

Minutes of Meeting
Darby
Community Development District

The regular meeting of the Board of Supervisors of the Darby Community Development District was held Tuesday, July 23, 2024 at 10:30 a.m. at the offices of Corner Lot Development, 1000 Riverside Avenue, Suite 600, Jacksonville, Florida

Present and constituting a quorum were:

Shannon Acevedo	Vice Chairperson
Rick Egger	Supervisor
William English	Supervisor
Josh Beauchamp	Supervisor

Also present were:

Daniel Laughlin	District Manger
Wes Haber	District Counsel by telephone
Beth Leaptrott	Engineer, Connelly & Wicker by telephone
Jeremy Wannamaker	Corner Lot Development
Walt Schwartz	Corner Lot Development
Justin Holmes	Corner Lot Development

Following is a summary of the actions taken at the July 23, 2024 meeting.

FIRST ORDER OF BUSINESS

Roll Call

Mr. Laughlin called the meeting to order at 10:33 a.m. and called the roll

SECOND ORDER OF BUSINESS

Audience Comments

There being none, the next item followed.

THIRD ORDER OF BUSINESS

Consideration of Minutes of the May 14, 2024 Meeting

On MOTION by Mr. Beauchamp seconded by Mr. English with all in favor the minutes of the May 14, 2024 meeting were approved as presented.
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FOURTH ORDER OF BUSINESS

Public Hearing Adopting the Fiscal Year 2025 Budget

On MOTION by Mr. English seconded by Mr. Beauchamp with all in favor the public hearing was opened.

There being no public comment,

On MOTION by Mr. English seconded by Mr. Egger with all in favor the public hearing was closed.

A. Overview of Budget

Mr. Laughlin stated the budget in the agenda package is a little different than we initially approved. When we approved it that set the high-level mark and this budget is a little lower. The main things to consider is the opening of the amenity center, which will take place during this fiscal year and as we discussed it will be close to the end of the fiscal year. Items such as facility maintenance, pool maintenance and all those items were higher in the previous proposed budget. Under the assessments, we have what will be on roll of what will be covered when homes are sold the \$137,000, the direct bill is a portion of the administrative cost. We split the administrative by all 742 homes. There is benefit received by the undeveloped lots. This is just general fund, the operation and maintenance of the district.

Ms. Acevedo stated I was trying to understand the difference between the general fund revenue and debt series A-1 revenue. Can you explain how that is calculated?

Mr. Laughlin stated what I covered was just the O&M portion of the assessment. There are two parts to the assessment, the O&M and the debt portion is to pay back the bond each year. What you will see in these budgets is what is calculated to cover the principal and interest payments for the upcoming fiscal year. There are two bonds but one of the bonds is paid off when the home closes. The debt service for the 40-foot lots is \$738.91, the 50-foot lot is \$923.64. These number are grossed up to cover the collection fee from the county and the early payment discount.

Ms. Acevedo asked what is the difference in the general fund versus the A1? Is that just A1's portion versus A2?

Mr. Laughlin stated yes. Part of this, the interest payment is 11/1 and 5/1 and a principal payment on 5/1. You will see the totals for those is \$257,000 and the reason it is \$364,000 is

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because of the 11/1 payment. We don't get funds from the tax roll until after that. We start getting those int at the end of November and December. We need some carry forward to cover that 11/1 bond payment. The same for the A2, they have an 11/1 interest payment and a 5/1 interest payment totaling \$573.

Mr. Haber asked were notices sent with respect to an O&M assessment? I know we have a developer funding agreement, but it sounds like you are also talking about collection of assessments.

Mr. Laughlin stated yes, I will send it to you.

B. Consideration of Resolution 2024-15 Relating to the Annual Appropriations and Adopting the Budget for Fiscal Year 2025

On MOTION by Ms. Acevedo seconded by Mr. Beauchamp with all in favor Resolution 2024-15 was approved.

FIFTH ORDER OF BUSINESS

Consideration of Fiscal Year 2025 Developer Funding Agreement

Mr. Haber stated this is the agreement whereby the district would collect any funds needed to fund the O&M budget for amounts that are not collected from O&M assessments. Unless I'm looking at an older version of the agenda typically we would have in addition to the funding agreement if there are going to be O&M assessments., an assessment resolution. I don't know if that was circulated under separate cover or an updated agenda package. Or if the expectation is that the budget is funded entirely through the budget funding agreement. In the absence of a resolution I think we can, assuming notice was sent, still have the board hold the assessment public hearing and approve an assessment level and a resolution and to have the chair authorized to sign the assessment resolution outside of today's meeting. I wanted to get a better understanding of the intent because I have not been involved in the calls with respect to what the expectation is on the mix if any between O&M assessments and funding provided by this agreement.

Mr. Laughlin stated yes, there will be some assessments on the platted lots this year.

Mr. Haber asked do you have an assessment resolution or do you want the board authorize the chair to sign one, but still hold the public hearing to levy those assessments today.

Mr. Laughlin stated the resolutions usually come from your office; we can have the board authorize the chairman to execute the resolution once prepared.

