Budget may be revised subsequently as deemed necessary by the District Manager to reflect actual revenues and expenditures for Fiscal Year 2026 and/or revised projections for Fiscal Year 2027.

c. That the Adopted Budget, as amended, shall be maintained in the Office of the District Treasurer and the Office of the Records Administration Department and identified as "The Budget for the Town Center at Palm Coast Community Development District for the Fiscal Year Ending September 30, 2027, as Adopted by the Board of Supervisors on July 24, 2026."

Section 3. Appropriations

That there be, and hereby is appropriated out of the revenues of the Town Center at Palm Coast Community Development District, for the Fiscal Year beginning October 1, 2026, and ending September 30, 2027 the sum of _Two Million Eight Hundred Three Thousand, Seven Hundred Seventy-Six_ dollars ($2,803,776) to be raised by the applicable imposition and levy by the Board of applicable non-ad valorem special assessments and otherwise, which sum is deemed by the Board of Supervisors to be necessary to defray all expenditures of the District during said budget year, to be divided and appropriated in the following fashion:

TOTAL GENERAL FUND	$ 1,330,076
DEBT SERVICE FUND	$ 1,473,700
TOTAL ALL FUNDS	$ 2,803,776

Section 4. Supplemental Appropriations

The Board may authorize by Resolution supplemental appropriations or revenue changes for any lawful purpose from funds on hand or estimated to be received within the Fiscal Year as follows:

a. Board may authorize a transfer of the unexpended balance or portion thereof of any appropriation item.

b. Board may authorize an appropriation from the unappropriated balance of any fund.

c. Board may increase any revenue or income budget account to reflect receipt of any additional unbudgeted monies and make the corresponding change to appropriations or the unappropriated balance.

The District Manager and Treasurer shall have the power within a given fund to authorize the transfer of any unexpended balance of any appropriation item or any portion thereof, provided such transfers do not exceed Ten Thousand Dollars ($10,000) or have the effect of causing more than 10% of the total appropriation of a given program or project to be transferred, previously approved transfers included. Such transfer shall not have the effect of causing a more than $10,000 or 10% increase, previously approved transfers included, to the original budget appropriation for the receiving program. Transfers within a program or project may be approved by the applicable Department Director and the District Manager or Treasurer. The District Manager or Treasurer must establish administrative procedures, which require information on the request forms proving that such transfer requests comply with this section.

Section 5. Maintenance Special Assessment Levy: Fixed and Referenced and to be Levied by the Board

a. That the Fiscal Year 2027 Maintenance Special Assessment Levy (the "Assessment Levy") for the assessment upon all the property within the boundaries of the District based upon the special and peculiar benefit received and further based upon reasonable and fair apportionment of the special benefit, shall be in accordance with the attached Exhibit A, which levy represents the amount of District assessments necessary to provide for payment during the aforementioned budget year of all properly authorized expenditures to be incurred by the District, including principal and interest of special revenue, capital improvement and/or benefit assessment bonds. Said Assessment Levy shall be distributed as follows:

General Fund O & M	$
Debt Service Fund	$

b. The designee of the Chair of the Board of Supervisors of the Town Center at Palm Coast Community Development District shall be the Manager or the Treasurer of the District designated to certify the Non-Ad Valorem Assessment Roll to the Tax Collector in and for the Flagler County political subdivision, in accordance with applicable provisions of State law (Chapters 170, 190 and 197, Florida Statutes) and applicable Rules (Rule 12D-18, Florida Administrative Code) which shall include not only the maintenance special assessment levy, but also the total for the debt service levy, as required by and pursuant to law.

c. The District may, at its sole discretion, enter into an agreement with an Owner requiring the Owner to make direct payment of all assessments to the District (the "Direct Bill Agreement"). All payments made to the District as provided by this Resolution and subsequent Direct Bill Agreement shall be made pursuant to all requirements of Chapter 170 Florida Statutes which include but are not limited to, all the enforcement and collection rights granted to the District pursuant to Chapter 170, Florida Statutes. In no way shall any term or provision of this Resolution or action by the District or the Company be construed in conflict with Chapter 170 Florida Statutes.

Introduced, considered favorably, and adopted this 24th day of July 2026.

Town Center at Palm Coast Community Development District

_____________________________ Secretary/Assistant Secretary

_____________________________ Jeff Douglas, Chairman

RESOLUTION 2026-07

A RESOLUTION LEVYING AND IMPOSING A NON-AD VALOREM MAINTENANCE SPECIAL ASSESSMENT FOR THE TOWN CENTER AT PALM COAST COMMUNITY DEVELOPMENT DISTRICT FOR FISCAL YEAR 2027

Preamble

WHEREAS, certain improvements existing within the Town Center at Palm Coast Community Development District and certain costs of operation, repairs and maintenance are being incurred; and

WHEREAS, the Board of Supervisors of the Town Center at Palm Coast Community Development District find that the District's total General Fund operation assessments, taking into consideration other revenue sources during Fiscal Year 2027, will amount to $ One Million Three Hundred Eighty-Eight Thousand Three Hundred Seventy-Nine; and

WHEREAS, the Board of Supervisors of the Town Center at Palm Coast Community Development District finds the District's Debt Service Fund assessment during Fiscal Year 2027 will amount to $ One Million Four Hundred Ninety-Three Thousand, Three Hundred Ninety-Four; and

WHEREAS, the Board of Supervisors of the Town Center at Palm Coast Community Development District finds the Debt Service Fund relates to systems and facilities which provide special benefits peculiar to certain property within the District based on the applicable assessment methodology; and

WHEREAS, the Board of Supervisors of the Town Center at Palm Coast Community Development District finds the non-ad valorem special assessments it levies and imposes by this Resolution for maintenance on the parcels of property involved will reimburse the District for certain special and peculiar benefits received by the property flowing from the maintenance of the systems, facilities and services apportioned in a manner that is fair and reasonable, in accordance with the applicable assessment methodology; and

WHEREAS, the District Board understands this Resolution levies only the maintenance assessments for Fiscal Year 2027, the Chair of the District, or the designee of the District Manager, shall certify a total Non-Ad Valorem Assessment Roll in a timely manner to the Tax Collector in and for Flagler County for collection to include all assessments levied and approved by the District on the property including those for Debt Service as well as for special maintenance assessments.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE TOWN CENTER AT PALM COAST COMMUNITY DEVELOPMENT DISTRICT OF FLAGLER COUNTY, FLORIDA:

Section 1. All of the whereas clauses are incorporated herein and are dispositive.

Section 2. A special assessment for maintenance as provided for in Chapters 190.021(3), Florida Statutes, (hereinafter referred to as "assessment") is hereby levied on all the benefited property located within the District.

Section 3. That the collection and enforcement of the aforesaid assessments on all the benefited property located within the District shall be by the Tax Collector serving as agent of the State of Florida in Flagler County (hereinafter referred to as "Tax Collector") and shall be at the same time and in like manner as ad valorem taxes and subject to all ad valorem tax collection and enforcement procedures which attend the use of the official annual tax notice.

Section 4. The levy and imposition of the maintenance special assessments on all the benefited property located within the District will be combined with the Debt Service non-ad valorem assessments which were levied and certified as a total amount on the Non-Ad Valorem Assessment Roll which shall be provided to the Flagler County Tax Collector by the designee of the Chair of the Board on compatible medium no later than September 15, 2026 and then be collected by the Tax Collector on the tax notice along with other non-ad valorem assessments from other local governments and with all applicable property taxes to all benefited property located within the District. For any benefited property located within the District that is not identified on the Non-Ad Valorem Assessment Roll, the District shall directly bill the owners of such lands.

Section 5. The proceeds therefrom shall be paid to the Town Center at Palm Coast Community Development District.

Section 6. The Chair of the Board of the Town Center at Palm Coast Community Development District designates the District Manager to perform the certification duties.

Section 7. Be it further resolved that a copy of this Resolution be transmitted to the proper public officials so that its purpose and effect may be carried out in accordance with law.

PASSED AND ADOPTED this 24th day of July 2026, by the Board of Supervisors.

