

*Deer Run Community  
Development District*

*Agenda*

*August 28, 2019*

# AGENDA

# *Deer Run*

## *Community Development District*

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135 W. Central Blvd., Suite 320, Orlando, Florida 32801  
Phone: 407-841-5524 – Fax: 407-839-1526

August 21, 2019

**Board of Supervisors  
Deer Run Community  
Development District**

Dear Board Members:

The Board of Supervisors of Deer Run Community Development District will meet Wednesday, August 28, 2019 at 6:00 PM at the Holiday Inn Express & Suites Palm Coast, 200 Flagler Plaza Drive, Palm Coast, FL 32137. Following is the advance agenda for the meeting:

### **Audit Committee Meeting**

- I. Roll Call
- II. Public Comment Period
- III. Approval of Minutes of May 23, 2019 Meeting
- IV. Tally of Audit Committee Members Rankings and Selection of an Auditor
- V. Adjournment

### **Board of Supervisors Meeting**

- I. Roll Call
- II. Public Comment Period
- III. Approval of Minutes of the May 23, 2019 Meeting
- IV. Review and Acceptance of Fiscal Year 2018 Audit Report
- V. Acceptance of Audit Committee Recommendation and Selection of #1 Ranked Firm to Provide Auditing Services for Fiscal Year 2019
- VI. Public Hearing
  - A. Consideration of Resolution 2019-08 Adopting the Fiscal Year 2020 Budget and Relating to the Annual Appropriations
  - B. Consideration of Resolution 2019-09 Imposing Special Assessments and Certifying an Assessment Roll
- VII. Consideration Items
  - A. Fiscal Year 2020 Budget Deficit Funding Agreement
  - B. Proposal with VGlobalTech for ADA Website Compliance
  - C. Proposal with LifeSafe Services for AED Supplies and Services
  - D. Proposals for Amenity Management, Pool, and Janitorial Services (2)
  - E. Draft Amenities Rules & Policy
- VIII. Ratification Items
  - A. Landscape Management Agreement with Yellowstone Landscape
  - B. Work Authorization for Amenity Management with Riverside Management Services, Inc.
  - C. Standard Commercial Security Agreement with Alpha Dog Audio Video Security
  - D. Standard Fire Alarm Agreement with Alpha Dog Audio Video Security
  - E. Coverage Endorsement Agreement with Florida Insurance Alliance
  - F. Requisitions #5 - #6

- IX. Staff Reports
  - A. Attorney
  - B. Engineer
  - C. District Manager's Report
    - 1. Approval of Check Register
    - 2. Balance Sheet and Income Statement
    - 3. Presentation of Arbitrage Rebate Calculation Report
    - 4. Approval of Fiscal Year 2020 Meeting Schedule
    - 5. Field Manager's Report
- X. Other Business
- XI. Supervisors Requests
- XII. Adjournment

The second order of business of the Audit Committee Meeting is the Public Comment Period where the public has an opportunity to be heard on propositions coming before the Board as reflected on the agenda, and any other items. The third order of business is the approval of the minutes from the May 23, 2019 meeting. The minutes are enclosed for your review. The fourth order of business is the tally of the audit committee members rankings and selection of an auditor. Rankings from all audit committee members will be tallied at the meeting to develop an overall audit committee ranking. The RFP responses have been provided separately and the tally sheet has been enclosed in your agenda package.

The second order of business of the Board of Supervisors Meeting is the Public Comment Period where the public has an opportunity to be heard on propositions coming before the Board as reflected on the agenda, and any other items.

The third order of business is approval of the minutes from the May 23, 2019 Board of Supervisors meeting. The minutes are enclosed for your review.

The fourth order of business is review and acceptance of the Fiscal Year 2018 audit report. A copy of the report will be provided under separate cover.

The fifth order of business is acceptance of the Audit Committee recommendation and selection of #1 ranked firm to provide auditing services for Fiscal Year 2019. There is no back-up material.

The sixth order of business opens the public hearings. Section A is the consideration of Resolution 2019-08 adopting the Fiscal Year 2020 budget and relating to the annual appropriations. A copy of the Resolution and proposed budget are enclosed for your review. Section B is the consideration of Resolution 2019-09 imposing special assessments and certifying an assessment roll. A copy of the Resolution is enclosed for your review and the assessment roll will be available at the meeting for reference.

The seventh order of business is consideration items. Section A is the Fiscal Year 2020 Deficit Funding Agreement. A copy of the agreement will be provided at a later time. Section B is a proposal with VGlobalTech for ADA website compliance. A copy of the proposal is enclosed for your review. Section C is a proposal with LifeSafe Services for AED supplies and services. A copy of the proposal is enclosed for your review. Section D is consideration of proposals (2) for Amenity Management, pool, and janitorial services. Copies of the proposals from Riverside Management and Vesta are enclosed for your review. Section E is the draft amenities & rules policy. A copy of the draft rules policy is enclosed for your review.

The eighth order of business is ratification items. Section A is a landscape management agreement with Yellowstone Landscape. A copy of the agreement is enclosed for your review. Section B is a work authorization for amenity management with Riverside Management Services, Inc. Section C is a standard commercial security agreement with Alpha Dog Audio Video Security. A copy of the agreement is enclosed for your review. Section D is standard fire alarm agreement with Alpha Dog Audio Video Security. A copy of the agreement is enclosed for your review. Section E is a coverage endorsement agreement with Florida Insurance Alliance. A copy of the agreement is enclosed for your review. Section F is Requisitions #5 - 6. Copies of the requisitions are enclosed for your review.

Section C of the ninth order of business is the District Managers report. Section 1 includes the check register being submitted for approval and Section 2 includes the balance sheet and income statement for your review. Section 3 is the presentation of the arbitrage rebate calculation report. A copy of the report is enclosed for your review. Section 4 is approval of Fiscal Year 2020 meeting schedule. A sample notice is enclosed for your review. Section 5 is the Field Manager's Report that will update you on the status of any field or maintenance issues around the community. The report will be provided under separate cover.

The balance of the agenda will be discussed at the meeting. In the meantime, if you have any questions, please contact me.

Sincerely,

Ernesto Torres  
District Manager

CC: Roy Van Wyk, District Counsel  
Rey Malave, District Engineer  
Darrin Mossing, GMS  
Enclosures

# AUDIT COMMITTEE MEETING

## SECTION III

MINUTES OF MEETING  
DEER RUN COMMUNITY DEVELOPMENT DISTRICT

The Deer Run Community Development District Audit Committee met Thursday, May 23, 2019 at 6:50 p.m. at the Holiday Inn Express & Suites Palm Coast, 200 Flagler Plaza Drive, Palm Coast, Florida.

Present were:

Robert Porter  
Mark Dearing  
James Teagle  
Jan Doan  
Ernesto Torres  
Sarah Warren  
Rey Malave by telephone  
William Viasalyers

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Porter called the Audit Committee meeting to order.

**SECOND ORDER OF BUSINESS**

**Public Comment Period**

There being none, the next item followed.

**THIRD ORDER OF BUSINESS**

**Audit Services**

**A. Approval of Request for Proposals and Selection Criteria**

**B. Approval of Notice of Request for Proposals for Audit Services**

Mr. Porter stated what we do each time we hire somebody like an auditor we send out a request for proposals and with that typically is a sheet that says here is how we are going to score you. For an auditor we do five categories that we give up to 20 points each, it is experience, ability to do the work, knowledge of the work, and we are now allowed to use price if we want to. We will get back proposals, have another Audit Committee meeting, go through and rank

them. Typically, there are three companies that do all of them and they all have a lot of experience and it comes down to price.

On MOTION by Mr. Dearing seconded by Mr. Teagle with all in favor the notice of request for proposals and selection criteria were approved.

**C. Public Announcement of Opportunity to Provide Audit Services**

Mr. Porter stated August 28, 2019 is our next meeting when we are going to talk about the budget. We will post the proposed rules on the website and Ernesto’s contact information.

Ms. Sandy stated we would like to provide much more information on the website but because the district is a governmental entity our website has to be ADA compliant and that is a very cost prohibitive requirement to try to put tons of information on the website that isn’t actually required by statute to be on the website. A particular type of PDF that has to be created that is ADA acceptable and it is a balancing act to provide you information without incurring unnecessary costs. Be aware of that going forward.

Mr. Porter stated I was just at a CDD meeting and we were reviewing proposals to make websites ADA compliant and along with fees for doing audits and fees for making it compliant and doing quarterly checks and so forth, there was a fee of \$2.90 per page for anything you wanted to put up there. You will see executive summaries and if you need more detail we are happy to provide it and we can email it to you.

