

DARBY

Community Development District

MAY 14, 2024

AGENDA

Darby
Community Development District
475 West Town Place
Suite 114
St. Augustine, Florida 32092

May 7, 2024

Board of Supervisors
Darby Community Development District

Dear Board Members:

The Meeting of the Darby Community Development District will be held Tuesday, May 14, 2024 at 10:30 a.m. located at 1000 Riverside Ave., Suite 600, Jacksonville, Florida 32204.

- I. Roll Call
- II. Audience Comments (*regarding agenda items listed below*)
- III. Consideration of Minutes of the April 9, 2024 Meeting
- IV. Acceptance of Audit Report for Fiscal Year 2023
- V. Consideration of Resolution 2024-14, Approving the Proposed Budget for Fiscal Year 2025 and Setting a Public Hearing Date to Adopt (*budget will be under separate cover*)
- VI. Staff Reports
 - A. Attorney
 - B. Engineer
 - C. Manager – Report on the Number of Registered Voters (0)
- VII. Supervisors Requests
- VIII. Audience Comments
- IX. Financial Statements as of March 31, 2024
- X. Consideration of Funding Request No. 8
- XI. Next Scheduled Meeting – June 11, 2024 @ 10:30 a.m.
- XII. Adjournment

THIRD ORDER OF BUSINESS

Minutes of Meeting
Darby
Community Development District

The regular meeting of the Board of Supervisors of the Darby Community Development District was held Tuesday, April 9, 2024 at 10:30 a.m. at 1000 Riverside Avenue, Suite 600, Jacksonville, Florida

Present and constituting a quorum were:

George Leone	Chairman
Shannon Acevedo	Vice Chairperson
Rick Egger	Assistant Secretary
William English	Assistant Secretary
Josh Beauchamp	Assistant Secretary

Also present were:

Daniel Laughlin	District Manger
Wes Haber	District Counsel by telephone
Beth Leaptrott	Engineer, Connelly & Wicker
Michael Blevins	Corner Lot Development
Misty Taylor	Bond Counsel by telephone
Ashton Bligh	Underwriter's Counsel by telephone
Sete Zare	MBS Capital Markets by telephone

Following is a summary of the actions taken at the April 9, 2024 meeting.

FIRST ORDER OF BUSINESS

Roll Call

Mr. Laughlin called the meeting to order at 10:30 a.m. and called the roll.

SECOND ORDER OF BUSINESS

Audience Comments

There being none, the next item followed.

THIRD ORDER OF BUSINESS

Organizational Matters

A. Acceptance of Resignation from Supervisor Andy Allen

On MOTION by Mr. Egger seconded by Mr. English with all in favor Supervisor Allen’s resignation was accepted.

B. Appointment of New Supervisor to Fill Unexpired Term of Office

On MOTION by Mr. Egger seconded by Mr. English with all in favor Josh Beauchamp was appointed to fill the unexpired term of office.

C. Oath of Office for Newly Appointed Supervisor)11/2027)

Mr. Leone joined the meeting at this time.

Mr. Laughlin being a notary public of the State of Florida administered the oath of office to Mr. Beauchamp.

D. Resolution 2024-13 Election of officers

On MOTION by Mr. English seconded by Mr. Egger with all in favor Resolution 2024-13 was approved reflecting the following officers: George Leone as chairman, Shannon Acevedo vice chair, William English Rick Egger, Josh Beauchamp assistant secretaries, Daniel Laughlin secretary and treasurer, Marilee Giles, James Oliver and Darrin Mossing assistant secretaries and assistant treasurers.

FOURTH ORDER OF BUSINESS

Approval of the Minutes of the February 1, 2024 Meeting

On MOTION by Mr. English seconded by Mr. Egger with all in favor the minutes of the February 1, 2024 meeting were approved as presented.

FIFTH ORDER OF BUSINESS

Consideration of Supplement to Investment Banking Agreement with MBS Capital Markets, LLC

Mr. Haber stated with respect to each bond issue the district enters into an agreement with MBS to serve as the district’s underwriter. This version is substantially similar to the one that was

entered into when the district did its first bond issue and upon approval and execution MBS will continue with its work with respect to the next phase and the next bond issue.

On MOTION by Mr. English seconded by Mr. Leone with all in favor the supplement to the investment banking agreement with MBS Capital Markets, LLC was approved.

SIXTH ORDER OF BUSINESS

Consideration of Items Related to Series 2024 Bonds (Phase 3)

A. Presentation of Supplemental Engineer’s Report

Ms. Leaptrott stated the phase 3 portion is 140 residential lots, one stormwater pond and one lift station that covers approximately 92 acres. The amenities for this area is located along the main spine road in phase 1. We have approval by the City of Jacksonville, the water and sewer permits have been issued by JEA and the water management district technical has been approved, it is just waiting the wetland mitigation information. The permitting has been completed and ready for construction.