Town Center at Palm Coast Community Development District,

____
Secretary/Assistant Secretary

____
Jeff Douglas, Chairman

RESOLUTION 2026-08

A RESOLUTION OF THE TOWN CENTER AT PALM COAST COMMUNITY DEVELOPMENT DISTRICT ADOPTING THE ANNUAL MEETING SCHEDULE FOR FISCAL YEAR 2026/2027

WHEREAS**,** the Town Center At Palm Coast Community Development District (the "District") is a local unit of special-purpose government organized and existing in accordance with Chapter 190, Florida Statutes, and situated entirely within Flagler County, Florida; and

WHEREAS, the District is required by Florida law to prepare an annual schedule of its regular public meetings which designates the date, time and location of the District's meetings; and

WHEREAS, the Board has proposed the Fiscal Year 2026/2027 annual meeting schedule as attached in **Exhibit A**;

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE TOWN CNETER AT PALM COAST COMMUNITY DEVELOPMENT DISTRICT

1. The Fiscal Year 2026/2027 annual public meeting schedule attached hereto and incorporated by reference herein as Exhibit A is hereby approved and will be published and filed in accordance with the requirements of Florida law.

This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED THIS 24th DAY OF JULY, 2026.

TOWN CENTER AT PALM COAST COMMUNITY DEVELOPMENT DISTRICT

ATTEST:

____
Secretary/Assistant Secretary

____
Chairperson /Vice Chairperson

EXHIBIT "A"

BOARD OF SUPERVISORS MEETING DATES
TOWN CENTER AT PALM COAST COMMUNITY DEVELOPMENT DISTRICT

FISCAL YEAR 2026/2027

All meetings will be held at the Hilton Garden Inn Palm Coast/Town Center, located at 55 Town Center Boulevard, Palm Coast, Florida 32164 on the third Friday of every other month at 10:00 a.m. unless otherwise noted as follows:

November 20, 2026
January 15, 2027
March 19, 2027
May 21, 2027 – **Budget Approval**
July 23, 2027 – **Budget Adoption**
September 17, 2027

RESOLUTION 2026-09

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE TOWN CENTER AT PALM COAST COMMUNITY DEVELOPMENT DISTRICT ADOPTING GOALS, OBJECTIVES, AND PERFORMANCE MEASURES AND STANDARDS; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Town Center at Palm Coast Community Development District (the "District") is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes*; and

WHEREAS, effective July 1, 2024, the Florida Legislature adopted House Bill 7013, codified as Chapter 2024-136, Laws of Florida ("HB 7013") and creating Section 189.0694, Florida Statutes; and

WHEREAS, pursuant to HB 7013 and Section 189.0694, Florida Statutes, beginning October 1, 2024, the District shall establish goals and objectives for the District and create performance measures and standards to evaluate the District's achievement of those goals and objectives; and

WHEREAS, the District Manager has prepared the attached goals, objectives, and performance measures and standards and presented them to the Board of the District; and

WHEREAS, the District's Board of Supervisors ("Board") finds that it is in the best interests of the District to adopt by resolution the attached goals, objectives, and performance measures and standards.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE TOWN CENTER AT PALM COAST COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. The recitals so stated are true and correct and by this reference are incorporated into and form a material part of this Resolution.

SECTION 2. The District Board of Supervisors hereby adopts the goals, objectives and performance measures and standards as provided in **Exhibit A.** The District Manager shall take all actions to comply with Section 189.0694, Florida Statutes, and shall prepare an annual report regarding the District's success or failure in achieving the adopted goals and objectives for consideration by the Board of the District.

SECTION 3. If any provision of this resolution is held to be illegal or invalid, the other provisions shall remain in full force and effect.

SECTION 4. This resolution shall become effective upon its passage and shall remain in effect unless rescinded or repealed.

PASSED AND ADOPTED this 20th day of July 2026.

ATTEST:	**TOWN CENTER AT PALM COAST COMMUNITY DEVELOPMENT DISTRICT**
______________________________	______________________________
Secretary/Assistant Secretary	Chair, Board of Supervisors

Exhibit A: Performance Measures/Standards and Annual Reporting

Exhibit A

INFRAMARK
COMMUNITY MANAGEMENT

Memorandum

To: Board of Supervisors

From: District Management

Date: July 24, 2026

RE: HB7013 – Special Districts Performance Measures and Standards

---

To enhance accountability and transparency, new regulations were established for all special districts, by the Florida Legislature, during its 2024 legislative session. Starting on October 1, 2024, or by the end of the first full fiscal year after its creation (whichever comes later), each special district must establish goals and objectives for each program and activity, as well as develop performance measures and standards to assess the achievement of these goals and objectives. Additionally, by December 1 each year (initial report due on December 1, 2026), each special district is required to publish an annual report on its website, detailing the goals and objectives achieved, the performance measures and standards used, and any goals or objectives that were not achieved.

District Management has identified the following key categories to focus on for Fiscal Year 2027 and develop statutorily compliant goals for each:

- Community Communication and Engagement
- Infrastructure and Facilities Maintenance
- Financial Transparency and Accountability

Additionally, special districts must provide an annual reporting form to share with the public that reflects whether the goals and objectives were met for the year. District Management has streamlined these requirements into a single document that meets both the statutory requirements for goal/objective setting and annual reporting.

The proposed goals/objectives and the annual reporting form are attached as exhibit A to this memo. District Management recommends that the Board of Supervisors adopt these goals and objectives to maintain compliance with HB7013 and further enhance its commitment to the accountability and transparency of the District.

Exhibit A:

Goals, Objectives, and Annual Reporting Form

Town Center at Palm Coast Community Development District ("District")
Performance Measures/Standards & Annual Reporting Form

October 1, 2026 – September 30, 2027

1. Community Communication and Engagement

Goal 1.1: Public Meetings Compliance

Objective: Hold at least four regular Board of Supervisors ("Board") meetings per year to conduct District-related business and discuss community needs.
Measurement: Number of public Board meetings held annually as evidenced by meeting minutes and legal advertisements.
Standard: A minimum of four Board meetings were held during the fiscal year.
Achieved: Yes ☐ No ☐

Goal 1.2: Notice of Meetings Compliance

Objective: Provide public notice of each meeting in accordance with Florida Statutes, using at least two communication methods.
Measurement: Timeliness and method of meeting notices as evidenced by posting to the District's website, publishing in local newspaper of general circulation, and or via electronic communication.
Standard: 100% of meetings were advertised in accordance with Florida Statutes on at least two mediums (e.g., newspaper, District website, electronic communications).
Achieved: Yes ☐ No ☐

Goal 1.3: Access to Records Compliance

Objective: Ensure that meeting minutes and other public records are readily available and easily accessible to the public by completing monthly District website checks.
Measurement: Monthly website reviews will be completed to ensure meeting minutes and other public records are up to date as evidenced by District Management's records.
Standard: 100% of monthly website checks were completed by District Management or third party vendor.
Achieved: Yes ☐ No ☐

2. Infrastructure and Facilities Maintenance

Goal 2.1: Field Management and/or District Management Site Inspections Objective: Field manager and/or district manager will conduct inspections per District Management services agreement to ensure safety and proper functioning of the District's infrastructure.
Measurement: Field manager and/or district manager visits were successfully completed per management agreement as evidenced by field manager and/or district manager's reports, notes or other record keeping method.
Standard: 100% of site visits were successfully completed as described within District Management services agreement
Achieved: Yes ☐ No ☐

Goal 2.2: District Infrastructure and Facilities Inspections

Objective: District Engineer will conduct an annual inspection of the District's infrastructure and related systems.
Measurement: A minimum of one inspection completed per year as evidenced by district engineer's report related to District's infrastructure and related systems.
Standard: Minimum of one inspection was completed in the fiscal year by the District's engineer.
Achieved: Yes ☐ No ☐

3. Financial Transparency and Accountability

Goal 3.1: Annual Budget Preparation

Objective: Prepare and approve the annual proposed budget by June 15 and final budget was adopted by September 30 each year.
Measurement: Proposed budget was approved by the Board before June 15 and final budget was adopted by September 30 as evidenced by meeting minutes and budget documents listed on the District's website and/or within District records.
Standard: 100% of budget approval & adoption were completed by the statutory deadlines and posted to the District's website.
Achieved: Yes ☐ No ☐