**FOURTH ORDER OF BUSINESS**

**Adjournment**

On MOTION by Mr. Dearing seconded by Mr. Teagle with all in favor the meeting adjourned at 6:53 p.m.

\_\_\_\_\_  
Secretary/Assistant Secretary

\_\_\_\_\_  
Chairman/Vice Chairman

# SECTION IV

**Deer Run CDD Auditor Selection**

	<b>Ability of Personnel (20 pts)</b>	<b>Proposer's Experience (20 pts)</b>	<b>Understanding of Scope of Work (20 pts)</b>	<b>Ability to Furnish the Required Services (20 pts)</b>	<b>Price (20 pts)</b>	<b>Total Points Earned</b>	<b>Ranking (1 being highest)</b>
<b>Grau &amp; Associates</b>					2019 - \$3,600 2020 - \$3,700 2021 - \$3,800		
<b>Berger, Toombs, Elam, Gaines &amp; Frank</b>					2019 - \$3,535 2020 - \$3,535 2021 - \$3,535		

**BOARD OF SUPERVISORS  
MEETING**

# SECTION III

MINUTES OF MEETING  
DEER RUN  
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Deer Run Community Development District was held Thursday, May 23, 2019 at 6:00 p.m. at the Holiday Inn Express & Suites Palm Coast, 200 Flagler Plaza Drive, Palm Coast, Florida.

Present and constituting a quorum were:

Robert Porter	Chairman
Mark Dearing	Vice Chairman
James Teagle	Assistant Secretary
Jan Doan	Assistant Secretary

Also present were:

Ernesto Torres	District Manager
Sarah Warren	District Counsel
William Viasalyers	Field Manager
Rey Malave	District Engineer by telephone
Residents	

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Porter called the meeting to order and called the roll.

**SECOND ORDER OF BUSINESS**

**Public Comment Period**

A resident stated I looked for an agenda on the website and it wasn't posted as early as this evening. It is difficult to have comments on the agenda without having the agenda.

Mr. Porter stated we will do a better job next time.

A resident stated I sent an email on the website asking how I could get an agenda and how to add items or can we add items to the agenda and I never received a response. I followed-up a week later and never received a response.

Mr. Porter stated in Ernesto's defense, Jason Showe was our District Manager and Ernesto has only been at this for a week now. There was a period when GMS didn't have anybody and I apologize for that. Given the fact that you didn't get a chance to see the agenda as

we go through this if there is something that you want to comment on, we will take it at that time.

**THIRD ORDER OF BUSINESS**

**Approval of the Minutes of the November 29, 2018 Board of Supervisors Meeting and Acceptance of the Minutes of the November 15, 2018 Landowners' Meeting**

On MOTION by Mr. Doan seconded by Mr. Teagle with all in favor the minutes of the November 29, 2018 Board of Supervisors meeting were approved, as presented, and the minutes of the November 15, 2018 Landowners' meeting were accepted.

**FOURTH ORDER OF BUSINESS**

**Consideration of Resolution 2019-06 Electing an Assistant Secretary**

On MOTION by Mr. Teagle seconded by Mr. Dearing with all in favor Resolution 2019-06 electing Ernesto Torres Assistant Secretary was approved.

**FIFTH ORDER OF BUSINESS**

**Consideration of Resolution 2019-07 Approving the Proposed Budget for Fiscal Year 2020 and Setting a Public Hearing**

Mr. Porter stated Resolution 2019-07 approves the proposed budget for Fiscal Year 2020 and sets a public hearing.

Mr. Torres stated it is scheduled for August 22, 2019 at 6:00 p.m. in the same location.

Ms. Warren stated I think Katie spoke to you briefly about trying to align the meeting schedule of Deer Run with another District. Their budget hearing will be on August 28<sup>th</sup> and we would propose holding it then.

Mr. Porter stated basically we do monthly meetings if we have something to do and if there is no business we cancel the meeting so that we don't pay the Attorney and the Engineer or rent the room. Before you come to a meeting to avoid a problem of showing up without anything going on, check the website.

A resident stated the last meeting that was canceled was canceled four hours prior to the meeting. Can you give us a little more lead time because I rearranged my whole day?

Mr. Porter stated okay.

Ms. Warren stated I think we lost quorum at the last minute.

Mr. Porter stated it doesn't happen often but if we have somebody who cancels, we cannot have a meeting unless there are three of the Board Members here.

A resident stated there were no agenda items, but we didn't have the opportunity to raise items for the agenda.

Mr. Porter stated if you have things that you would like to have on the agenda, contact Ernesto and he will look at it. If we don't have much we are going to ask you to wait a month.

A resident stated I looked at the audit on the website to have an understanding of the budget and there were no audits for the last two years. Are those audits done and do you know why they weren't posted?

Mr. Torres stated the last one on the website is 2017 and the Board has not approved the Fiscal Year 2018 audit yet.

Mr. Porter stated there is a proposed budget. We will set a public hearing, we are going to approve this for a preliminary budget and when we have the public hearing everybody will have plenty of time to discuss any item on the budget. We can change it at that hearing and at that hearing we have to adopt it so it can get on the tax roll. We can adopt any amount that is not in excess of this proposed budget. If we wanted to raise it from our proposed budget then we have to re-notice the hearing and from a practical standpoint that just doesn't happen. The District has been around for about ten years but there were very few houses for the first ten years and now we are starting to get more residents. For a long time everything was neglected, there was very little landscaping done, no amenities and so forth. Now, we have an amenity center under construction, we are trying to make the place look nice, something we can all be proud of. We are maintaining ponds that weren't maintained, we are maintaining landscaping, we have replaced a lot of landscaping. For years that waterfall on U.S. 1 never ran, it was covered with algae; we are trying to get everything in shape.

The budget this year is based on contracts to the extent that we have them for things like lake maintenance, landscaping and so forth. It is based on estimates for things like maintenance of the amenity center and so forth because we have not done it, it is new and it is not finished yet. Until we actually have some experience and have a contract we are not sure what janitorial will cost and what it will cost for people to man it. Those are estimates and when we actually have the budget hearing on August 28<sup>th</sup>, we will go over it in whatever detail you want to. I

would ask everybody between now and August 28<sup>th</sup> to review the budget. If it is not on there now, it will be in the next few weeks or so and if you have questions about specifics there is an explanation in there that is pretty good but if you have questions contact Ernesto. I would ask everybody if you want to be involved in the budget please look at it ahead of time and if you have questions, ask them so we can have the meeting go smoothly.

Mr. Torres stated once the proposed budget is approved tonight then we will post it on the website.

A resident asked is there a way to submit questions in advance so you are prepared to respond to them at the meeting?

Mr. Porter stated you are going to see this on the website and I would love you to send questions to Ernesto ahead of time. That will make the meeting go very smoothly; none of us want to be here until midnight going through numbers.

On MOTION by Mr. Doan seconded by Mr. Teagle with all in favor Resolution 2019-07 Approving the Proposed Budget and Setting the Public Hearing for August 28, 2019 at 6:00 p.m. at Holiday Inn Express & Suites Palm Coast, 200 Flagler Plaza Drive, Palm Coast, Florida, was approved.

**SIXTH ORDER OF BUSINESS**

**Ratification of Partial Acquisition of Work Product/Improvements & Contract Assignments**

Mr. Porter stated all of the activity going on out there was started by Horton and Horton paid some of the bills and is being reimbursed by the District. Horton is paying the overage because it is going to come in over the budget and it is more money than the District actually has. There was a bond sold and we do requisitions to either reimburse Horton or in this case it is the contractors doing the work.

- A. Genesis Halff, Inc.**
- B. K&G Construction Co., Inc.**
- C. Micamy Design Studio, Inc.**

On MOTION by Mr. Teagle seconded by Mr. Dearing with all in favor the partial acquisition of work product/improvements and contract assignments were ratified.

**SEVENTH ORDER OF BUSINESS**

**Ratification of Work Authorization 2019-01 with Dewberry Engineers, Inc.**

Mr. Porter stated next is ratification of work authorization 2019-01 with Dewberry Engineers, Inc. Dewberry Engineers is are our District Engineer and they have been from the very beginning of the District. They are the ones we rely on to inspect and approve any work that is being done. Right now they are working hard to get the city to take over the reuse system because it currently belongs to the District and we don't want it, we want the City of Bunnell to take it.

On MOTION by Mr. Teagle seconded by Mr. Doan with all in favor Work Authorization 2019-01 with Dewberry Engineers, Inc. was ratified.