Ms. Zare joined the meeting at this time.

B. Presentation of Supplemental Assessment Methodology Report

Mr. Laughlin gave an overview of the supplemental methodology report, copy of which was included in the agenda package.

C. Consideration of Delegated Award Resolution, Resolution 2024-12

Ms. Taylor stated Resolution 2024-12 in form and substance is similar to your prior bond delegation resolution. When we issued the first series of bonds we approved in substantial form various documents necessary to market and price the bonds and get them issued. This resolution is similar, it authorizes a series of bonds not to exceed \$7,500,000, appoints MBS as the underwriter for the bonds and makes the required negotiated sale findings, it approves the form of various bond documents that includes the second supplemental trust indenture, form of the bond purchase agreement with MBS, preliminary limited offering memorandum, continuing disclosure agreement, appoints U.S. Bank as the trustee, paying agent and registrar, it delegates authority to the chair, vice chair and other board members to execute various documents necessary in connection with the bond issue including the bond purchase agreement upon pricing so long as we

are within the parameters set forth in section 5 of the resolution. As mentioned earlier with respect to the two reports that were presented, the supplemental engineer’s report and the supplemental assessment report, it authorizes modifications to those reports as needed to finalize the documents and use in connection with the marketing and sale of the bonds.

On MOTION by Mr. Leone seconded by Mr. Beauchamp with all in favor Resolution 2024-12 was approved.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There being none, the next item followed.

B. Engineer

There being none, the next item followed.

C. Manager

There being none, the next item followed.

EIGHTH ORDER OF BUSINESS

Supervisors Requests

There being none, the next item followed.

NINTH ORDER OF BUSINESS

Audience Comments

There being none, the next item followed.

TENTH ORDER OF BUSINESS

Financial Statements as February 29, 2024

A copy of the financials was included in the agenda package.

ELEVENTH ORDER OF BUSINESS

Consideration of Funding Request No. 7

On MOTION by Mr. English seconded by Ms. Acevedo with all in favor funding request no. 7 was approved.

TWELFTH ORDER OF BUSINESS

Next Meeting Scheduled – May 14, 2024

Mr. Laughlin stated the next meeting will be held May 14, 2024 at 10:30 a.m. at this location.

On MOTION by Mr. English seconded by Mr. Beauchamp with all in favor the meeting adjourned at 10:17 a.m.

Secretary/Assistant Secretary

Chairman/Vice Chairman

FOURTH ORDER OF BUSINESS

**DARBY
COMMUNITY DEVELOPMENT DISTRICT
CITY OF JACKSONVILLE, FLORIDA
FINANCIAL REPORT
FOR THE PERIOD FROM INCEPTION JUNE 16, 2023 TO
SEPTEMBER 30, 2023**

**DARBY COMMUNITY DEVELOPMENT DISTRICT
CITY OF JACKSONVILLE, FLORIDA**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Darby Community Development District
City of Jacksonville, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of Darby Community Development District, City of Jacksonville, Florida ("District") as of and for the period from inception June 16, 2023 to September 30, 2023, 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 the major fund of the District as of September 30, 2023, and the respective changes in financial position, thereof for the period from inception June 16, 2023 to September 30, 2023 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

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

Other Information Included in the Financial Report

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 7, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

May 7, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Darby Community Development District, City of Jacksonville, Florida ("District") provides a narrative overview of the District's financial activities for the period from inception June 16, 2023 to September 30, 2023. 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.

This information is being presented to provide additional information regarding the activities of the District and to meet the disclosure requirements of Government Accounting Standards Board Statement ("GASB") No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* issued June 1999. Comparative information between the current year and the prior year is required to be presented in the Management's Discussion and Analysis ("MD&A"). However, because this is the first year of operations of the District, comparative information is excluded in this report. Subsequent reports will include the comparative information.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year resulting in a net position balance of \$14,833.
- The change in the District's total net position was \$14,833, 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, 2023, the District's governmental funds reported combined ending fund balances of 14,833. The total fund balance is non-spendable for prepaid items, 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 are intended to serve as the introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

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

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

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

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

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

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.

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 outflow 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 balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains one governmental fund, the general fund, for external reporting. The general fund is considered a major fund.

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

Notes to the Financial Statements

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

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

NET POSITION	
SEPTEMBER 30,	
	2023
Current and other assets	<u>\$ 32,295</u>
Total assets	<u>32,295</u>
Current liabilities	<u>17,462</u>
Total liabilities	<u>17,462</u>
Net position	
Unrestricted	<u>14,833</u>
Total net position	<u>\$ 14,833</u>

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The District's net position increased during the period from inception June 16, 2023 to September 30, 2023. The majority of the increase was due to Developer contributions.