Goal 3.2: Financial Reports

Objective: Publish to the District's website the most recent versions of the following documents: Florida Auditor General link (https://flauditor.gov/) to obtain current and past Annual audit, current fiscal year budget with any amendments, and most recent financials within the latest agenda package.
Measurement: Florida Auditor General link (https://flauditor.gov/) to the Annual audit, previous years' budgets, and financials are accessible to the public as evidenced by corresponding documents on the District's website.
Standard: District's website contains 100% of the following information: Department of Financial Services link to obtain Annual audit, most recent adopted/amended fiscal year budget, and most recent agenda package with updated financials.
Achieved: Yes ☐ No ☐

Goal 3.3: Annual Financial Audit

Objective: Conduct an annual independent financial audit per statutory requirements and publish the Florida Auditor General link (https://flauditor.gov/) to the results to the District's website for public inspection, and transmit to the State of Florida.
Measurement: Timeliness of audit completion and publication as evidenced by meeting minutes showing Board approval and annual audit is available on the District's website and transmitted to the State of Florida.
Standard: Audit was completed by an independent auditing firm per statutory requirements and results were posted to the District's website and transmitted to the State of Florida.
Achieved: Yes ☐ No ☐

SIGNATURES:
Chair/Vice Chair: ______________________________ Date: ____________________
Printed Name: ________________________________
Town Center at Palm Coast Community Development District

District Manager: ______________________________ Date: ____________________
Printed Name: ________________________________
Town Center at Palm Coast Community Development District

LLS Tax Solutions Inc.

Tax - Exempt Bond Services

LLS Tax Solutions Inc.
1645 Sun City Center Plz.,
#5027
Sun City Center, Fl 33571
Telephone: 850-754-0311
Email: liscott@llstax.com

June 11, 2026

Ms. Samantha Harvey
Town Center at Palm Coast Community Development District
c/o Inframark Infrastructure Management Services
5645 Coral Ridge Dr. #407
Coral Springs, Florida 33076

$26,380,000
Town Center at Palm Coast Community Development District
(City of Palm Coast, Flagler County, Florida)
Capital Improvement Revenue Bonds, Series 2005
("Bonds")

Dear Ms. Harvey:

Attached you will find our arbitrage rebate report for the above-referenced Bonds for the annual period ending March 27, 2026 ("Computation Period"). This report indicates that there is no cumulative rebatable arbitrage liability as of March 27, 2026.

The next annual arbitrage rebate calculation date is March 27, 2027. If you have any questions or comments, please do not hesitate to contact me at (850) 754-0311 or by email at liscott@llstax.com

Sincerely,

Linda L. Scott

Linda L. Scott, CPA

cc: Ms. Leanne Duffy, US Bank

Town Center at Palm Coast Community Development District

$26,380,000 Town Center at Palm Coast Community Development District (City of Palm Coast, Flagler County, Florida) Capital Improvement Revenue Bonds, Series 2005

For the period ended March 27, 2026

LLS Tax Solutions Inc.

Tax - Exempt Bond Services

LLS Tax Solutions Inc.
1645 Sun City Center Plz.,
#5027
Sun City Center, Fl 33571
Telephone: 850-754-0311
Email: liscott@llstax.com

June 11, 2026

Town Center at Palm Coast Community Development District
c/o Inframark Infrastructure Management Services
5645 Coral Ridge Dr. #407
Coral Springs, Florida 33076

Re: $26,380,000 Town Center at Palm Coast Community Development District (City of Palm Coast, Flagler County, Florida) Capital Improvement Revenue Bonds, Series 2005 ("Bonds")

Town Center at Palm Coast Community Development District ("Client") has requested that we prepare certain computations related to the above-described Bonds for the period ended March 27, 2026 ("Computation Period"). The scope of our engagement consisted of the preparation of computations to determine the Rebatable Arbitrage for the Bonds for the Computation Period as described in Section 148(f) of the Internal Revenue Code of 1986, as amended ("Code"), and this report is not to be used for any other purpose.

In order to prepare these computations, we were provided by the Client with and have relied upon certain closing documents for the Bonds and investment earnings information on the proceeds of the Bonds during the Computation Period. The attached schedule is based upon the aforementioned information provided to us. The assumptions and computational methods we used in the preparation of the schedule are described in the Summary of Notes, Assumptions, Definitions and Source Information. A brief description of the schedule is also attached.

The results of our computations indicate a negative Cumulative Rebatable Arbitrage of $(5,067,200.03) at March 27, 2026. As such, no amount must be on deposit in the Rebate Fund.

As specified in the Prior Analyst Report, the calculations have been performed based upon a Bond Yield of 6.000371%. Accordingly, we have not recomputed the Bond Yield.

The scope of our engagement was limited to the preparation of a mathematically accurate Rebatable Arbitrage for the Bonds for the Computation Period based on the information provided to us. The Rebatable Arbitrage has been determined as described in the Code, and regulations promulgated thereunder ("Regulations"). We have no obligation to update this report because of events occurring, or information coming to our attention, subsequent to the date of this report.

LLS Tax Solutions Inc.

SUMMARY OF NOTES, ASSUMPTIONS, DEFINITIONS, SOURCE INFORMATION, AND DESCRIPTION OF SCHEDULE

Town Center at Palm Coast Community Development District
June 11, 2026
(City of Palm Coast, Flagler County, Florida) Capital Improvement Revenue Bonds, Series 2005
For the period ended March 27, 2026

NOTES AND ASSUMPTIONS

1. The issue date of the Bonds is March 28, 2005.

2. The end of the first Bond Year for the Bonds is March 27, 2006.

3. Computations of yield are based upon a 31-day month, a 360-day year and semiannual compounding.

4. We have assumed that the only funds and accounts relating to the Bonds that are subject to rebate under Section 148(f) of the Code are shown in the attached schedule.

5. For investment cash flow purposes, all payments and receipts are assumed to be paid or received, respectively, as shown in the attached schedule. In determining the Rebatable Arbitrage for the Bonds, we have relied on information provided by you without independent verification, and we can therefore express no opinion as to the completeness or suitability of such information for such purposes. In addition, we have undertaken no responsibility to review the tax-exempt status of interest on the Bonds.

6. We have assumed that the purchase and sale prices of all investments as represented to us are at fair market value, exclusive of brokerage commissions, administrative expenses, or similar expenses, and representative of arms' length transactions that did not artificially reduce the Rebatable Arbitrage for the Bonds, and that no "prohibited payments" occurred and no "imputed receipts" are required with respect to the Bonds.

7. Ninety percent (90%) of the Rebatable Arbitrage as of the next "computation date" ("Next Computation Date") is due to the United States Treasury not later than 60 days thereafter ("Next Payment Date"). (An issuer may select any date as a computation date, as long as the first computation date is not later than five years after the issue date, and each subsequent computation date is no more than five years after the previous computation date.) No other payment of rebate is required prior to the Next Payment Date. The Rebatable Arbitrage as of the Next Computation Date will not be the Rebatable Arbitrage reflected herein, but will be based on future computations that will include the period ending on the Next Computation Date. If all of the Bonds are retired prior to what would have been the Next Computation Date, one hundred percent (100%) of the unpaid Rebatable Arbitrage computed as of the date of retirement will be due to the United States Treasury not later than 60 days thereafter.

8. For purposes of determining what constitutes an "issue" under Section 148(f) of the Code, we have assumed that the Bonds constitute a single issue and are not required to be aggregated with any other bonds.

SUMMARY OF NOTES, ASSUMPTIONS, DEFINITIONS, SOURCE INFORMATION, AND DESCRIPTION OF SCHEDULE

Town Center at Palm Coast Community Development District
June 11, 2026
(City of Palm Coast, Flagler County, Florida) Capital Improvement Revenue Bonds, Series 2005
For the period ended March 27, 2026

NOTES AND ASSUMPTIONS (cont'd)

9. The accrual basis of accounting has been used to calculate earnings on investments. Earnings accrued but not received at the last day of the Computation Period are treated as though received on that day. For investments purchased at a premium or a discount (if any), amortization or accretion is included in the earnings accrued at the last day of the Computation Period. Such amortization or accretion is computed in such a manner as to result in a constant rate of return for such investment. This is equivalent to the "present value" method of valuation that is described in the Regulations.