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Mr. Haber stated the purpose of this agreement is to supplement any funding that the district needs in the absence of collecting O&M assessments. Because O&M assessments are being levied in an amount that would cover some but not all of the budget after the district collects O&M assessments, this is the default and to the extent that money is not needed, in other words if there are adequate amounts collected by virtue the inflow of O&M assessments then there may never be any amounts collected under the developer funding agreement. Between the O&M assessments and this agreement the expectation is that there will be adequate amounts of funding available to fully fund the budget as adopted if all that funding is necessary. For purposes of today's meeting my office prepared the agreement on the CDD's behalf but if there is a question as to whether anyone on the developer's side reviewed it, we can approve it in substantial form subject to any review comments from the developer.

Mr. Beauchamp asked did that developer agreement get published and sent out?

Mr. Laughlin stated it was in the agenda package that was sent out and it is on the website. This would be the same form that was entered into last year.

\ Mr. Haber stated correct, with the exception of in prior fiscal years, the agreement would have provided for all funding. I don't think we levied assessments in prior years so the only difference would be this agreement provides that a funding obligation would only occur if necessary after the collection of O&M assessments as opposed to prior years when the expectation was the budget in its entirety would be funded through developer funding obligation.

Mr. Laughlin stated if we approve it in substantial form, it will allow anyone who had comments or questions we can make those changes before finalizing it.

Mr. Haber stated anyone on the board can sign on the district's behalf and we would need someone who is authorized corporately to sign on the developer's behalf.

On MOTION by Ms. Acevedo seconded by Mr. Egger with all in favor the fiscal year 2025 developer funding agreement was approved in substantial form.

Mr. Haber stated if we could note for the record, I know we opened the public hearing, that was to serve a dual purpose of both the adoption of the budget and the levy of the assessments and then just to have some discussion on the record in the absence of a resolution, I'm assuming the intent is to levy the O&M assessment at the level set forth in the adopted budget with respect to

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the 306 lots that are identified there., which is the \$485.40. I would allow for any questions on how those assessments work, if not with confirmation that your office sent the assessment notices that the board by motion levied and imposed an O&M assessment and certified both the O&M assessment and the debt assessment for collection, which means that for platted lots the O&M and debt assessments will be collected by the Duval County tax collector on the tax bills and for unplatted property it will be directly collected, which just means that Daniel's office will send an invoice for any assessments that are due and owing on unplatted property and that you would also authorize the chair or vice chair to sign as assessment resolution which just puts everything I just said in effect with respect to the assessment levels and the direction for collection of those assessments.

Ms. Acevedo stated if it is platted in which case the individual homeowner would pay directly versus if it is unplatted the developer would pay directly. Is that what I heard?

Mr. Haber stated for platted property the district will send what is called an assessment roll to the Duval County property appraiser. That assessment roll will have the amounts that are to be collected for both the debt assessments, and the O&M assessments. Those amounts will then be on the tax bill for whoever owns those lots, whether it is an actual home buyer, a builder or the developer, whoever owns those actual lots will receive the tax bill for their ad valorem taxes on that lot and that same ad valorem tax bill have the debt and O&M assessments. For unplatted property the ad valorem tax bill will not have CDD assessments, instead for unplatted property the owner of that property will receive a separate invoice from the CDD, from Daniel's office, which will specify the amounts that property owner may owe for debt and O&M assessments and those get paid directly to Daniel's office as opposed to first paid to the county who then remits those payments back to the CDD.

<p>On MOTION by Ms. Acevedo seconded by Mr. Egger with all in favor a resolution levying and imposing the O&M assessments in the amounts set forth in the budget, certifying both O&M assessments and debt assessments for collection and authorizing the chair or vice chair to sign an assessment resolution was approved.</p>
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SIXTH ORDER OF BUSINESS**Ratification of Requisition No. 2**

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On MOTION by Mr. English seconded by Mr. Beauchamp with all in favor requisition no. 2 was ratified.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There being none, the next item followed.

B. Engineer

Ms. Leaptrott stated the amenity center with revisions was approved and that is well into construction. We are working on closing out Phase 1 A, B, and C and I have a meeting in a little bit about some of those documents. We are moving forward on Phase 3 and 4 to get the wetland permitting completed.

C. Manager – Discussion of Fiscal Year 2025 Meeting Schedule

Mr. Laughlin stated the proposed fiscal year 2025 meeting schedule is the same as this year on the second Tuesday at 10:20 a.m.

Mr. Beauchamp stated we need to look at this. Some of our meetings got bumped or canceled and a monthly meeting is necessary now that we are closing lots, builders are going to be building. As a board committing to that once a month meeting is going to be critical. If Daniel will send out a meeting invite that locks in that second Tuesday every month of the year and that way it is on your schedules.

On MOTION by Mr. Beauchamp seconded by Mr. Egger with all in favor the fiscal year 2025 meeting schedule reflecting meetings on the second Tuesday of the month was approved.

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.

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TENTH ORDER OF BUSINESS

Financial Statements as of May 31, 2024

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

ELEVENTH ORDER OF BUSINESS

Ratification of Funding Request No. 9

On MOTION by Mr. English seconded by Mr. Beauchamp with all in favor funding request no. 9 was ratified.

TWELFTH ORDER OF BUSINESS

Next Meeting Scheduled – August 13, 2024 at 10:30 a.m.

Mr. Laughlin stated the next meeting is scheduled for August 13, 2024 at 10:30 a.m. in the same location.

On MOTIION by Mr. Egger seconded by Mr. Beauchamp with all in favor the meeting adjourned at 11:03 a.m.

Signed by:

Daniel Laughlin

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Secretary/Assistant Secretary

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George Leone

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Chairman/Vice Chairman