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

CHANGES IN NET POSITION	
FOR THE PERIOD FROM INCEPTION JUNE 16, 2023 TO	
SEPTEMBER 30,	
	<u>2023</u>
Revenues:	
Program revenues	
Operating grants and contributions	<u>\$ 33,405</u>
Total revenues	<u>33,405</u>
Expenses:	
General government	<u>18,572</u>
Total expenses	<u>18,572</u>
Change in net position	14,833
Net position - beginning	-
Net position - ending	<u>\$ 14,833</u>

As noted above and in the statement of activities, the cost of all governmental activities during the period from inception June 16, 2023 to September 30, 2023 was \$18,572. Program revenues are comprised of Developer contributions.

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 period from inception June 16, 2023 to September 30, 2023.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND OTHER EVENTS

Subsequent to fiscal year end, the District issued \$3,620,000 of Series 2024 A-1 Bonds, consisting of multiple term bonds with due dates ranging from May 1, 2031 – May 1, 2054 and fixed interest rates ranging from 4.8% to 6%. The District also issued \$9,765,000 of Series 2024 A-2 Bonds due on May 1, 2035 with a fixed interest rate of 5.875%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

If you have questions about this report or need additional financial information, contact the Darby Community Development District's Finance Department at 475 West Town Place, Suite 114, St. Augustine, FL 32092.

**DARBY COMMUNITY DEVELOPMENT DISTRICT
CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2023**

	Governmental Activities
ASSETS	
Cash	\$ 14,141
Due from Developer	13,154
Prepaid items	5,000
Total assets	32,295
 LIABILITIES	
Accounts payable	17,462
Total liabilities	17,462
 NET POSITION	
Unrestricted	14,833
Total net position	\$ 14,833

See notes to the financial statements

**DARBY COMMUNITY DEVELOPMENT DISTRICT
CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE PERIOD FROM INCEPTION JUNE 16, 2023 TO SEPTEMBER 30, 2023**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Primary government:			
Governmental activities:			
General government	\$ 18,572	\$ 33,405	\$ 14,833
Total governmental activities	<u>18,572</u>	<u>33,405</u>	<u>14,833</u>
			14,833
			-
			<u>\$ 14,833</u>

See notes to the financial statements

**DARBY COMMUNITY DEVELOPMENT DISTRICT
CITY OF JACKSONVILLE, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023**

	Major Fund	Total
	General	Governmental Funds
ASSETS		
Cash	\$ 14,141	\$ 14,141
Due from Developer	13,154	13,154
Prepaid items	5,000	5,000
Total assets	\$ 32,295	\$ 32,295
 TOTAL ASSETS	 \$ 32,295	 \$ 32,295
 LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 17,462	\$ 17,462
Total liabilities	17,462	17,462
 Fund balances:		
Nonspendable:		
Prepaid items	5,000	5,000
Unassigned:	9,833	9,833
Total fund balances	14,833	14,833
 Total liabilities and fund balances	 \$ 32,295	 \$ 32,295

See notes to the financial statements

**DARBY COMMUNITY DEVELOPMENT DISTRICT
CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE PERIOD FROM INCEPTION JUNE 16, 2023 TO SEPTEMBER 30, 2023**

	Major Fund General	Total Governmental Funds
REVENUES		
Developer contributions	\$ 33,405	33,405
Total revenues	33,405	33,405
EXPENDITURES		
Current:		
General government	18,572	18,572
Total expenditures	18,572	18,572
Excess (deficiency) of revenues over (under) expenditures	14,833	14,833
Fund balances - beginning	-	-
Fund balances - ending	\$ 14,833	\$ 14,833

See notes to the financial statements

**DARBY COMMUNITY DEVELOPMENT DISTRICT
CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

Darby Community Development District ("District") was created on June 16, 2023 by Ordinance No. 2023-301-E of the City of Jacksonville, Florida, pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes. The Act provides among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District.

The District is governed by the Board of Supervisors ("Board"), which is composed of five members. The Supervisors are elected by the owners of the property within the District. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes. All of the Board members are affiliated with Corner Lot Development Group ("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 property within the District. Operating and maintenance assessments are based upon the adopted budget and levied annually at a public hearing of the District. Debt service assessments are levied when Bonds are issued and assessed and collected on an annual basis. The District may collect assessments directly or utilize the uniform method of collection under Florida Statutes. Direct collected assessments are due as determined by annual assessment resolution adopted by the Board of Supervisors. Assessments collected under the uniform method are mailed by the County Tax Collector on November 1 and due on or before March 31 of each year. Property owners may prepay a portion or all of the debt service assessments on their property subject to various provisions in the Bond documents.

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 fund:

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.

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

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

Assets, Liabilities and Net Position or Equity

Restricted Assets

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

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and demand deposits (interest and non-interest bearing).