10. No provision has been made in this report for any debt service fund. Under Section 148(f)(4)(A) of the Code, a "bona fide debt service fund" for public purpose bonds issued after November 10, 1988, is not subject to rebate if the average maturity of the issue of bonds is at least five years and the rates of interest on the bonds are fixed at the issue date. It appears and has been assumed that the debt service fund allocable to the Bonds qualifies as a bona fide debt service fund, and that this provision applies to the Bonds.

11. The Bonds were issued for the purposes of: (i) financing the costs of acquiring, constructing and equipping the 2005 Project; (ii) paying certain costs associated with the issuance of the 2005 Bonds; (iii) making deposits into the 2005 Reserve Account for the benefit of the 2005 Bonds, and (iv) paying capitalized interest on the 2005 Bonds.

SUMMARY OF NOTES, ASSUMPTIONS, DEFINITIONS, SOURCE INFORMATION, AND DESCRIPTION OF SCHEDULE

Town Center at Palm Coast Community Development District
June 11, 2026
(City of Palm Coast, Flagler County, Florida) Capital Improvement Revenue Bonds, Series 2005
For the period ended March 27, 2026

DEFINITIONS

1. *Bond Year*: Each one-year period that ends on the day selected by the Client. The first and last Bond Years may be shorter periods.

2. *Bond Yield*: The yield that, when used in computing the present value (at the issue date of the Bonds) of all scheduled payments of principal and interest to be paid over the life of the Bonds, produces an amount equal to the Issue Price.

3. *Allowable Earnings*: The amount that would have been earned if all nonpurpose investments were invested at a rate equal to the Bond Yield, which amount is determined under a future value method described in the Regulations.

4. *Computation Date Credit*: A credit allowed by the Regulations as a reduction to the Rebatable Arbitrage on certain prescribed dates.

5. *Rebatable Arbitrage*: The excess of actual earnings over Allowable Earnings and Computation Date Credits.

6. *Issue Price*: Generally, the initial offering price at which a substantial portion of the Bonds is sold to the public. For this purpose, 10% is a substantial portion.

SUMMARY OF NOTES, ASSUMPTIONS, DEFINITIONS, SOURCE INFORMATION, AND DESCRIPTION OF SCHEDULE

Town Center at Palm Coast Community Development District
June 11, 2026
(City of Palm Coast, Flagler County, Florida) Capital Improvement Revenue Bonds, Series 2005
For the period ended March 27, 2026

SOURCE INFORMATION

Bonds	Source
Closing Date	Prior Analyst Report
Bond Yield	Prior Analyst Report
Investments	**Source**
Principal and Interest Receipt Amounts and Dates	Trust Statements
Investment Dates and Purchase Prices	Trust Statements

SUMMARY OF NOTES, ASSUMPTIONS, DEFINITIONS, SOURCE INFORMATION, AND DESCRIPTION OF SCHEDULE

Town Center at Palm Coast Community Development District
June 11, 2026
(City of Palm Coast, Flagler County, Florida) Capital Improvement Revenue Bonds, Series 2005
For the period ended March 27, 2026

DESCRIPTION OF SCHEDULE

SCHEDULE 1 - REBATABLE ARBITRAGE CALCULATION

Schedule 1 sets forth the amount of interest receipts and gains/losses on sales of investments and the calculation of the Rebatable Arbitrage.

$26,380,000 TOWN CENTER AT PALM COAST COMMUNITY DEVELOPMENT DISTRICT
(CITY OF PALM COAST, FLAGLER COUNTY, FLORIDA)
CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2005

SCHEDULE 1 - REBATABLE ARBITRAGE CALCULATION

3 / 28 / 2005 ISSUE DATE
3 / 28 / 2025 BEGINNING OF COMPUTATION PERIOD
3 / 27 / 2026 COMPUTATION DATE

DATE	FUND/ACCOUNT	INVESTMENT VALUE AT COMPUTATION DATE	EARNINGS ON INVESTMENTS	OTHER DEPOSITS (WITHDRAWALS)	FUTURE VALUE AT BOND YIELD 6.000371%	ALLOWABLE EARNINGS
3 / 28 / 2025	BEGINNING BALANCE		0.00	856,730.99	908,759.93	52,028.94
3 / 28 / 2025	INTEREST ACCRUAL REVERSAL		(2,684.49)	0.00	0.00	0.00
4 / 1 / 2025	RESERVE FUND		3,082.19	0.00	0.00	0.00
4 / 2 / 2025	RESERVE FUND		0.00	(3,082.19)	(3,267.22)	(185.03)
5 / 1 / 2025	RESERVE FUND		2,980.87	0.00	0.00	0.00
5 / 2 / 2025	RESERVE FUND		0.00	(2,980.87)	(3,144.29)	(163.42)
6 / 1 / 2025	RESERVE FUND		3,079.86	0.00	0.00	0.00
6 / 2 / 2025	RESERVE FUND		0.00	(3,079.86)	(3,232.74)	(152.88)
7 / 1 / 2025	RESERVE FUND		2,980.86	0.00	0.00	0.00
7 / 2 / 2025	RESERVE FUND		0.00	(2,980.86)	(3,113.45)	(132.59)
8 / 1 / 2025	RESERVE FUND		3,080.20	0.00	0.00	0.00
8 / 4 / 2025	RESERVE FUND		0.00	(3,080.20)	(3,200.35)	(120.15)
9 / 2 / 2025	RESERVE FUND		3,077.42	0.00	0.00	0.00
9 / 3 / 2025	RESERVE FUND		0.00	(3,077.42)	(3,182.27)	(104.85)
9 / 17 / 2025	RESERVE FUND		0.00	(50,724.75)	(52,332.46)	(1,607.71)
10 / 1 / 2025	RESERVE FUND		2,806.90	0.00	0.00	0.00
10 / 2 / 2025	RESERVE FUND		0.00	(2,806.90)	(2,888.74)	(81.84)
11 / 3 / 2025	RESERVE FUND		2,715.66	0.00	0.00	0.00
11 / 4 / 2025	RESERVE FUND		0.00	(2,715.66)	(2,780.19)	(64.53)
12 / 1 / 2025	RESERVE FUND		2,473.63	0.00	0.00	0.00
12 / 2 / 2025	RESERVE FUND		0.00	(2,473.63)	(2,520.79)	(47.16)
1 / 2 / 2026	RESERVE FUND		2,440.50	0.00	0.00	0.00
1 / 5 / 2026	RESERVE FUND		0.00	(2,440.50)	(2,473.59)	(33.09)
2 / 2 / 2026	RESERVE FUND		2,385.93	0.00	0.00	0.00
2 / 3 / 2026	RESERVE FUND		0.00	(2,385.93)	(2,407.18)	(21.25)
3 / 2 / 2026	RESERVE FUND		2,154.63	0.00	0.00	0.00
3 / 3 / 2026	RESERVE FUND		0.00	(2,154.63)	(2,163.14)	(8.51)
3 / 27 / 2026	INTEREST ACCRUAL		2,077.46	0.00	0.00	0.00
		805,399.21	32,651.62	772,747.59	822,053.52	49,305.93
3 / 28 / 2025	BEGINNING BALANCE		0.00	105,056.71	111,436.76	6,380.05
3 / 28 / 2025	INTEREST ACCRUAL REVERSAL		(326.28)	0.00	0.00	0.00
4 / 1 / 2025	CONSTRUCTION DEFERRED COSTS FUND		374.62	0.00	0.00	0.00
4 / 1 / 2025	CONSTRUCTION DEFERRED COSTS FUND		0.00	3,082.19	3,267.76	185.57
5 / 1 / 2025	CONSTRUCTION DEFERRED COSTS FUND		377.20	0.00	0.00	0.00
5 / 2 / 2025	CONSTRUCTION DEFERRED COSTS FUND		0.00	2,980.87	3,144.29	163.42