**EIGHTH ORDER OF BUSINESS**

**Ratification of Requisitions #1 – #4**

Mr. Porter stated this again is the stuff that is being done on the amenity center.

On MOTION by Mr. Doan seconded by Mr. Teagle with all in favor Requisitions #1 – #4 were ratified.

**NINTH ORDER OF BUSINESS**

**Discussion of District Rules and Rates**

Mr. Porter stated next is discussion of District rules and rates. This is going to be particularly important with the amenity center when it opens. We have to have rules about whether or not alcohol is allowed, how old you have to be to be able to use the workout room. I know you haven't had a chance to see this yet but there are a couple of really nice party rooms, one has a couple of grills the other has a gas fireplace. There is big media room and that kind of thing. Typically, what we will do in a CDD is if you want to have 20 of your friends over and have a party you can rent one of those rooms and the money goes to help pay for the extra wear and tear and any damage, we will have a deposit and you are expected to clean it up when you are done and that sort of thing. Everything that belongs to the District belongs to you and we

expect everybody to take care of it. If you use it clean up after yourself and if you don't we will charge a fee. Do we have a specific set of rules to talk about?

Mr. Torres stated we have a few months between now and when the amenity opens and I would like to send the Board a copy of the draft rules that we have adopted in other communities that have similar facilities and discuss the rules at the August meeting.

Mr. Porter stated I am on several Boards and this is typically the way we go about it. He will send it to us, we will look at it and see if we see any problems. Everybody here has been on a number of CDD Boards and we are familiar with what has worked and has not worked and we will work with Ernesto over the next week or two to try to get it into shape that we think is workable then Ernesto will put that on the website. I want to urge everyone to read through it. From the day to day standpoint this is going to be more important to you than most anything else. You are going to have an idea of is \$50 enough for the room, is \$200 too much for it, how big should the deposit be, what hours, what age is going to be allowed to use the weight room and those kinds of things because they are going to affect your use of it. That facility is going to be over \$3.5 million by the time it is done. We want to use it wisely and take care of it. Watch the website and when the rules are posted take a look at them because we will adopt them only after a public hearing and discussion and everybody has some input.

#### **TENTH ORDER OF BUSINESS**

#### **Appoint of Audit Committee and Chairman**

Mr. Porter stated we need to appoint an Audit Committee and Chairman and typically we appoint the Board Members as the Audit Committee and the Chairman to chair the committee.

On MOTION by Mr. Teagle seconded by Mr. Dearing with all in favor the Board Members were appointed to sit as the Audit Committee and Mr. Porter was appointed as Chairman.

#### **ELEVENTH ORDER OF BUSINESS**

#### **Staff Reports**

##### **A. Attorney – Discussion of Attorney Fees**

Ms. Warren stated there is a letter in the agenda package requesting an annual increase in our fees. Roy's fee would increase \$25 an hour, mine would increase \$20 an hour. I'm the one who does the bulk of the work on the District.

Mr. Porter stated Sarah works for Hopping Green & Sams, they are located in Tallahassee and do probably 90% of the community development districts in the state. It is one of their specialties. My experience is they are very good at it and if you are going to hire an attorney hiring someone who is an expert in their field saves you money because you aren't paying for a lot of research or for bad advice that could end up costing you.

On MOTION by Mr. Doan seconded by Mr. Teagle with all in favor the increase in Attorney's fees was approved.

**B. Engineer**

There being none, the next item followed.

**C. Manager**

**i. Approval of Check Register**

On MOTION by Mr. Teagle seconded by Mr. Dearing with all in favor the check register was approved.

**ii. Balance Sheet and Income Statement**

A copy of the balance sheet and income statement were included in the agenda package.

**iii. Presentation of Number of Registered Voters - 140**

Mr. Porter stated a copy of the letter from the Supervisor of Elections indicating there are 140 registered voters residing in the District was included in the agenda package. When a District is six years old and has at least 250 registered voters then at the next election two of the seats will be residents and they will be elected by residents. Two years later, two more seats will be filled by residents and then two years after that is the final seat. At the rate we are building next year we are going to have 250 registered voters so the following election cycle you will be putting a couple people on the Board. You qualify with the Supervisor of Elections and it shows up on the ballot along with the governor, senators and president. It is a public office and you are subject to government in the sunshine rules and that sort of thing.

**iv. Field Manager's Report**

Mr. Viasalyers stated my job primarily is to inspect the property, meet with the vendors to ensure they are meeting their contractual obligations, identify any potential issues and correct them. There is not much going on right now, we are getting ready to take on the amenity center as discussed and there will be a lot more involvement in landscaping and items like that.

A resident stated there is a retention pond that runs from 218 to 224 Grand Reserve that is mud and getting a lot of algae growth and odor. Is there anything that can be done to clean that up that area?

Mr. Porter stated there is something that can be done. We are paying folks to treat those ponds and if it is not getting done, they need to come back and treat them an extra time.

A resident stated they can only get partly down there and can't completely treat it. It is mud and algae, a lot of debris from the golf course and needs to be cleaned out.

Mr. Viasalyers stated I went out and looked at it today and I will work on that issue.

Mr. Porter stated don't wait for meetings like this when something comes up because we don't meet every month, if there is not much going on it could be two or three months between meetings. You can get in touch with William or Ernesto and let them know there is a problem. We hire these folks on a competitive bid and we usually get at least three people bidding that want to have the work and if we have someone not getting it done, we will make a change.

A resident stated they were very responsive when I called but the website was not effective.

Mr. Porter stated we will work on the website and Ernesto has only been here a week and there may not have been anyone looking at the website and we apologize for that.

A resident asked who cuts the grass and weeds that grow beyond our fences on the golf course?

Mr. Viasalyers stated if it is on the golf course it would be the golf course.

Mr. Porter stated on questions like that get with William so you can show him where it is specifically. After the meeting let him know. He has been very responsive and he will know whose responsibility it is.

A resident stated there are a lot of dump trucks that are loaded with dirt and the dirt is now dropping on Grand Reserve Drive, funneling into the concrete drains and someone has to clean that stuff out. A street sweeper just blows it in the air they don't pick anything up.

Mr. Porter stated we heard about this several weeks ago and we changed the sweeping schedule from once or twice a week to every day.

A resident stated I sent an email to Jason about the trucks and requested the trucks to go around but they are coming through every day. You told us three or four times that you have talked to these contractors and we are concerned because there are going to be more phases.

Mr. Porter stated there is a lot more to come and I can't promise that people aren't going to come in that way anymore. I will talk to the folks that are trying to control that contractor.

A resident asked is fishing allowed in the ponds because I don't feel comfortable on the golf course, I don't think that should be a public area.

Mr. Porter stated this is one of those things that will be in those rules we talked about earlier. If there is a strong feeling that there should be no fishing we will adopt a rule that there is no fishing.

A resident stated I live on a pond and I fish in the pond.

Mr. Porter stated it is hard to say if you live next to a pond you can fish there because it is a piece of land that belongs to the District and we have to say you can or cannot fish. We will get with Sarah and find out what our choices are and talk about it when we do the rules.

A resident asked is there any way to shut down access to 100 at certain times so we don't have this traffic in and out all day?

Mr. Porter responded no, it is a public road we don't have the right to shut it down.

**TWELFTH ORDER OF BUSINESS                      Other Business**

There being none, the next item followed.

**THIRTEENTH ORDER OF BUSINESS            Supervisor's Requests**

Mr. Teagle stated I would request that the Board let me work with William on the amenity center to work on the telephones and data lines and cable, water, power and stuff like that.

On MOTION by Mr. Dearing seconded by Mr. Doan with all in favor Mr. Teagle was authorized to work with staff on the utilities for the amenity center.

Mr. Porter stated James works for me and he is managing the amenity center project, K & G is the contractor and James has been supervising.

A resident asked is this going to be a golf cart community.

Mr. Porter stated there are specific rules, legal rules and you can use a golf cart on any road that is not more than 35 mph.

Ms. Warren stated typically the local jurisdiction has a very specific process that you have to go through to have it designated as a golf cart friendly roadway. Some require that a traffic study be performed to determine average speed levels and things like that. I will look into it.

Mr. Porter stated the City of Bunnell is our jurisdiction and Sarah will get with the city and at the next meeting we will tell you what the rules are on golf carts because it varies from place to place. Generally, they are allowed on low speed roads, but they do have to meet certain requirements as far as how they are licensed. We will find out from the city and report back to you.

A resident asked you went from big dumpsters to smaller ones and the dumpsters are being overloaded and all the debris is going into the pond in front of our homes. We are pulling garbage out of the pond daily.