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

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.

Prepaid Items

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

Capital Assets

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

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

The District does not have any capital assets as of September 30, 2023.

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.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Deferred Outflows/Inflows of Resources

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

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

Fund Equity/Net Position

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

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

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

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

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

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

Other Disclosures

Use of Estimates

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

NOTE 3 – BUDGETARY INFORMATION

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

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

- a) Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- b) A Public hearing is conducted to obtain 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

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.

NOTE 5 – CAPITAL ASSETS

The infrastructure intended to serve the District has been estimated at a total cost of approximately \$42,000,000 and will be developed in phases. A portion of the project costs was expected to be financed with the proceeds from the issuance of Bonds with the remainder to be funded by the Developer and conveyed to the District. Upon completion, certain improvements are to be conveyed to others for ownership and maintenance responsibilities. Subsequent to fiscal year end the District issued Bonds in order to fund the project as discussed in Note 10 – Subsequent Events.

NOTE 6 – DEVELOPER TRANSACTIONS

The Developer has agreed to fund the general operations of the District. In connection with that agreement, Developer contributions to the general fund were \$33,405 which includes a receivable of \$13,154 at September 30, 2023.

NOTE 7 – 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 8 – MANAGEMENT COMPANY

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

NOTE 9 – 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 these risks; coverage may not extend to all situations. There were no settled claims since inception of the District.

NOTE 10 – SUBSEQUENT EVENTS

Bond Issuance

Subsequent to fiscal year end, the District issued \$3,620,000 of Series 2024 A-1 Bonds, consisting of multiple term bonds with due dates ranging from May 1, 2031 – May 1, 2054 and fixed interest rates ranging from 4.8% to 6%. The District also issued \$9,765,000 of Series 2024 A-2 Bonds due on May 1, 2035 with a fixed interest rate of 5.875%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District.

**DARBY COMMUNITY DEVELOPMENT DISTRICT
CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE PERIOD FROM INCEPTION JUNE 16, 2023 TO SEPTEMBER 30, 2023**

	Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original & Final		
REVENUES			
Developer contributions	\$ 36,280	\$ 33,405	\$ (2,875)
Total revenues	36,280	33,405	(2,875)
EXPENDITURES			
Current:			
General government	36,280	18,572	17,708
Total expenditures	36,280	18,572	17,708
Excess (deficiency) of revenues over (under) expenditures	\$ -	14,833	\$ 14,833
Fund balance - beginning		-	
Fund balance - ending		\$ 14,833	

See notes to required supplementary information

**DARBY COMMUNITY DEVELOPMENT DISTRICT
CITY OF JACKSONVILLE, 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 period from inception June 16, 2023 to September 30, 2023.

**DARBY COMMUNITY DEVELOPMENT DISTRICT
CITY OF JACKSONVILLE, FLORIDA
OTHER INFORMATION – DATA ELEMENTS
REQUIRED BY FL STATUTE 218.39(3)(C)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023
UNAUDITED**

<u>Element</u>	<u>Comments</u>
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.	3
Employee compensation	0
Independent contractor compensation	\$ 6,109
Construction projects to begin on or after October 1; (\$65K)	Not applicable
Budget variance report	See the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
Ad Valorem taxes;	Not applicable
Non ad valorem special assessments;	Not applicable



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
Darby Community Development District
City of Jacksonville, 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 Darby Community Development District, City of Jacksonville, Florida ("District") as of and for the period from inception June 16, 2023 to September 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated May 7, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

May 7, 2024



**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
Darby Community Development District
City of Jacksonville, Florida

We have examined Darby Community Development District, City of Jacksonville with Rule 10.556(10) of the Auditor General of the State of Florida during the period from inception June 16, 2023 to September 30, 2023. 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 period from inception June 16, 2023 to September 30, 2023.

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 Darby Community Development District, City of Jacksonville, Florida and is not intended to be and should not be used by anyone other than these specified parties.

May 7, 2024



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

To the Board of Supervisors
Darby Community Development District
City of Jacksonville, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of Darby Community Development District, City of Jacksonville, Florida ("District") as of and for the period from inception June 16, 2023 to September 30, 2023, and have issued our report thereon dated May 7, 2024.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated May 7, 2024, should be considered in conjunction with this management letter.

Purpose of this Letter

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

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

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

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

May 7, 2024

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS

N/A – first year audit

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.

N/A – first year audit.

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 period from inception June 16, 2023 to September 30, 2023.

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 period from inception June 16, 2023 to September 30, 2023.

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, 2023. 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 18.

FIFTH ORDER OF BUSINESS

RESOLUTION 2024-14

[FY 2025 BUDGET APPROVAL RESOLUTION]

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE DARBY COMMUNITY DEVELOPMENT DISTRICT APPROVING PROPOSED BUDGET(S) FOR FY 2025; SETTING A PUBLIC HEARING THEREON AND DIRECTING PUBLICATION; ADDRESSING TRANSMITTAL AND POSTING REQUIREMENTS; ADDRESSING SEVERABILITY AND EFFECTIVE DATE.