$26,380,000 TOWN CENTER AT PALM COAST COMMUNITY DEVELOPMENT DISTRICT
(CITY OF PALM COAST, FLAGLER COUNTY, FLORIDA)
CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2005

SCHEDULE 1 - REBATABLE ARBITRAGE CALCULATION

3 / 28 / 2005	ISSUE DATE
3 / 28 / 2025	BEGINNING OF COMPUTATION PERIOD
3 / 27 / 2026	COMPUTATION DATE

DATE	FUND/ACCOUNT	INVESTMENT VALUE AT COMPUTATION DATE	EARNINGS ON INVESTMENTS	OTHER DEPOSITS (WITHDRAWALS)	FUTURE VALUE AT BOND YIELD 6.000371%	ALLOWABLE EARNINGS
6 / 2 / 2025	CONSTRUCTION DEFERRED COSTS FUND		401.86	0.00	0.00	0.00
6 / 3 / 2025	CONSTRUCTION DEFERRED COSTS FUND		0.00	3,079.86	3,232.21	152.35
7 / 1 / 2025	CONSTRUCTION DEFERRED COSTS FUND		400.67	0.00	0.00	0.00
7 / 2 / 2025	CONSTRUCTION DEFERRED COSTS FUND		0.00	2,980.86	3,113.45	132.59
7 / 24 / 2025	CONSTRUCTION DEFERRED COSTS FUND		0.00	(100,000.00)	(104,071.38)	(4,071.38)
8 / 1 / 2025	CONSTRUCTION DEFERRED COSTS FUND		333.59	0.00	0.00	0.00
8 / 4 / 2025	CONSTRUCTION DEFERRED COSTS FUND		0.00	3,080.20	3,200.35	120.15
9 / 2 / 2025	CONSTRUCTION DEFERRED COSTS FUND		77.53	0.00	0.00	0.00
9 / 3 / 2025	CONSTRUCTION DEFERRED COSTS FUND		0.00	3,077.42	3,182.27	104.85
9 / 17 / 2025	CONSTRUCTION DEFERRED COSTS FUND		0.00	50,724.75	52,332.46	1,607.71
10 / 1 / 2025	CONSTRUCTION DEFERRED COSTS FUND		161.67	0.00	0.00	0.00
10 / 2 / 2025	CONSTRUCTION DEFERRED COSTS FUND		0.00	2,806.90	2,888.74	81.84
11 / 3 / 2025	CONSTRUCTION DEFERRED COSTS FUND		265.61	0.00	0.00	0.00
11 / 4 / 2025	CONSTRUCTION DEFERRED COSTS FUND		0.00	2,715.66	2,780.19	64.53
12 / 1 / 2025	CONSTRUCTION DEFERRED COSTS FUND		250.51	0.00	0.00	0.00
12 / 2 / 2025	CONSTRUCTION DEFERRED COSTS FUND		0.00	2,473.63	2,520.79	47.16
1 / 2 / 2026	CONSTRUCTION DEFERRED COSTS FUND		256.05	0.00	0.00	0.00
1 / 5 / 2026	CONSTRUCTION DEFERRED COSTS FUND		0.00	2,440.50	2,473.59	33.09
2 / 5 / 2026	CONSTRUCTION DEFERRED COSTS FUND		257.58	0.00	0.00	0.00
2 / 5 / 2026	CONSTRUCTION DEFERRED COSTS FUND		0.00	2,385.93	2,406.39	20.46
3 / 5 / 2026	CONSTRUCTION DEFERRED COSTS FUND		240.12	0.00	0.00	0.00
3 / 5 / 2026	CONSTRUCTION DEFERRED COSTS FUND		0.00	2,154.63	2,162.43	7.80
3 / 27 / 2026	INTEREST ACCRUAL		238.21	0.00	0.00	0.00
		92,349.05	3,308.93	89,040.11	94,070.30	5,030.19
		897,748.25	35,960.55	861,787.70	916,123.82	54,336.12

ACTUAL EARNINGS	35,960.55
ALLOWABLE EARNINGS	54,336.12
REBATABLE ARBITRAGE	(18,375.57)
FUTURE VALUE OF 3/27/2025 CUMULATIVE REBATABLE ARBITRAGE	(5,046,654.46)
COMPUTATION DATE CREDIT	(2,170.00)
CUMULATIVE REBATABLE ARBITRAGE	(5,067,200.03)

TOWN CENTER AT PALM COAST
COMMUNITY DEVELOPMENT DISTRICT
FLAGLER COUNTY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2025

TOWN CENTER AT PALM COAST COMMUNITY DEVELOPMENT DISTRICT
FLAGLER COUNTY, FLORIDA

TABLE OF CONTENTS

Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

1001 Yamato Road ▪ Suite 301
Boca Raton, Florida 33431
(561) 994-9299 ▪ (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Town Center at Palm Coast Community Development District
Flagler County, Florida

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information Included in the Financial Report

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2026, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Grau & Associates

March 27, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

FINANCIAL HIGHLIGHTS

- The liabilities of the District exceeded its assets at the close of the most recent fiscal year resulting in a net position deficit balance of ($2,919,983).

- The change in the District's total net position in comparison with the prior fiscal year was $368,078, an increase. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.

- At September 30, 2025, the District's governmental funds reported combined ending fund balances of $2,996,856, an increase of $112,822 in comparison with the prior fiscal year. A portion of fund balance is non-spendable for prepaid items, restricted for debt service and capital projects, assigned for reserves, and the remainder is unassigned fund balance which is available for spending at the District's discretion.

OVERVIEW OF FINANCIAL STATEMENTS

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

1) Government-Wide Financial Statements

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

The statement of net position presents information on all the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the residual amount being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

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

2) Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has one fund category: governmental funds.

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

2) Fund Financial Statements (Continued)

Governmental Funds

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

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

The District currently maintains three governmental funds for external reporting. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general, debt service, and capital projects funds, all of which are considered major funds.

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

3) Notes to the Financial Statements

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

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

NET POSITION
SEPTEMBER 30,

	2025	2024
Current and other assets	$ 3,139,976	$ 3,022,612
Capital assets, net of depreciation	6,273,286	6,856,030
Total assets	9,413,262	9,878,642
Current liabilities	422,245	1,281,703
Long-term liabilities	11,911,000	11,885,000
Total liabilities	12,333,245	13,166,703
Net position		
Net investment in capital assets	(5,637,714)	(5,874,970)
Restricted	1,315,809	1,322,585
Unrestricted	1,401,922	1,264,324
Total net position	$ (2,919,983)	$ (3,288,061)

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

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

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

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

CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30,

	2025	2024
Revenues:		
Program revenues	$ 2,882,539	$ 2,936,339
General revenues	64,732	61,237
Total revenues	2,947,271	2,997,576
Expenses:		
General government	171,724	163,231
Maintenance and operations	1,712,819	1,720,617
Interest	694,650	736,750
Total expenses	2,579,193	2,620,598
Change in net position	368,078	376,978
Net position - beginning	(3,288,061)	(3,665,039)
Net position - ending	$ (2,919,983)	$ (3,288,061)

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2025, was $2,579,193. The costs of the District's activities were primarily funded by program revenues. Program revenues, comprised primarily of assessments, decreased during the fiscal year, primarily as a result of a decrease in prepayment revenue. The remaining revenue for the fiscal year consists of interest income and miscellaneous revenue. In total, expenses decreased in comparison to the prior fiscal year, with the majority of the reduction attributable to lower interest expense.

GENERAL BUDGETING HIGHLIGHTS

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

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2025, the District had $16,531,630 invested in capital assets for its governmental activities. In the government-wide financial statements depreciation of $10,258,344 has been taken, which resulted in a net book value of $6,273,286. More detailed information about the District's capital assets is presented in the notes of the financial statements.

Capital Debt

At September 30, 2025, the District had $11,165,000 in Bonds outstanding for its governmental activities. In addition, the District had a deferred obligation that is due to the Developer of $746,000. More detailed information about the District's capital debt is presented in the notes of the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND OTHER EVENTS

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

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, landowners, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact the Town Center at Palm Coast Community Development District's finance department at 2005 Pan Am Circle, Suite 300 Tampa, FL 33607.