Mr. Porter stated I will follow-up on that. I handle acquisition and development for the company, James is doing all of the amenity centers and that kind of thing, Mark is an attorney, none of us are in the home construction end of the business but basically the problem is they are just not emptying them often enough.

A resident stated they are there every day but they are not covering them when they pull them out and debris is flying out when they are driving down the road.

A resident stated I have a question on water pressure. I have a timer set for 4:30 a.m. and sometimes the water isn't flowing at that time and my lawn is dying. When it is flowing the pressure is terrible in the last three months. Is something going on that would affect it?

Mr. Porter stated we have been trying to turn this over to the city to maintain because the reuse system belongs to the District. When are we on turning over the reuse to the city?

Mr. Malave stated we are working with Sarah on some legal documentation and some easements. We are waiting on some of those final documents being reviewed by their legal people before we do the final transfer.

Ms. Warren stated I spoke with the city attorney on Tuesday and they have had staff turnover in whatever department was going to be handling that and that has slowed it down a little bit. He identified the specific items that are outstanding that we will need to provide and I will get with Rey tomorrow. The only other thing I can think of is the golf course also uses it, they have different pumps but the whole system is still connected and we have a cost share agreement and it allocates a certain amount of water they can use. That may require Rey looking into that.

Mr. Porter stated if we are able to turn this over to the city, which will hopefully happen soon then instead of the District spending any money when there is a problem with reuse we will get with the city and if we have to coordinate with the golf course we will do that.

A resident asked who is going to be footing the bill for the new pumps that are going to be needed because it won't take care of all those homes?

Mr. Porter stated I think the system was designed to take care of all of them, but I was not involved in the design, so I really don't know. Ultimately the city provides the water, the water goes into that lake and gets pumped out. Rey, do you know what quantity they can take care of?

Mr. Malave responded yes, it was designed for build out. I will look at it again since it has been a while since I have looked at it, but it was designed for all of the development.

Mr. Porter stated initially the community included 999 homes and I think we are down to 843 home; a little bit less than initially planned.

A resident stated I walk through the community every day and I see a lot of litter around and it blows into the conservation areas. Who is responsible for cleaning that up?

Mr. Porter stated if it is from the construction site it is D.R. Horton's responsibility and I will try to get them to do a better job.

Mr. Jones stated I am one of the original owners and D.R. Horton has their part to do but we as residents are the ones who are going to drive the tractor and we are a voting block at the city. This is a new development and everything else in Bunnell is 50 to 100 years old and that can slow you up at the end of the day.

Mr. Porter stated I have met with a few of the folks at the City of Bunnell and you would be hard pressed to find a nicer group of people and they really care about trying to provide services. I think you are right; they will be responsive if you have problems. If there are problems with potable water that is the city, we have nothing to do with that and soon the

reclaimed will be theirs as well. The city has been great to work with, they are excited to see the Grand Reserve coming because the City of Bunnell is a small town with lots of old trailers and so forth and the idea that folks are buying houses and paying taxes, you are an important voting block.

I want to thank everybody for coming. It is important that everybody gets involved because we are going to be out of here within a few years and you are going to be running it and it is important that you get the experience to see what is involved, how it is run and that kind of thing. We want to have as good of a community as we can have. I want your houses to be worth more tomorrow than they are worth today because it makes every house we sell look good. I want everything to work, I want that community to be pleasant and to be what everybody wants it to be. I want you to love the amenity center and use it. As we are talking about rules and that kind of thing, get involved. If there is something we are talking about doing that you think is silly let's talk about it and make sure we get it right.

On MOTION by Mr. Teagle seconded by Mr. Dearing with all in favor the meeting adjourned at 6:50 p.m.

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Secretary/Assistant Secretary

---

Chairman/Vice Chairman

# SECTION IV

**Deer Run Community  
Development District**

**ANNUAL FINANCIAL REPORT**

**September 30, 2018**

**Deer Run Community Development District**

**ANNUAL FINANCIAL REPORT**

**September 30, 2018**

**TABLE OF CONTENTS**

	<u>Page Number</u>
REPORT OF INDEPENDENT AUDITORS	1-2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3-8
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements	
Statement of Net Position	9
Statement of Activities	10
Fund Financial Statements:	
Balance Sheet – Governmental Funds	11
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	12
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	13
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	14
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	15
Notes to Financial Statements	16-29
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 <i>GOVERNMENT AUDITING STANDARDS</i>	30-31
MANAGEMENT LETTER	32-34
INDEPENDENT ACCOUNTANT'S REPORT/COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES	35



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

Certified Public Accountants PL

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**REPORT OF INDEPENDENT AUDITORS**

To the Board of Supervisors  
Deer Run Community Development District  
Flagler County, Florida

**Report on the Financial Statements**

We have audited the accompanying basic financial statements of Deer Run Community Development District as of and for the year ended September 30, 2018, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Accounting Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Fort Pierce / Stuart

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To the Board of Supervisors  
Deer Run Community Development District

### **Opinion**

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of Deer Run Community Development District as of September 30, 2018, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Governmental accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by *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 governmental auditing standards generally accepted in the United States of America, which consisted principally of inquires of management regarding 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 Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated June 26, 2019 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Deer Run Community Development District's internal control over financial reporting and compliance.

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

June 26, 2019

**Deer Run Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2018**

Management's discussion and analysis of Deer Run Community Development District (the "District") financial performance provides an objective and easily readable analysis of the District's financial activities for the fiscal year ended September 30, 2018. The analysis provides summary financial information for the District and should be read in conjunction with the District's financial statements.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

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

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

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

**Deer Run Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2018**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

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

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

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

**Financial Highlights**

The following are the highlights of financial activity for the year ended September 30, 2018.

- ◆ The District's total assets were exceeded by total liabilities by \$(4,800,071) (net position). Unrestricted net position for Governmental Activities was \$(4,449,889) Net investment in capital assets was \$(405,995). Restricted net position was \$55,813.
- ◆ Governmental activities revenues and gain on cancellation of debt totaled \$6,485,380 while governmental activities expenses totaled \$1,241,792.

**Deer Run Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2018**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Financial Analysis of the District**

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

**Net Position**

	<b>Governmental Activities</b>	
	<b>2018</b>	<b>2017</b>
Current assets	\$ 90,545	\$ 49,363
Restricted assets	3,753,734	97,956
Capital assets	3,161,911	2,755,986
Total Assets	7,006,190	2,903,305
Current liabilities	884,199	5,691,964
Non-current liabilities	10,922,062	7,255,000
Total Liabilities	11,806,261	12,946,964
Net Position		
Net investment in capital assets	(405,995)	(811,920)
Restricted	55,813	-
Unrestricted	(4,449,889)	(9,231,739)
Total Net Position	\$ (4,800,071)	\$(10,043,659)

The increase in restricted assets is related to the issuance of new debt for a capital project and funding of the reserve account.

The increase in capital assets and net investment in capital assets is the result of the capital project initiated in the current year.

The decrease in current liabilities was primarily due to accrued interest and matured interest payable being forgiven as part of the issuance of the new debt in the current year.

The increase in non-current liabilities the result of the new debt issued in current year.

**Deer Run Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2018**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Financial Analysis of the District (Continued)**

The following schedule provides a summary of the changes in net position of the District and is presented by category for comparison purposes. It is not intended to be a complete presentation of District-wide financial activity.

**Change in Net Position**

	<b>Governmental Activities</b>	
	<b>2018</b>	<b>2017</b>
Program Revenues		
Charges for services	\$ 324,197	\$ 90,666
Contributions	95,800	30,000
General Revenues		
Investment earnings	3,345	257
Miscellaneous revenues	4,500	3,100
Cancellation of debt	6,057,538	-
Total Revenues	<u>6,485,380</u>	<u>124,023</u>
Expenses		
General government	70,066	76,592
Physical environment	316,567	195,072
Interest on long-term debt	855,159	816,669
Total Expenses	<u>1,241,792</u>	<u>1,088,333</u>
Change in Net Position	5,243,588	(964,310)
Net Position - Beginning of Year	<u>(10,043,659)</u>	<u>(9,079,349)</u>
Net Position - End of Year	<u>\$ (4,800,071)</u>	<u>\$ (10,043,659)</u>

The increase in charges for services is due to an increase in special assessments in the current year.

The increase in operating contributions is related to the increase in expenses in the current year.

The increase in physical environment is related to the increase in landscape and irrigation expenses in the current year.

**Deer Run Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2018**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Capital Assets Activity**

The following schedule provides a summary of the District's capital assets as of September 30, 2018 and 2017.