WHEREAS, for the fiscal year beginning October 1, 2024, and ending September 30, 2025 (“**FY 2025**”), the District Manager prepared and submitted to the Board of Supervisors (“**Board**”) of the Darby Community Development District (“**District**”) prior to June 15, 2024, the proposed budget(s) attached hereto as **Exhibit A (“Proposed Budget”)**; and

WHEREAS, the Board now desires to set the required public hearing on the Proposed Budget.

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

1. **PROPOSED BUDGET APPROVED.** The Proposed Budget attached hereto as **Exhibit A** is hereby approved preliminarily.

2. **SETTING A PUBLIC HEARING; DIRECTING PUBLICATION.** A public hearing on said approved Proposed Budget is hereby declared and set for the following date, time, and location, and District staff is directed to provide notice of the same in accordance with Florida law:

DATE: _____, 2024
TIME: 10:30 a.m.
LOCATION: 1000 Riverside Avenue, Suite 600
Jacksonville, Florida 32204

3. **TRANSMITTAL TO LOCAL GENERAL PURPOSE GOVERNMENT; POSTING OF PROPOSED BUDGET.** The District Manager is hereby directed to (i) submit a copy of the Proposed Budget to the applicable local general-purpose government(s) at least 60 days prior to its adoption, and (ii) post the approved Proposed Budget on the District’s website in accordance with Section 189.016, *Florida Statutes*.

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

PASSED AND ADOPTED THIS 14th DAY OF MAY, 2024.

ATTEST:

DARBY COMMUNITY DEVELOPMENT DISTRICT

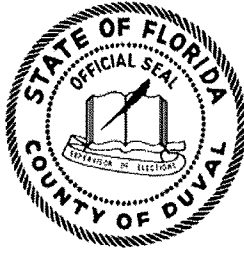
Secretary / Assistant Secretary

Chair/Vice Chair, Board of Supervisors

Exhibit A: Proposed Budget

SIXTH ORDER OF BUSINESS

C.



OFFICE OF THE SUPERVISOR OF ELECTIONS

JERRY HOLLAND
SUPERVISOR OF ELECTIONS
OFFICE (904) 255-8683
CELL (904) 318-6877

105 EAST MONROE STREET
JACKSONVILLE, FLORIDA 32202
FAX (904) 255-3434
E-MAIL JHOLLAND@COJ.NET

May 1, 2024

Sarah Sweeting
Darby CDD
475 West Town Place Suite 114
St. Augustine, FL 32092

Dear Sarah Sweeting,

The information you requested on April 19, 2024 appears below:

Darby Community Development District 0 Registered Voters as of 4/15/2024

If you have any questions or need additional assistance, please contact Aries Torres at 904-219-9302 or atorres@coj.net.

Sincerely,

Cierra Fackler
Director of Candidates and Records

NINTH ORDER OF BUSINESS

Darby
Community Development District

Unaudited Financial Reporting
March 31, 2024



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2	<hr/>	<u>General Fund</u>
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7	<hr/>	<u>Developer Contributions</u>
8	<hr/>	<u>Long Term Debt Report</u>

Darby
Community Development District
Combined Balance Sheet
March 31, 2024

	General Fund	2024 A1 Debt Service Fund	2024 A2 Debt Service Fund	Capital Project Fund	Totals Governmental Funds
Assets:					
Cash:					
Operating Account	\$ 15,042	\$ -	\$ -	-	\$ 15,042
Accounts Receivable	-	-	-	-	-
Due from Other	-	-	-	-	-
Due from General Fund	-	-	-	-	-
Due from Developer	11,877	-	-	-	11,877
Investments:					
State Board of Administration (SBA)	-	-	-	-	-
Series 2024					
Reserve A1	-	258,066	-	-	258,066
Reserve A2	-	-	573,694	-	573,694
Cap Interest A1	-	152,292	-	-	152,292
Cap Interest A2	-	-	420,507	-	420,507
Revenue	-	-	-	-	-
Sinking	-	-	-	-	-
Acquisition and Construction	-	-	-	5,910,927	5,910,927
Recreational Improvements	-	-	-	1,504,518	1,504,518
Cost of Issuance	-	-	-	15,472	15,472
Prepaid Expenses	-	-	-	-	-
Deposits	-	-	-	-	-
Total Assets	\$ 26,920	\$ 410,357	\$ 994,201	\$ 7,430,917	\$ 8,862,395
Liabilities:					
Accounts Payable	\$ 11,336	\$ -	\$ -	\$ -	\$ 11,336
Due to Debt Service	-	-	-	-	-
Total Liabilities	\$ 11,336	\$ -	\$ -	\$ -	\$ 11,336
Fund Balance:					
Nonspendable:					
Prepaid Items	\$ -	\$ -	\$ -	\$ -	\$ -
Deposits	-	-	-	-	-
Restricted for:					
Debt Service - Series	-	410,357	994,201	-	1,404,559
Capital Project - Series	-	-	-	7,430,917	7,430,917
Unassigned	15,584	-	-	-	15,584
Total Fund Balances	\$ 15,584	\$ 410,357	\$ 994,201	\$ 7,430,917	\$ 8,851,059
Total Liabilities & Fund Balance	\$ 26,920	\$ 410,357	\$ 994,201	\$ 7,430,917	\$ 8,862,395