TOWN CENTER AT PALM COAST COMMUNITY DEVELOPMENT DISTRICT
FLAGLER COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Governmental Activities
ASSETS	
Cash	$ 1,843,597
Interest receivable	1,491
Assessment receivable	63,733
Due from other government	9,391
Prepaid expenses	13,861
Restricted assets:	
Investments	1,207,903
Capital assets:	
Nondepreciable	2,377,978
Depreciable, net	3,895,308
Total assets	9,413,262
LIABILITIES	
Accounts payable and accrued expenses	143,120
Accrued interest payable	279,125
Non-current liabilities:	
Deferred Developer obligation	746,000
Bonds payable due within one year	740,000
Bonds payable due in more than one year	10,425,000
Total liabilities	12,333,245
NET POSITION	
Net investment in capital assets	(5,637,714)
Restricted for debt service	1,240,107
Restricted for capital projects	75,702
Unrestricted	1,401,922
Total net position	$ (2,919,983)

See notes to the financial statements

TOWN CENTER AT PALM COAST COMMUNITY DEVELOPMENT DISTRICT
FLAGLER COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary government:					
Governmental activities:					
General government	$ 171,724	$ 171,724	$ -	$ -	$ -
Maintenance and operations	1,712,819	1,179,452	-	3,897	(529,470)
Interest on long-term debt	694,650	1,462,225	65,241	-	832,816
Total governmental activities	2,579,193	2,813,401	65,241	3,897	303,346
		General revenues:			
		Unrestricted investment earnings			56,425
		Miscellaneous revenue			8,307
		Total general revenues			64,732
		Change in net position			368,078
		Net position - beginning			(3,288,061)
		Net position - ending			$ (2,919,983)

See notes to the financial statements

TOWN CENTER AT PALM COAST COMMUNITY DEVELOPMENT DISTRICT
FLAGLER COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	Major Funds			Total
	General	Debt Service	Capital Projects	Governmental Funds
ASSETS				
Cash	$ 1,843,597	$ -	$ -	$ 1,843,597
Investments	-	1,132,201	75,702	1,207,903
Assessments receivable	63,733	-	-	63,733
Interest receivable	1,491	-	-	1,491
Due from other government	4,529	4,862	-	9,391
Due from other fund	-	382,169	-	382,169
Prepaid items	13,861	-	-	13,861
Total assets	$ 1,927,211	$ 1,519,232	$ 75,702	$ 3,522,145
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued expenses	$ 143,120	$ -	$ -	$ 143,120
Due to other fund	382,169	-	-	382,169
Total liabilities	525,289	-	-	525,289
Fund balances:				
Nonspendable:				
Prepaid items	13,861	-	-	13,861
Restricted for:				
Debt service	-	1,519,232	-	1,519,232
Capital projects	-	-	75,702	75,702
Assigned to:				
Operating reserves	312,351	-	-	312,351
Capital projects reserves	394,403	-	-	394,403
Other reserves	150,000	-	-	150,000
Unassigned	531,307	-	-	531,307
Total fund balances	1,401,922	1,519,232	75,702	2,996,856
Total liabilities and fund balances	$ 1,927,211	$ 1,519,232	$ 75,702	$ 3,522,145

See notes to the financial statements

TOWN CENTER AT PALM COAST COMMUNITY DEVELOPMENT DISTRICT
FLAGLER COUNTY, FLORIDA
RECONCILIATION OF BALANCE SHEET – GOVERNMENTAL FUNDS
TO STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

Fund balance - governmental funds		$ 2,996,856
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The statement of net position includes those capital assets, net of any accumulated depreciation, in the net position of the government as a whole.		
Cost of capital assets	16,531,630	
Accumulated depreciation	(10,258,344)	6,273,286
Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide financial statements.		
Accrued interest payable	(279,125)	
Deferred Developer obligation	(746,000)	
Bonds payable	(11,165,000)	(12,190,125)
Net position of governmental activities		$ (2,919,983)

See notes to the financial statements

TOWN CENTER AT PALM COAST COMMUNITY DEVELOPMENT DISTRICT
FLAGLER COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Major Funds			Total
	General	Debt Service	Capital Projects	Governmental Funds
REVENUES				
Assessments	$ 1,351,176	$ 1,462,225	$ -	$ 2,813,401
Interest	56,425	65,241	3,897	125,563
Miscellaneous revenue	8,307	-	-	8,307
Total revenues	1,415,908	1,527,466	3,897	2,947,271
EXPENDITURES				
Current:				
General government	148,235	23,489	-	171,724
Maintenance and operations	1,130,075	-	-	1,130,075
Debt service:				
Principal	-	720,000	-	720,000
Interest	-	712,650	-	712,650
Deferred costs	-	-	100,000	100,000
Total expenditures	1,278,310	1,456,139	100,000	2,834,449
Excess (deficiency) of revenues over (under) expenditures	137,598	71,327	(96,103)	112,822
OTHER FINANCING SOURCES (USES)				
Transfer in (out)	-	(89,416)	89,416	-
Total other financing sources (uses)	-	(89,416)	89,416	-
Net change in fund balances	137,598	(18,089)	(6,687)	112,822
Fund balances - beginning	1,264,324	1,537,321	82,389	2,884,034
Fund balances - ending	$ 1,401,922	$ 1,519,232	$ 75,702	$ 2,996,856

See notes to the financial statements

TOWN CENTER AT PALM COAST COMMUNITY DEVELOPMENT DISTRICT
FLAGLER COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

Net change in fund balances - total governmental funds	$ 112,822
Amounts reported for governmental activities in the statement of activities are different because:	
Depreciation of capital assets is not recognized in the governmental fund financial statements, but is reported as an expense in the statement of activities.	(582,744)
Repayment of long-term liabilities are reported as expenditures in the governmental fund financial statements, but such repayments reduce liabilities in the statement of net position and are eliminated in the statement of activities.	820,000
The change in accrued interest on long-term liabilities between the current and prior fiscal years is recorded in the statement of activities, but not in the governmental fund financial statements.	18,000
Change in net position of governmental activities	$ 368,078

See notes to the financial statements

TOWN CENTER AT PALM COAST COMMUNITY DEVELOPMENT DISTRICT
FLAGLER COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

Town Center at Palm Coast Community Development District ("District") was established on December 22, 2003, by the Florida Land & Water Adjudicatory Commission, pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes. The Act provides among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

The District consists of approximately 1,557 acres within the City of Palm Coast, Flagler County and was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District.

The District is governed by the Board of Supervisors ("Board"), which is composed of five members. The Supervisors are elected on an at-large basis by the owners of the property within the District. The Board of Supervisors of the District exercises all powers granted to the District pursuant to Chapter 190, Florida Statutes. At September 30, 2025, certain Board members are affiliated with Florida Landmark Communities, Inc. (“Developer”).

The Board has the responsibility for:
1. Assessing and levying assessments.
2. Approving budgets.
3. Exercising control over facilities and properties.
4. Controlling the use of funds generated by the District.
5. Approving the hiring and firing of key personnel.
6. Financing improvements.

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements
The basic financial statements include both government-wide and fund financial statements.

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Assessments
Assessments are non-ad valorem assessments on benefited lands within the District. Assessments are levied to pay for the operations and maintenance of the District. For debt service, certain amounts are collected at lot closings as advance payments and are used to prepay a portion of the Bonds outstanding. Otherwise, assessments are collected annually to provide funds for the debt service on the portion of the Bonds which are not paid with prepaid assessments. The fiscal year for which annual assessments are levied begins on October 1 with discounts available for payments through February 28 and become delinquent on April 1. The District's annual assessments for operations and debt service are billed and collected by the County Tax Assessor/Collector for non-Developer owned lots. The amounts remitted to the District are net of applicable discounts or fees. In addition, amounts remitted by the County Tax Assessor/Collector include interest on monies held from the day of collection to the day of distribution.

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

The District reports the following major governmental funds:

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

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

Capital Projects Fund
This fund accounts for the financial resources to be used for the acquisition or construction of major infrastructure within the District.

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity

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

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

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

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

Securities listed in paragraph c and d shall be invested to provide sufficient liquidity to pay obligations as they come due.