<u>Description</u>	<u>Governmental Activities</u>	
	<u>2018</u>	<u>2017</u>
Construction in progress	\$ 507,415	\$ -
Infrastructure	3,567,906	3,567,906
Accumulated depreciation	(913,410)	(811,920)
 Total Capital Assets (Net)	 <u>\$ 3,161,911</u>	 <u>\$ 2,755,986</u>

The activity for the year consisted of \$101,490 in depreciation and construction in progress additions of \$507,415.

**General Fund Budgetary Highlights**

Actual expenditures were less than budgeted amounts primarily because of less attorney fees and trustee fees than expected.

The September 30, 2018 budget was amended for additional landscape and irrigation expenses over the amount originally anticipated.

**Debt Management**

Governmental Activities debt includes the following:

- ◆ In May 2008, the District issued \$8,165,000 Series 2008 Special Assessment Bonds. These bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. Many of those improvements have been conveyed to other government. The Series 2008 Special Assessment Bonds were refunded and/or cancelled during the current year.
- ◆ In August 2018, the District issued debt of \$11,175,000 of Special Assessment Revenue and Refunding Bonds, Series 2018. These bonds were issued to refund a portion of the Series 2008 Special Assessment Revenue Bonds and to provide funding for the Series 2018 Project. The balance outstanding at September 30, 2018 was \$11,175,000.

**Deer Run Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2018**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Economic Factors and Next Year's Budget**

The District anticipates the improvements to the Clubhouse will continue. In addition, it is anticipated that the general operations of the District will remain fairly constant.

**Request for Information**

The financial report is designed to provide a general overview of Deer Run Community Development District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Deer Run Community Development District, Governmental Management Services, CF, LLC, 135 West Central Boulevard, Suite 320, Orlando, FL 32801.

**Deer Run Community Development District**  
**STATEMENT OF NET POSITION**  
**September 30, 2018**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Current Assets	
Cash	\$ 30,096
Assessments receivable	643
Due from developer	52,224
Due from other governments	181
Prepaid expenses	7,401
Total Current Assets	90,545
Non-current Assets	
Restricted assets	
Investments	3,753,734
Capital assets, not being depreciated	
Construction in progress	507,415
Capital assets, being depreciated	
Infrastructure	3,567,906
Less: accumulated depreciation	(913,410)
Total Non-current Assets	6,915,645
Total Assets	7,006,190
<b>LIABILITIES</b>	
Current Liabilities	
Accounts payable and accrued expenses	597,056
Accrued interest	60,693
Unearned revenues	21,450
Bonds payable - current portion	205,000
Total Current Liabilities	884,199
Non-current Liabilities	
Bonds payable	10,922,062
Total Liabilities	11,806,261
<b>NET POSITION</b>	
Net investment in capital assets	(405,995)
Restricted-debt service	55,813
Unrestricted	(4,449,889)
Total Net Position	\$ (4,800,071)

*See accompanying notes to financial statements.*

**Deer Run Community Development District**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2018**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenues and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities				
General government	\$ (70,066)	\$ 44,879	\$ 23,540	\$ (1,647)
Physical environment	(316,567)	137,764	72,260	(106,543)
Interest on long-term debt	(855,159)	141,554	-	(713,605)
<b>Total Governmental Activities</b>	<u>\$ (1,241,792)</u>	<u>\$ 324,197</u>	<u>\$ 95,800</u>	<u>(821,795)</u>
		<b>General revenues:</b>		
				3,345
				4,500
				<u>7,845</u>
				<u>6,057,538</u>
				5,243,588
				<u>(10,043,659)</u>
				<u>\$ (4,800,071)</u>

*See accompanying notes to financial statements.*

**Deer Run Community Development District**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**September 30, 2018**

	General	Debt Service	Capital Projects	Total Governmental Funds
<b>ASSETS</b>				
Cash	\$ 30,096	\$ -	\$ -	\$ 30,096
Assessments receivable	-	643	-	643
Due from other funds	6,510	-	-	6,510
Due from developer	52,224	-	-	52,224
Due from other governments	181	-	-	181
Prepaid items	7,401	-	-	7,401
Restricted assets				
Investments, at fair value	-	519,153	3,234,581	3,753,734
Total Assets	\$ 96,412	\$ 519,796	\$3,234,581	\$ 3,850,789
 <b>LIABILITIES DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	\$ 69,361	\$ -	\$ 527,695	\$ 597,056
Due to ther funds	-	-	6,510	6,510
Unearned revenues	21,450	-	-	21,450
Total Liabilities	90,811	-	534,205	625,016
 <b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred revenues	27,224	-	-	27,224
 <b>FUND BALANCES</b>				
Nonspendable				
Prepaid items	7,401	-	-	7,401
Restricted				
Debt service	-	519,796	-	519,796
Capital projects	-	-	2,700,376	2,700,376
Unassigned	(29,024)	-	-	(29,024)
Total Fund Balances	(21,623)	519,796	2,700,376	3,198,549
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 96,412	\$ 519,796	\$3,234,581	\$ 3,850,789

See accompanying notes to financial statements.

**Deer Run Community Development District  
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES  
TO NET POSITION OF GOVERNMENTAL ACTIVITIES  
September 30, 2018**

Total Governmental Fund Balances	\$ 3,198,549
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets not being depreciated, construction in progress, \$507,415, used in governmental activities are not current financial resources and therefore, are not reported at the fund level.	507,415
Capital assets being depreciated, infrastructure, \$3,567,906, net of accumulated depreciation, \$(913,410), used in governmental activities are not current financial resources and therefore, are not reported at the fund level.	2,654,496
Long-term liabilities, such as bonds payable \$(11,175,000), net of bond discounts, net, \$47,938, are not due and payable in the current period and therefore, are not reported at the fund level.	(11,127,062)
Certain revenues that are not available are reflected as deferred inflows of resources at the fund level, however, revenues are recognized when earned at the government-wide level.	27,224
Accrued interest expense for long-term debt is not a current financial use and therefore, is not reported at the fund level.	<u>(60,693)</u>
Net Position of Governmental Activities	<u><u>\$ (4,800,071)</u></u>

*See accompanying notes to financial statements.*

**Deer Run Community Development District**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –**  
**GOVERNMENTAL FUNDS**  
**September 30, 2018**

	General	Debt Service	Capital Projects	Total Governmental Funds
<b>REVENUES</b>				
Special assessments	\$ 182,643	\$ 141,554	\$ -	\$ 324,197
Developer contributions	68,576	-	-	68,576
Investment earnings	-	2,202	1,143	3,345
Miscellaneous revenues	4,500	-	-	4,500
Total Revenues	<u>255,719</u>	<u>143,756</u>	<u>1,143</u>	<u>400,618</u>
<b>EXPENDITURES</b>				
Current				
General government	70,066	-	-	70,066
Physical environment	215,077	-	-	215,077
Capital outlay	-	-	507,415	507,415
Debt service				
Principal	-	7,389,893	107	7,390,000
Interest	-	614,556	-	614,556
Other debt service	-	-	414,540	414,540
Total Expenditures	<u>285,143</u>	<u>8,004,449</u>	<u>922,062</u>	<u>9,211,654</u>
Excess of Revenues over/(under)				
Expenditures	<u>(29,424)</u>	<u>(7,860,693)</u>	<u>(920,919)</u>	<u>(8,811,036)</u>
Other Financing Sources/(Uses)				
Transfers in	-	-	3,397,689	3,397,689
Transfers out	-	(3,397,689)	-	(3,397,689)
Issuance of long-term debt	-	10,903,406	271,594	11,175,000
Bond discount	-	-	(48,094)	(48,094)
Gain on cancellation of debt	-	5,178,038	-	5,178,038
Total Other Financing Sources/(Uses)	<u>-</u>	<u>12,683,755</u>	<u>3,621,189</u>	<u>16,304,944</u>
Net change in fund balances	(29,424)	4,823,062	2,700,270	7,493,908
Fund Balances - October 1, 2017	<u>7,801</u>	<u>(4,303,266)</u>	<u>106</u>	<u>(4,295,359)</u>
Fund Balances - September 30, 2018	<u>\$ (21,623)</u>	<u>\$ 519,796</u>	<u>\$ 2,700,376</u>	<u>\$ 3,198,549</u>

See accompanying notes to financial statements.