Darby
Community Development District
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
For The Period Ending March 31, 2024

	Approved Budget	Prorated Budget Thru 03/31/24	Actual Thru 03/31/24	Variance
Revenues:				
Developer Contributions	\$ 109,393	\$ 32,863	\$ 32,863	\$ -
Total Revenues	\$ 109,393	\$ 32,863	\$ 32,863	\$ -
Expenditures:				
<i>General & Administrative:</i>				
Supervisor Fees	\$ 12,000	\$ 6,000	\$ -	\$ 6,000
FICA Expense	918	459	-	459
Engineering	12,000	6,000	-	6,000
Attorney	25,000	12,500	4,078	8,423
Assessment Administration	5,000	-	-	-
Management Fees	36,000	18,000	18,000	-
Dissemination Agent	-	-	625	(625)
Information Technology	1,800	900	900	-
Website Maintenance	1,200	600	600	-
Telephone	500	250	41	209
Postage & Delivery	1,500	750	17	733
Insurance General Liability	5,500	5,500	5,000	500
Printing & Binding	1,200	600	88	512
Legal Advertising	5,000	2,500	2,517	(17)
Other Current Charges	600	300	57	243
Office Supplies	1,000	500	14	486
Dues, Licenses & Subscriptions	175	175	175	-
Total General & Administrative	\$ 109,393	\$ 55,034	\$ 32,111	\$ 22,923
Excess (Deficiency) of Revenues over Expenditures	\$ -	\$ (22,171)	\$ 751	\$ (22,923)
Fund Balance - Beginning	\$ -		\$ 14,832	
Fund Balance - Ending	\$ -		\$ 15,584	

Darby
Community Development District
Debt Service Fund Series 2024 - A1
Statement of Revenues, Expenditures, and Changes in Fund Balance
For The Period Ending March 31, 2024

	Proposed Budget	Prorated Budget Thru 03/31/24	Actual Thru 03/31/24	Variance
Revenues:				
Special Assessments - Tax Roll	\$ -	\$ -	\$ -	\$ -
Interest Income	-	-	1,232	1,232
Total Revenues	\$ -	\$ -	\$ 1,232	\$ 1,232
Expenditures:				
Interest - 11/1	\$ -	\$ -	\$ -	\$ -
Interest - 5/1	47,278	-	-	-
Principal - 5/1	-	-	\$ -	-
Total Expenditures	\$ 47,278	\$ -	\$ -	\$ -
Excess (Deficiency) of Revenues over Expenditures	\$ (47,278)	\$ -	\$ 1,232	\$ 1,232
Other Financing Sources/(Uses):				
Bond Proceeds	\$ 409,125	\$ 409,125	\$ 409,125	\$ -
Total Other Financing Sources/(Uses)	\$ 409,125	\$ 409,125	\$ 409,125	\$ -
Net Change in Fund Balance	\$ 361,847	\$ 409,125	\$ 410,357	\$ 1,232
Fund Balance - Beginning	\$ -		\$ -	
Fund Balance - Ending	\$ 361,847		\$ 410,357	

Darby
Community Development District
Debt Service Fund Series 2024-A2
Statement of Revenues, Expenditures, and Changes in Fund Balance
For The Period Ending March 31, 2024

	Proposed Budget	Prorated Budget Thru 03/31/24	Actual Thru 03/31/24	Variance
Revenues:				
Special Assessments - Tax Roll	\$ -	\$ -	\$ -	\$ -
Interest Income	-	-	2,986	2,986
Total Revenues	\$ -	\$ -	\$ 2,986	\$ 2,986
Expenditures:				
Interest - 11/1	\$ -	\$ -	\$ -	\$ -
Interest - 5/1	130,675	-	-	-
Principal - 5/1	-	-	\$ -	-
Total Expenditures	\$ 130,675	\$ -	\$ -	\$ -
Excess (Deficiency) of Revenues over Expenditures	\$ (130,675)	\$ -	\$ 2,986	\$ 2,986
Other Financing Sources/(Uses):				
Bond Proceeds	\$ 991,215	\$ 991,215	\$ 991,215	\$ -
Total Other Financing Sources/(Uses)	\$ 991,215	\$ 991,215	\$ 991,215	\$ -
Net Change in Fund Balance	\$ 860,540	\$ 991,215	\$ 994,201	\$ 2,986
Fund Balance - Beginning	\$ -		\$ -	
Fund Balance - Ending	\$ 860,540		\$ 994,201	