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

Inventories and Prepaid Items
Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

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

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

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

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

Assets	Years
Irrigation/landscape/other	15-20
Stormwater system	30

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

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

Long-Term Obligations
In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized ratably over the life of the Bonds. Bonds payable are reported net of applicable premiums or discounts. Bond issuance costs are expensed when incurred.

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

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

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

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

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

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

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

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

Other Disclosures

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

NOTE 3 – BUDGETARY INFORMATION

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

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

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

NOTE 4 – DEPOSITS AND INVESTMENTS

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

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

	Amortized Cost	Credit Risk	Maturities
US Bank Gcts 0490	$ 1,207,903	N/A	N/A
Total Investments	$ 1,207,903		

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

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

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

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

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

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

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

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

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

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

NOTE 5 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivables and payables at September 30, 2025, were as follows:

Fund	Receivable	Payable
General	$ -	$ 382,169
Debt service	382,169	-
Total	$ 382,169	$ 382,169

The outstanding balances between funds result primarily from the time lag between the dates that transactions are recorded in the accounting system and payments between funds are made. In the case of the District, the balances between the general fund and the debt service fund relate to assessments collected in the general fund that have not yet been transferred to the debt service fund.

Interfund transfers for the fiscal year ended September 30, 2025, were as follows:

Fund	Transfer in	Transfer out
Debt service	$ -	$ 89,416
Capital projects	89,416	-
Total	$ 89,416	$ 89,416

Transfers are used to move revenues from the fund where collection occurs to the fund where funds have been reallocated for use. In the case of the District, transfers from the debt service fund to the capital projects fund were made in accordance with the Bond Indentures for deferred costs.

NOTE 6 – CAPITAL ASSETS

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

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental activities				
Capital assets, not being depreciated				
Land and land improvements	$ 2,377,978	$ -	$ -	$ 2,377,978
Total capital assets, not being depreciated	2,377,978	-	-	2,377,978
Capital assets, being depreciated				
Infrastructure - irrigation, landscape and other	6,140,405	-	-	6,140,405
Infrastructure - stormwater system	8,013,247	-	-	8,013,247
Total capital assets, being depreciated	14,153,652	-	-	14,153,652
Less accumulated depreciation for:				
Infrastructure - irrigation, landscape and other	5,134,764	315,636	-	5,450,400
Infrastructure - stormwater system	4,540,836	267,108	-	4,807,944
Total accumulated depreciation	9,675,600	582,744	-	10,258,344
Total capital assets, being depreciated, net	4,478,052	(582,744)	-	3,895,308
Governmental activities capital assets	$ 6,856,030	$ (582,744)	$ -	$ 6,273,286

The infrastructure for the District is to be developed over an estimated 20-year period. The development will include a town core center that will include administrative facilities. The development will also include wetlands and wildlife corridors, stormwater and drainage systems, landscaping and roadways.

In connection with the 2005 project, the District established a deferred cost investment account reported in the capital projects fund. In the event there are excess 2005 reserves, they are to be transferred from the debt service to the capital projects fund and used to repay funds contributed to the project or for the purchase of additional components. However, if funds in the account are not needed for that purpose, they are to be transferred to the debt service fund and used to redeem outstanding related debt. As of September 30, 2025, the deferred cost trust account had a balance of $75,702.

In a prior fiscal year, the District determined it had a deferred obligation due to the Developer. As of September 30, 2025, the deferred cost obligation is $746,000, which is reported in the government-wide statement of net position. In the current fiscal year, $100,000 was paid to the Developer to pay down Deferred Obligations. The amount reported in the government-wide statement of net position is contingent on the reserve account maintaining the required balance per the Bond Indenture and may be adjusted if the reserve balance is not available for any reason.

NOTE 7 – LONG TERM LIABILITIES

On March 1, 2005, the District issued $26,380,000 of Special Assessment Bonds, Series 2005. The Bonds are due May 1, 2036, with a fixed interest rate of 6.00%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. Interest is to be paid semiannually on each May 1 and November 1. Principal is to be paid serially commencing May 1, 2007, through May 1, 2036.

The Series 2005 Bonds are subject to redemption at the option of the District prior to their maturity. The Bonds are subject to extraordinary mandatory redemption prior to their selected maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture. This occurred during the current fiscal year as the District collected assessments from lot closings and prepaid $25,000 of the Series 2005 Bonds.

NOTE 7 – LONG TERM LIABILITIES (Continued)

The Bond Indenture established a debt service reserve requirement as well as other restrictions and requirements relating principally to the use of proceeds 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 District was in compliance with the requirements of the Bond Indenture at September 30, 2025.

Long-term Debt Activity

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Bonds payable:					
Series 2005	$ 11,885,000	$ -	$ (720,000)	$ 11,165,000	$ 740,000
Deferred obligation	846,000	-	(100,000)	746,000	-
Total	$ 12,731,000	$ -	$ (820,000)	$ 11,911,000	$ 740,000

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

Year ending September 30:	Governmental Activities Principal	Interest	Total
2026	$ 740,000	$ 669,900	$ 1,409,900
2027	785,000	625,500	1,410,500
2028	830,000	578,400	1,408,400
2029	885,000	528,600	1,413,600
2030	940,000	475,500	1,415,500
2031-2035	5,640,000	1,459,200	7,099,200
2036	1,345,000	80,700	1,425,700
Total	$ 11,165,000	$ 4,417,800	$ 15,582,800

NOTE 8 – DEVELOPER TRANSACTIONS

The Developer owns a portion of land within the District; therefore, assessment revenues in the general and debt service funds include the assessments levied on those lots owned by the Developer.

In October 2009, the District entered into an agreement for field management services with the Developer. Pursuant to the agreement, the Developer was paid $36,000 for the current fiscal year. Also see disclosures in Note 6 for deferred costs due to the Developer.

NOTE 9 – CONCENTRATION

The District's activity is dependent upon the continued involvement of the Developer, the loss of which could have a material adverse effect on the District's operations.

NOTE 10 – INTERLOCAL AGREEMENT

During the prior fiscal year, the District executed an interlocal agreement with the City of Palm Coast ("City") for law enforcement services within the District. Pursuant to the agreement, the District paid the City $143,979 for the dedicated Sheriff's Deputy assigned to the District.

NOTE 11 – MANAGEMENT COMPANY

The District has contracted with a management company to perform management advisory services, which include financial and accounting services. Certain employees of the management company also serve as officers of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, and other administrative costs.

NOTE 12 – 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. The District has obtained commercial insurance from independent third parties to mitigate the costs of risks related to torts; coverage may not extend to all situations. There were no settled claims during the past three years.

TOWN CENTER AT PALM COAST COMMUNITY DEVELOPMENT DISTRICT
FLAGLER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts Original & Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Assessments	$ 1,334,396	$ 1,351,176	$ 16,780
Interest	15,000	56,425	41,425
Miscellaneous revenue	-	8,307	8,307
Total revenues	1,349,396	1,415,908	66,512
EXPENDITURES			
Current:			
General government	166,598	148,235	18,363
Maintenance and operations	1,082,798	1,130,075	(47,277)
Capital outlay	100,000	-	100,000
Total expenditures	1,349,396	1,278,310	71,086
Net change in fund balances	$ -	137,598	$ 137,598
Fund balance - beginning		1,264,324	
Fund balance - ending		$ 1,401,922	

See notes to required supplementary information

TOWN CENTER AT PALM COAST COMMUNITY DEVELOPMENT DISTRICT
FLAGLER COUNTY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2025.