**Deer Run Community Development District**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2018**

Net Change in Fund Balances - Total Governmental Funds	\$ 7,493,908
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures, however in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation. This is the amount that capital outlay, \$507,415, exceeded depreciation, \$(101,490), in the current period.	405,925
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	7,390,000
The issuance of new debt is reflected as an other financing source at the fund level, however, it is an increase in non-current liabilities at the government-wide level.	(11,175,000)
The bond discount associated with new debt is reflected as an other financing use at the fund level, however at the government-wide level it is reflected as a contra-liability	48,094
Revenues that are not available at year end are reflected as a deferred inflow of resources at the fund level, however, at the government-wide level revenues are recognized when earned.	27,224
Certain interest accrued at the government-wide level was cancelled as part of the issuance of new debt.	879,500
Bond discounts associated with new debt are recorded as an other financing use at the fund level, however, at the government-wide level it is reflected as a contra-liability and amortized over the life of the debt. This the amount of the current year amortization.	(156)
In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, interest expenditures are reported when due. This is the net amount between the prior year and the current year accruals.	<u>174,093</u>
Change in Net Position of Governmental Activities	<u><u>\$ 5,243,588</u></u>

*See accompanying notes to financial statements.*

**Deer Run Community Development District**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –**  
**GENERAL FUND**  
**For the Year Ended September 30, 2018**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance With Final Budget Positive (Negative)</b>
<b>Revenues</b>				
Special assessments	\$ 182,971	\$ 182,971	\$ 182,643	\$ (328)
Developer contributions	-	109,227	68,576	(40,651)
Miscellaneous revenues	4,800	4,800	4,500	(300)
Total Revenues	<u>187,771</u>	<u>296,998</u>	<u>255,719</u>	<u>(41,279)</u>
<b>Expenditures</b>				
<b>Current</b>				
General government	82,992	82,299	70,066	12,233
Physical environment	106,570	222,500	215,077	7,423
Total Expenditures	<u>189,562</u>	<u>304,799</u>	<u>285,143</u>	<u>19,656</u>
Net change in fund balances	(1,791)	(7,801)	(29,424)	(21,623)
Fund Balances - October 1, 2017	<u>1,791</u>	<u>7,801</u>	<u>7,801</u>	<u>-</u>
Fund Balances - September 30, 2018	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (21,623)</u>	<u>\$ (21,623)</u>

See accompanying notes to financial statements.

**Deer Run Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**1. Reporting Entity**

The District was established on May 15, 2007 by an ordinance of the Board of City Commissioners of the City Of Bunnell, Florida, under the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), as a Community Development District. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of the infrastructure necessary for community development within its jurisdiction. The District is governed by a five-member Board of Supervisors, who are elected by the property owners for terms of four and two years. The District operates within the criteria established by Chapter 190, Florida Statutes. The Board has the responsibility for assessing and levying assessments, approving budgets, exercising control over facilities and properties, controlling the use of funds generated by the District, approving the hiring and firing of key personnel, and financing improvements.

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

Based upon the application of the above-mentioned criteria as set forth in Governmental Accounting Standards Board, the District has identified no component units.

**2. Measurement Focus and Basis of Accounting**

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

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

**Deer Run Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2. Measurement Focus and Basis of Accounting (Continued)**

**a. Government-wide Financial Statements**

Government-wide financial statements report all non-fiduciary information about the reporting government as a whole. These statements include the governmental activities of the primary government. The effect of interfund activity has been removed from these statements.

Governmental activities are supported by special assessments. Program revenues include charges for services, and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

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

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

**b. Fund Financial Statements**

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

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

**Deer Run Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2. Measurement Focus and Basis of Accounting (Continued)**

**b. Fund Financial Statements (Continued)**

**Governmental Funds**

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

The District has various policies governing the fund balance classifications.

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

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

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

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

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

**Deer Run Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2. Measurement Focus and Basis of Accounting (Continued)**

**b. Fund Financial Statements (Continued)**

**Governmental Funds (Continued)**

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

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

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of “available spendable resources”. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

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

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

Debt service expenditures are recorded only when payment is due.

**3. Basis of Presentation**

**a. Governmental Major Funds**

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

**Deer Run Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3. Basis of Presentation (Continued)**

**a. Governmental Major Funds (Continued)**

Debt Service Fund – Accounts for debt service requirements to retire certain special assessment revenue and refunding bonds which were used to refund existing debt and finance certain additional improvements. The bond series is secured by a pledge of debt service special assessment revenues in any fiscal year related to the improvements. A lien is placed on all benefited land in relationship to the debt outstanding.

Capital Projects Fund – The Capital Project Fund accounts for construction of certain additional improvements within the boundaries of the District, which is funded by bond proceeds. A lien is placed on all benefited land in relationship to the debt outstanding.

**b. Non-current Governmental Assets/Liabilities**

GASB Statement 34 requires that non-current governmental assets, such as land and buildings, and non-current governmental liabilities, such as special assessment bonds, be reported in the governmental activities column in the government-wide statement of net position.

**4. Assets, Liabilities and Net Position or Equity**

**a. Cash and Investments**

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

**Deer Run Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**4. Assets, Liabilities and Net Position or Equity (Continued)**

**a. Cash and Investments (Continued)**

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

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

Cash equivalents include time deposits and certificates of deposit with original maturities of three months or less and held in a qualified public depository as defined by Florida Statute 280.02.

**b. Receivables and Payables**

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds”. Any residual balances outstanding between the governmental activities and business-type activities are reported as “internal balances”.

**c. Restricted Net Position**

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

**d. Capital Assets**

Capital assets, which include land and infrastructure, are reported in the applicable governmental activities column.

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

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

**Deer Run Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**4. Assets, Liabilities and Net Position or Equity (Continued)**

**d. Capital Assets (Continued)**

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

Depreciation of capital assets is computed and recorded by utilizing the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows:

Infrastructure and improvements	20 years
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**e. Unamortized Bond Discount**

Bond discounts are presented on the government-wide financial statements. The costs are amortized over the life of the bonds using the method of accounting. For financial reporting, the unamortized bond discount is netted against the applicable long-term debt.

**f. Budgets**

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

**NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**1. Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position**

“Total fund balances” of the District’s governmental funds \$3,198,549 differs from “net position” of governmental activities \$(4,800,071) reported in the statement of net position. This difference primarily results from the long-term economic focus of the Statement of Net Position versus the current financial resources focus of the governmental fund balance sheet. The effect of the differences is illustrated below.

**Deer Run Community Development District  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)**

**1. Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position (Continued)**

**Capital related items**

When capital assets (land, infrastructure and improvements that are to be used in governmental activities) are purchased or constructed, the cost of those assets is reported as expenditures in governmental funds. However, the Statement of Net Position included those capital assets among the assets of the District as a whole.

Infrastructure	\$	3,567,906
Construction in progress		507,415
Accumulated depreciation		(913,410)
Total		\$ 3,161,911

**Long-term debt transactions**

Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the Statement of Net Position. Balances at September 30, 2018 were:

Bonds payable	\$	(11,175,000)
Bond discount, net		47,938
Total		\$ (11,127,062)

**Deferred inflows of resources**

Certain revenues that were not available at year end were reflected as deferred inflows of resources at the fund level. Revenues are recognized when earned at the government-wide level.

Deferred revenues	\$	27,224
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**Accrued interest**

Accrued liabilities in the Statement of Net Position differ from the amount reported in governmental funds due to accrued interest on bonds.

Accrued interest on bonds payable	\$	(60,693)
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**2. Explanation of Differences Between the Governmental Fund Operating Statements and the Statement of Activities**

The "net change in fund balances" for government funds \$7,493,908 differs from the "change in net position" for governmental activities \$5,243,588 reported in the statement of activities. The differences arise primarily from the long-term economic focus of the Statement of Activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated as follows.

**Deer Run Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)**

**2. Explanation of Differences Between the Governmental Fund Operating Statements and the Statement of Activities (Continued)**

**Capital related items**

When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, at the government-wide level, the costs of those assets is allocated over their estimated useful lives and reported as depreciation. As a result, fund balances decrease by the amount of financial resources expended, whereas net position decrease by the amount of depreciation charged for the year.

Depreciation		\$ (101,490)
Capital outlay		507,415
Total		<u>\$ 405,925</u>

**Deferred inflows of resources**

Revenues that are available at year end are recognized as deferred inflows of resources, however, revenues are recognized as earned at the government-wide level. This is the amount deferred in the current year.

Deferred revenues		\$ <u>27,224</u>
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**Long-term debt transactions**

Repayments of bond principal are reported as an expenditure in the governmental funds and, thus, have the effect of reducing fund balance because current financial resources have been used.

Debt principal payments		\$ 7,390,000
Issuance of new debt		(11,175,000)
Bond discount		48,094
Total		<u>\$ (3,736,906)</u>

Some expenses reported at the government-wide level do not require the use of current financial resources, and therefore, are not reported as expenditures in at the fund level.