Darby
Community Development District
Capital Projects Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
For The Period Ending March 31, 2024

	2024A
	Thru 03/31/24
Revenues	
Interest Income	\$ 28,766
Total Revenues	\$ 28,766
Expenditures:	
Capital Outlay - Acquisiton and Construciton	\$ 4,051,669
Cost of Issuance	263,140
Underwriter's Discount	267,700
Capital Outlay - Recreation Improvements	-
Total Expenditures	\$ 4,582,509
Excess (Deficiency) of Revenues over Expenditures	\$ (4,553,743)
Other Financing Sources/(Uses)	
Bond Proceeds	\$ 11,984,660
Total Other Financing Sources (Uses)	\$ 11,984,660
Net Change in Fund Balance	\$ 7,430,917
Fund Balance - Beginning	\$ -
Fund Balance - Ending	\$ 7,430,917

Darby
Community Development District
Month to Month

	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sept	Total
Revenues:													
Developer Contributions	\$ 11,142	\$ 3,308	\$ -	\$ 6,535	\$ -	\$ 11,877	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,863
Total Revenues	\$ 11,142	\$ 3,308	\$ -	\$ 6,535	\$ -	\$ 11,877	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,863
Expenditures:													
<u>General & Administrative:</u>													
Attorney	\$ -	\$ -	\$ 1,096	\$ 2,506	\$ 476	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,078
Management Fees	3,000	3,000	3,000	3,000	3,000	3,000	-	-	-	-	-	-	18,000
Dissemination Agent	-	-	-	-	-	625	-	-	-	-	-	-	625
Information Technology	150	150	150	150	150	150	-	-	-	-	-	-	900
Website Maintenance	100	100	100	100	100	100	-	-	-	-	-	-	600
Telephone	7	-	22	-	12	-	-	-	-	-	-	-	41
Postage & Delivery	4	-	2	1	1	10	-	-	-	-	-	-	17
Insurance General Liability	5,000	-	-	-	-	-	-	-	-	-	-	-	5,000
Printing & Binding	34	10	1	9	2	33	-	-	-	-	-	-	88
Legal Advertising	735	409	1,217	80	-	76	-	-	-	-	-	-	2,517
Other Current Charges	2	14	11	-	18	11	-	-	-	-	-	-	57
Office Supplies	14	-	0	0	0	0	-	-	-	-	-	-	14
Dues, Licenses & Subscriptions	175	-	-	-	-	-	-	-	-	-	-	-	175
Total General & Administrative	\$ 9,220	\$ 3,683	\$ 5,599	\$ 5,846	\$ 3,758	\$ 4,005	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,111
Excess (Deficiency) of Revenues over Expenditures	\$ 1,922	\$ (375)	\$ (5,599)	\$ 690	\$ (3,758)	\$ 7,872	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 751
Net Change in Fund Balance	\$ 1,922	\$ (375)	\$ (5,599)	\$ 690	\$ (3,758)	\$ 7,872	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 751

**Darby Community Development District
Developer Contributions/Due from Developer**

Funding Request #	Date Prepared	Date Payment Received	Check Amount	Total Funding Request FY23	Total Funding Request FY24	Over and (short) Balance Due
1	6/19/23	9/6/23	\$ 20,250.00	\$ 20,250.00	\$ -	\$ -
2	8/22/23	11/22/23	\$ 4,471.00	\$ 4,471.00	\$ -	\$ -
3	9/25/23	11/22/23	\$ 11,947.78	\$ 6,947.78	\$ 5,000.00	\$ -
4	10/5/23	11/22/23	\$ 6,866.65	\$ 724.63	\$ 6,142.02	\$ -
5	11/28/23	1/31/24	\$ 3,308.04	\$ -	\$ 3,308.04	\$ -
6	1/25/24	3/6/24	\$ 7,546.36	\$ 1,011.00	\$ 6,535.36	\$ -
7	3/31/24		\$ -	\$ -	\$ 11,877.27	\$ 11,877.27
			\$ -	\$ -		\$ -
			\$ -	\$ -	\$ -	\$ -
			\$ -	\$ -	\$ -	\$ -
			\$ -	\$ -	\$ -	\$ -
			\$ -	\$ -	\$ -	\$ -
			\$ -	\$ -	\$ -	\$ -
Due from Developer			\$ 54,389.83	\$ 33,404.41	\$ 32,862.69	\$ 11,877.27
Total Developer Contributions FY24					\$ 32,862.69	