TOWN CENTER AT PALM COAST COMMUNITY DEVELOPMENT DISTRICT
FLAGLER COUNTY, FLORIDA
OTHER INFORMATION – DATA ELEMENTS
REQUIRED BY FL STATUTE 218.39(3)(C)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
UNAUDITED

Element	Comments
Number of District employees compensated in the last pay period of the District's fiscal year being reported.	0
Number of independent contractors compensated to whom nonemployee compensation was paid in the last month of the District's fiscal year being reported.	4
Employee compensation	$0
Independent contractor compensation	$115,377
Construction projects to begin on or after October 1; ($65K)	Not applicable
Budget variance report	See the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
Non ad valorem special assessments;	
Special assessment rate	Operations and maintenance $65.62 - $262.47 Debt service $95.27 - $381.07
Special assessments collected	$2,813,401
Outstanding Bonds:	
Series 2005, due May 1, 2036	$11,165,000

Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

1001 Yamato Road ▪ Suite 301
Boca Raton, Florida 33431
(561) 994-9299 ▪ (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Supervisors
Town Center at Palm Coast Community Development District
Flagler County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Town Center at Palm Coast Community Development District, Flagler County, Florida ("District") as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated March 27, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Grau & Associates

March 27, 2026

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CERTIFIED PUBLIC ACCOUNTANTS

1001 Yamato Road ▪ Suite 301
Boca Raton, Florida 33431
(561) 994-9299 ▪ (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

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

To the Board of Supervisors
Town Center at Palm Coast Community Development District
Flagler County, Florida

We have examined Town Center at Palm Coast Community Development District, Flagler County, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2025. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

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

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

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, management, and the Board of Supervisors of Town Center at Palm Coast Community Development District, Flagler County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

Grau & Associates

March 27, 2026

Grau & Associates
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www.graucpa.com

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

To the Board of Supervisors
Town Center at Palm Coast Community Development District
Flagler County, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of Town Center at Palm Coast Community Development District, Flagler County, Florida ("District") as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated March 27, 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 G*overnment Auditing Standards,* issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards;* and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 27, 2026, should be considered in conjunction with this management letter.

Purpose of this Letter

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

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

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, as applicable, management, and the Board of Supervisors of Town Center at Palm Coast Community Development District, Flagler County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank Town Center at Palm Coast Community Development District, Flagler County, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements, and the courtesies extended to us.

Grau & Associates

March 27, 2026

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

None

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

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

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

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

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

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

3. Noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material, but which warrants the attention of those charged with governance.

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

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

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

6. We applied financial condition assessment procedures, and no deteriorating financial conditions were noted as of September 30, 2025. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

7. Management has provided the specific information required by Section 218.39(3)(c) in the Other Information section of the financial statements on page 24.

MINUTES OF MEETING
TOWN CENTER AT PALM COAST
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Town Center at Palm Coast Community Development District was held on Friday, May 22, 2026, at 10:00 a.m. at the Hilton Garden Inn Palm Coast/Town Center, 55 Town Center Boulevard, Palm Coast, Florida.

Present and constituting a quorum were:

Jeffrey Douglas	Chairperson
Greg Eckley	Vice Chairperson
Frances Estrada	Assistant Secretary
Dr. Pamela Jackson-Banks	Assistant Secretary

Also present either in person or via electronic communications were:

Samantha Harvey	District Manager
Michael Chiumento III	District Counsel
Clint Smith	Field Services Manager

This is not a certified or verbatim transcript but rather represents the context and summary of the meeting. The full meeting is available in audio format upon request. Contact the District Office for any related costs for an audio copy.

FIRST ORDER OF BUSINESS **Call to Order and Roll Call**

Ms. Harvey called the meeting to order and called the roll; a quorum was established.

SECOND ORDER OF BUSINESS **Approval of Agenda**

> On MOTION by Mr. Douglas, seconded by Ms. Estrada, with all in favor, the agenda was approved as presented. 3-0

THIRD ORDER OF BUSINESS **Special Business Item**

A. Letter of Intent for Board Seat from Dr. Pamela Jackson-Banks

The Board reviewed the Letter of Intent submitted by Dr. Pamela Jackson-Banks. Dr. Jackson-Banks addressed the Board and expressed her interest in serving.

B. Discussion of New Supervisor for Vacant Seat

On MOTION by Mr. Eckley, seconded by Ms. Estrada, with all in favor, Dr. Pamela Jackson-Banks was appointed to fill Vacant Seat #5. 3-0

C. Oath of Office of Newly Elected Supervisor

The Oath of Office for Dr. Jackson-Banks was administered and read into the record by Notary, Ms. Samantha Harvey.

D. Resolution 2026-04, Designation of Officers

On MOTION by Mr. Douglas, seconded by Mr. Eckley, with all in favor, Resolution 2026-04, Designation of Officers with Dr. Pamela Jackson-Banks added as an Assistant Secretary was adopted. 4-0

FOURTH ORDER OF BUSINESS Audience Comments

Ms. Phylis Pearson expressed appreciation that the Board continues to demonstrate its commitment to the community and remains engaged with its growth.

FIFTH ORDER OF BUSINESS Staff Reports

A. District Counsel

i. Discussion of Form 1

Mr. Chiumento reviewed Form 1 and advised that the deadline for completion is July 1, 2026. He also provided an overview of the required Ethics Training and its completion deadline. Ms. Harvey will distribute the training links to all Board members.

B. District Engineer

None.

C. Field Services Manager

ii. VerdeGo Landscape Maintenance Summary

iii. SOLitude Lake Management Stormwater Pond Summary

Mr. Smith reviewed the reports with the Board.

Mr. Douglas inquired about the status of the FP&L agreement for Streetlights. Mr. Smith explained the contract process and noted that, due to the lack of confirmation from the City regarding assumption of the agreement, the cost will be included in this year's budget. The long-term goal is to transfer this item to the City. Mr. Smith will take the lead in initiating discussions with a City official.

D. District Manager

i. Information on the Number of Registered Voters - 900

Ms. Harvey noted there are 900 registered voters within the District.

SIXTH ORDER OF BUSINESS Business Items

A. Presentation of Fiscal Year 2027 Proposed Budget

The Board discussed the Fiscal Year 2027 Proposed Budget. It was noted that assessments will remain flat and that the budget was prepared collaboratively by Ms. Harvey and Mr. Smith. The increased line items were reviewed and discussed.

The Board also discussed eliminating the security services, expressing concerns regarding the lack of visibility of the Sheriff's presence as outlined in the agreement with the District. Mr. Chiumento commented that the Sheriff's Department does not appear to be providing dedicated officers. The Board considered whether to discontinue the service due to the continued development of the community. Mr. Douglas recommended drafting a memorandum requesting a detailed monthly report outlining the services being provided.

i. Consideration of Resolution 2026-05, Approving the Fiscal Year 2027 Budget and Setting the Public Hearing

Ms. Harvey outlined the Resolution.

On MOTION by Ms. Estrada, seconded by Mr. Eckley, with all in favor, Resolution 2026-05, Approving the Fiscal Year 2027 Budget as presented, and Setting a Public Hearing Thereon Pursuant to Florida Law, for Friday, July 24, 2026, at 10:00 a.m. at the Hilton Garden Inn Palm Coast/Town Center, located at 55 Town Center Boulevard, Palm Coast, Florida was adopted. 4-0

SEVENTH ORDER OF BUSINESS Business Administration

A. Consideration of Minutes from the Meeting held on March 20, 2026

On MOTION by Mr. Eckley, seconded by Ms. Estrada, with all in favor, the minutes of the March 20, 2026, meeting were approved as presented. 4-0

B. Financial Snapshot as of April 20, 2026

On MOTION by Mr. Eckley, seconded by Ms. Estrada, with all in favor, the financial snapshot as of April 20, 2026, was accepted. 4-0.

EIGHTH ORDER OF BUSINESS **Board of Supervisors Requests and Comments**

None.

NINTH ORDER OF BUSINESS **Adjournment**

There being no further business,

On MOTION by Ms. Estrada, seconded by Mr. Eckley, with all in favor, the meeting was adjourned at 10:35 a.m. 4-0

___________________________ ___________________________
Secretary/Assistant Secretary Chairperson/Vice Chairperson

TOWN CENTER AT PALM COAST COMMUNITY DEVELOPMENT DISTRICT

Financial Snapshot
July 13, 2026

- **Current Cash Balances:**
    - BankUnited Operating: $232,788
    - BankUnited MMA: $1,603,984
- **Assessment collections:**.
    - We are 84% fully collected on the tax roll
- **Audit – FY 2025:**
    - This audit has been completed.
- **Expenses:**
    - Current expenses make up about 72% of the annual budget through the end of June 2026.
      Total expenses for the first 9 months are approximately $983,328