Interest on matured interest and bonds payable		\$ <u>174,093</u>
Amortization of bond discount		<u>\$ (156)</u>
Cancellation of debt		<u>\$ 879,500</u>

**Deer Run Community Development District  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**NOTE C – CASH AND INVESTMENTS**

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

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk, however, they follow the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2018, the District's bank balance was \$30,281 and the carrying value \$30,096. Exposure to custodial credit risk was as follows. The District maintains all deposits in a qualified public depository in accordance with the provisions of Chapter 280, Florida Statutes, which means that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes.

As of September 30, 2018, the District had the following investments and maturities:

Investment	Maturities	Fair Value
FIMM Government Portfolio	36 days*	<u>\$ 3,753,734</u>

\* Weighted average maturity

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

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

The investment listed above is a level 1 asset.

**Deer Run Community Development District  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**NOTE C – CASH AND INVESTMENTS (CONTINUED)**

Interest Rate Risk

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

Credit Risk

The District's investments in government loans are limited by state statutory requirements and bond compliance. The District has no investment policy that would further limit its investment choices. As of September 30, 2018, the District's investment in the FIMM Government Portfolio was rated AAAM by Standard & Poor's.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one fund. The investment in the FIMM Government Portfolio is 100% of the District's total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2018 were typical of these items during the fiscal year then ended. The District considers any decline in fair value for certain investments to be temporary.

**NOTE D – SPECIAL ASSESSMENT REVENUES**

Special assessment revenues recognized for the 2017-2018 fiscal year were levied in October 2017. All taxes certified to the County's Tax Collector are due and payable on November 1, and certified to the County's Tax Collector. Per Section 197.162, Florida Statutes discounts are allowed for early payment at the rate of 4% in November, 3% in December, 2% in January, and 1% in February. Taxes paid in March are without discount.

**NOTE E – CAPITAL ASSETS**

Capital Asset activity for the year ended September 30, 2018 was as follows:

	Balance October 1, 2017	Additions	Deletions	Balance September 30, 2018
<u>Governmental Activities:</u>				
<u>Capital assets, not being depreciated</u>				
Construction in progress	\$ -	\$ 507,415	\$ -	\$ 507,415
Capital assets, being depreciated:				
Infrastructure	3,567,906	-	-	3,567,906
Less accumulated depreciation for:				
Infrastructure	(811,920)	(101,490)	-	(913,410)
Capital assets being depreciated, net	2,755,986	(101,490)	-	2,654,496
Governmental Activities Capital Assets	<u>\$ 2,755,986</u>	<u>\$ 405,925</u>	<u>\$ -</u>	<u>\$ 3,161,911</u>

Depreciation of \$101,490 was charged to physical environment.

**Deer Run Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE F – LONG-TERM DEBT**

The following is a summary of activity for long-term debt of the District for the year ended September 30, 2018:

Long-term debt at October 1, 2017	\$ 7,390,000
Issuance of long-term debt	11,175,000
Principal	<u>(7,390,000)</u>
Long-term debt at September 30, 2018	11,175,000
Bond discount, net	<u>(47,938)</u>
Long term-debt at September 30, 2018, net	<u>\$ 11,127,062</u>

Long-term debt is comprised of the following:

Special Assessment Revenue and Refunding Bonds

\$11,175,000 Series 2018 Special Assessment Revenue and Refunding Bonds due in annual principal installments beginning May 2019, maturing in May 2044. Interest at various rates between 5.4% and 5.5% due in November and May, beginning November 2018. Current portion is \$205,000. \$ 11,175,000

The annual requirements to amortize the principal and interest of bonded debt outstanding as of September 30, 2018 are as follows:

Year Ending September 30,	Principal	Interest	Total
2019	\$ 205,000	\$ 416,421	\$ 621,421
2020	215,000	595,860	810,860
2021	225,000	584,250	809,250
2022	240,000	572,100	812,100
2023	250,000	559,140	809,140
2024-2028	1,480,000	2,577,000	4,057,000
2029-2033	1,945,000	2,129,610	4,074,610
2034-2038	2,540,000	1,543,980	4,083,980
2039-2043	3,300,000	776,555	4,076,555
2044	775,000	42,625	817,625
<b>Totals</b>	<u>\$ 11,175,000</u>	<u>\$ 9,797,541</u>	<u>\$ 20,972,541</u>

**Deer Run Community Development District  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**NOTE F – LONG-TERM DEBT (CONTINUED)**

Summary of Significant Bonds Resolution Terms and Covenants

The District levies special assessments pursuant to Section 190.022, Florida Statutes and the assessment rolls are approved by resolutions of the District Board. The collections are to be strictly accounted for and applied to the debt service of the bond series for which they were levied. The District covenants to levy special assessments in annual amounts adequate to provide for payment of principal and interest on the bonds. Payment of principal and interest is dependent on the money available in the debt service fund and the District's ability to collect special assessments levied.

The bonds are subject to extraordinary mandatory redemption prior to maturity, in whole on any date, or in part on an interest payment date, without premium, together with accrued interest to the redemption date if monies are available to retire the debt in accordance with the provisions of the indenture.

The bond resolution and the trust indenture provide for the establishment of certain accounts. The accounts include a construction, revenue, redemption, reserve, interest and prepayment account and are maintained by a trustee.

The bond indenture provides for Debt Service Reserve Funds, which shall be held by the Trustee separate and apart from all other funds. The following is a schedule of reserve requirements and balances in the reserve accounts at September 30, 2018:

	Reserve Balance	Reserve Requirement
Series 2018	\$ 403,429	\$ 403,290

In August 2018, the District issued \$11,175,000 of Series 2018 Special Assessment Revenue and Refunding Bonds, which retired a portion of the Series 2008 Special Assessment Revenue Bonds. As a result of this transaction, the District decreases its aggregate debt payment for Series 2018 Bonds by \$420,313 over the next 26 years and realized an economic gain of approximately \$1,148,725. In addition, matured principal of \$835,000, unmatured principal of \$25,000, and matured interest of \$4,318,038 was cancelled during the current year.

**NOTE G – MANAGEMENT COMPANY**

The District has contracted with a management company to perform 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 H – RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance.

**Deer Run Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE I – DEVELOPER AGREEMENT**

The Developer owns a portion of the land within the District; therefore, assessment revenues in the General Fund include assessments levied on the Developer owned property.

Additionally, the District entered into a deficit funding agreement with the Developer. Pursuant to the deficit funding agreement dated October 1, 2017, the Developer has agreed to fund any deficit of the District's operating and maintenance expenditures in excess of the special assessments collected up to the total amount expended by the District for the fiscal year, without any reimbursement to the Developer. Pursuant to this agreement, the Developer contributed \$68,576 for the year ended September 30, 2018.



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**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  
Deer Run 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 Deer Run Community Development District, as of and for the year ended September 30, 2018, and the related notes to the financial statements, and have issued our report thereon dated June 26, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Deer Run Community Development District's internal control over financial reporting 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 Deer Run Community Development District's internal control. Accordingly, we do not express an opinion on the effectiveness of Deer Run Community Development District's internal control over financial reporting.

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

Our consideration of internal control over financial reporting 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 may exist that have not been identified.

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- 30 -

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Board of Supervisors  
Deer Run Community Development District

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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

*Berger Toombs Elam  
(Gaines) + Frank*

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

June 26, 2019



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## MANAGEMENT LETTER

To the Board of Supervisors  
Deer Run Community Development District  
Flagler County, Florida

### Report on the Financial Statements

We have audited the financial statements of the Deer Run Community Development District as of and for the year ended September 30, 2018, and have issued our report thereon dated June 26, 2019.

### Auditor's Responsibility

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

### Other 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 Financial Statements Performed in Accordance with *Government Auditing Standards* and our Independent Auditor's Report on an examination conducted in accordance with AICPA Professionals Standards, AT-C Section 315 regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in that report, which is dated June 26, 2019, should be considered in conjunction with this management letter.

### Prior Audit Findings

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

#### Finding 2013-01/2014-01/2015-01/2016-01/2017-01 Reserve Requirement

Finding: The Debt Service reserve requirement for the Series 2008 Bonds was not met at September 30, 2017.

Recommendation: The District should make the necessary arrangements to ensure funds are available to make debt service payments.

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- 32 -  
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To the Board of Supervisors  
Deer Run Community Development District

**Management Response:** The District is working directly with the Trustee and Bondholders to resolve all financial issues related to the non-payment of assessments which resulted in a foreclosure lawsuit, settlement agreement, insufficient funds to meet debt service requirements, fund balance deficits and failure to meet Debt Service Reserve Fund requirements.