Darby

Community Development District

Long Term Debt Report

Series 2024 A-1, Special Assessment Revenue Bonds		
Original Issue Amount:	\$3,620,000	
Interest Rate:	4.8% - 6.0%	
Maturity Date:	5/1/2054	
Reserve Fund Definition	Max Annual Debt Service	
Reserve Fund Requirement	\$258,066	
Reserve Fund Balance	258,066	
Bonds Outstanding: 2/9/24		\$3,620,000
Current Bonds Outstanding		\$3,620,000

Series 2024 A-2, Special Assessment Revenue Bonds		
Original Issue Amount:	\$9,765,000	
Interest Rate:	5.88%	
Maturity Date:	5/1/2035	
Reserve Fund Definition	Max Annual Debt Service	
Reserve Fund Requirement	\$573,694	
Reserve Fund Balance	573,694	
Bonds Outstanding: 2/9/24		\$9,765,000
Current Bonds Outstanding		\$9,765,000

TENTH ORDER OF BUSINESS

Darby

Community Development District

FY 24 Funding Request #8

May 7, 2024

PAYEE		GENERAL FUND	
			FY24
1	GMS, LLC		
	Inv# 11 - Management fees April 2024	\$	3,881.49
	Inv# 12 - Management fees May 2024		3,921.94
2	Kutak Rock LLP		
	Inv #3381618 General Counsel February 2024		475.50
Total Funding Request		\$	8,278.93

Please make check payable to:

Darby Community Development District
475 West Town Place Ste 114
St Augustine FL 32092

Governmental Management Services, LLC1001 Bradford Way
Kingston, TN 37763**Invoice****Invoice #:** 11**Invoice Date:** 4/1/24**Due Date:** 4/1/24**Case:****P.O. Number:****Bill To:**Darby CDD
475 West Town Place
Suite 114
St. Augustine, FL 32092

Description	Hours/Qty	Rate	Amount
Management Fees - April 2024		3,000.00	3,000.00
Website Administration - April 2024		100.00	100.00
Information Technology - April 2024		150.00	150.00
Dissemination Agent Services - April 2024		625.00	625.00
Office Supplies		0.03	0.03
Postage		0.64	0.64
Telephone		5.82	5.82

Total \$3,881.49**Payments/Credits** \$0.00**Balance Due** \$3,881.49

Governmental Management Services, LLC

1001 Bradford Way
Kingston, TN 37763

Invoice

Invoice #: 12
Invoice Date: 5/1/24
Due Date: 5/1/24
Case:
P.O. Number:

Bill To:

Darby CDD
475 West Town Place
Suite 114
St. Augustine, FL 32092

Description	Hours/Qty	Rate	Amount
Management Fees - May 2024		3,000.00	3,000.00
Website Administration - May 2024		100.00	100.00
Information Technology - May 2024		150.00	150.00
Dissemination Agent Services - May 2024		625.00	625.00
Office Supplies		6.85	6.85
Postage		0.64	0.64
Copies		39.45	39.45

Total \$3,921.94

Payments/Credits \$0.00

Balance Due \$3,921.94

KUTAK ROCK LLP

TALLAHASSEE, FLORIDA

Telephone 404-222-4600

Facsimile 404-222-4654

Federal ID 47-0597598

April 23, 2024

Check Remit To:

Kutak Rock LLP

PO Box 30057

Omaha, NE 68103-1157

ACH/Wire Transfer Remit To:

ABA #104000016

First National Bank of Omaha

Kutak Rock LLP

A/C # 24690470

Reference: Invoice No. 3381618

Client Matter No. 43923-1

Notification Email: eftgroup@kutakrock.com

Mr. Jim Oliver

Darby CDD

C/O Governmental Management Services, LLC

Suite 114

475 West Town Place

St. Augustine, FL 32092

Invoice No. 3381618

43923-1

Re: General Counsel

For Professional Legal Services Rendered

02/02/24	W. Haber	0.60	216.00	Prepare for and participate in call to discuss HOA documents; review forms
02/03/24	L. Whelan	0.30	115.50	Monitor legislative process relating to matters impacting special districts
02/07/24	W. Haber	0.40	144.00	Review form HOA documents and prepare correspondence to Blevins regarding same
TOTAL HOURS		1.30		

KUTAK ROCK LLP

Darby CDD

April 23, 2024

Client Matter No. 43923-1

Invoice No. 3381618

Page 2

TOTAL FOR SERVICES RENDERED \$475.50

TOTAL CURRENT AMOUNT DUE \$475.50

UNPAID INVOICES:

February 6, 2024 Invoice No. 3351320 1,096.00

March 13, 2024 Invoice No. 3366011 399.00

TOTAL DUE \$1,970.50