**Current Status:** The bonds were refunded and/or cancelled during the year and this finding was corrected in the current year.

Finding 2013-02/2014-02/2015-02/2016-02/2017-02 Financial Condition Assessment

**Finding:** The District's financial condition continues to deteriorate. As of September 30, 2018, the District reported a fund balance deficit for which sufficient resources were not available to cover the deficit in the Debt Service Fund. The District has not had sufficient funds to make a scheduled debt service payment since November 2011 and the Series 2008 Bonds remain in default. Also, the 2008 Construction Project was halted and the future of the project remains uncertain.

**Recommendation:** The District should continue taking the necessary steps to improve the deteriorating financial condition.

**Management Response:** The District is working directly with the Trustee and Bondholders to resolve all financial issues related to the non-payment of assessments which resulted in a foreclosure lawsuit, settlement agreement, insufficient funds to meet debt service requirements, fund balance deficits and failure to meet Debt Service Reserve Fund requirements.

**Current Status:** This finding has been corrected as of September 30, 2018.

**Financial Condition and Management**

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

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial conditions assessment procedures as of September 30, 2018 for the Deer Run Community Development District. It is management's responsibility to monitor the Deer Run Community Development District's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same.

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



Berger, Toombs, Elam,  
Gaines & Frank  
Certified Public Accountants PL

To the Board of Supervisors  
Deer Run Community Development District

### **Additional Matters**

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or 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. In connection with our audit, we did not note any such findings.

### **Purpose of this Letter**

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

*Berger Toombs Elam  
(Gaines) + Frank*

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

June 26, 2019



Berger, Toombs, Elam,  
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue  
Suite 200  
Fort Pierce, Florida 34950

772/461-6120 // 461-1155  
FAX: 772/468-9278

**INDEPENDENT ACCOUNTANT'S REPORT/COMPLIANCE  
WITH SECTION 218.415, FLORIDA STATUTES**

To the Board of Supervisors  
Deer Run Community Development District  
Flagler County, Florida

We have examined Deer Run Community Development District's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2018. Management is responsible for Deer Run Community Development District's compliance with those requirements. Our responsibility is to express an opinion on Deer Run Community Development District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about Deer Run Community Development District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on Deer Run Community Development District's compliance with the specified requirements.

In our opinion, Deer Run Community Development District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2018.

*Berger Toombs Elam  
Gaines + Frank*

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

June 26, 2019

Fort Pierce / Stuart

- 35 -

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# SECTION VI

# SECTION A

## RESOLUTION 2019-08

### **THE ANNUAL APPROPRIATION RESOLUTION OF THE DEER RUN COMMUNITY DEVELOPMENT DISTRICT (“DISTRICT”) RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGET(S) FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2019, AND ENDING SEPTEMBER 30, 2020; AUTHORIZING BUDGET AMENDMENTS; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the District Manager has, prior to the fifteenth (15<sup>th</sup>) day in June, 2019, submitted to the Board of Supervisors (“**Board**”) of the Deer Run Community Development District (“**District**”) proposed budget(s) (“**Proposed Budget**”) for the fiscal year beginning October 1, 2019 and ending September 30, 2020 (“**Fiscal Year 2019/2020**”) along with an explanatory and complete financial plan for each fund of the District, pursuant to the provisions of Section 190.008(2)(a), *Florida Statutes*; and

**WHEREAS**, at least sixty (60) days prior to the adoption of the Proposed Budget, the District filed a copy of the Proposed Budget with the local 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**, the Board set 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**, the District Manager posted the Proposed Budget on the District’s website at least two days before the public hearing; and

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

**WHEREAS**, the District Manager has prepared a Proposed Budget, 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.

### **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE DEER RUN COMMUNITY DEVELOPMENT DISTRICT:**

#### **SECTION 1. BUDGET**

- a. The Board has reviewed the Proposed Budget, a copy of which is on file with the office of the District Manager and at the District’s Local Records Office, and hereby approves certain amendments thereto, as shown in Section 2 below.

- b. The Proposed Budget, attached hereto as **Exhibit "A,"** as amended by the Board, is hereby adopted in accordance with the provisions of Section 190.008(2)(a), *Florida Statutes* ("**Adopted Budget**"), and incorporated herein by reference; provided, however, that the comparative figures contained in the Adopted Budget may be subsequently revised as deemed necessary by the District Manager to reflect actual revenues and expenditures.
- c. The Adopted Budget, as amended, shall be maintained in the office of the District Manager and at the District's Local Records Office and identified as "The Budget for the Deer Run Community Development District for the Fiscal Year Ending September 30, 2020."
- d. The Adopted Budget shall be posted by the District Manager on the District's official website within thirty (30) days after adoption, and shall remain on the website for at least 2 years.

**SECTION 2. APPROPRIATIONS**

There is hereby appropriated out of the revenues of the District, for Fiscal Year 2019/2020, the sum of \$ \_\_\_\_\_ to be raised by the levy of assessments and/or otherwise, which sum is deemed by the Board to be necessary to defray all expenditures of the District during said budget year, to be divided and appropriated in the following fashion:

TOTAL GENERAL FUND	\$ _____
SERIES 2018 DEBT SERVICE FUND(S)	\$ _____
TOTAL ALL FUNDS	\$ _____

**SECTION 3. BUDGET AMENDMENTS**

Pursuant to Section 189.016, *Florida Statutes*, the District at any time within Fiscal Year 2019/2020 or within 60 days following the end of the Fiscal Year 2019/2020 may amend its Adopted Budget for that fiscal year as follows:

- a. The Board may authorize an increase or decrease in line item appropriations within a fund by motion recorded in the minutes if the total appropriations of the fund do not increase.
- b. The District Manager or Treasurer may authorize an increase or decrease in line item appropriations within a fund if the total appropriations of the fund do not increase and if the aggregate change in the original appropriation item does not exceed \$10,000 or 10% of the original appropriation.

- c. By resolution, the Board may increase any appropriation item and/or fund to reflect receipt of any additional unbudgeted monies and make the corresponding change to appropriations or the unappropriated balance.
- d. Any other budget amendments shall be adopted by resolution and consistent with Florida law.

The District Manager or Treasurer must establish administrative procedures to ensure that any budget amendments are in compliance with this Section 3 and Section 189.016, *Florida Statutes*, among other applicable laws. Among other procedures, the District Manager or Treasurer must ensure that any amendments to budget under subparagraphs c. and d. above are posted on the District's website within 5 days after adoption and remain on the website for at least 2 years.

**SECTION 4. EFFECTIVE DATE.** This Resolution shall take effect immediately upon adoption.

**PASSED AND ADOPTED** this 28<sup>th</sup> day of August, 2019.

ATTEST:

**DEER RUN COMMUNITY  
DEVELOPMENT DISTRICT**

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Secretary/Assistant Secretary

---

Chair, Board of Supervisors

**THE PROPOSED BUDGET WILL  
BE PROVIDED UNDER  
SEPARATE COVER**

# SECTION B

**RESOLUTION 2019-09**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE DEER RUN COMMUNITY DEVELOPMENT DISTRICT MAKING A DETERMINATION OF BENEFIT AND IMPOSING SPECIAL ASSESSMENTS FOR FISCAL YEAR 2019/2020; PROVIDING FOR THE COLLECTION AND ENFORCEMENT OF SPECIAL ASSESSMENTS, INCLUDING BUT NOT LIMITED TO PENALTIES AND INTEREST THEREON; CERTIFYING AN ASSESSMENT ROLL; PROVIDING FOR AMENDMENTS TO THE ASSESSMENT ROLL; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Deer Run Community Development District (“**District**”) is a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, for the purpose of providing, operating and maintaining infrastructure improvements, facilities and services to the lands within the District; and

**WHEREAS**, the District is located in the City of Bunnell within Flagler County, Florida (“**County**”); and

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

**WHEREAS**, the Board of Supervisors (“**Board**”) of the District hereby determines to undertake various operations and maintenance and other activities described in the District’s budget (“**Adopted Budget**”) for the fiscal year beginning October 1, 2019 and ending September 30, 2020 (“**Fiscal Year 2019/2020**”), attached hereto as **Exhibit “A;**” and

**WHEREAS**, the District must obtain sufficient funds to provide for the operation and maintenance of the services and facilities provided by the District as described in the Adopted Budget; and

**WHEREAS**, the provision of such services, facilities, and operations is a benefit to lands within the District; and

**WHEREAS**, Chapter 190, *Florida Statutes*, provides that the District may impose special assessments on benefitted lands within the District; and

**WHEREAS**, it is in the best interests of the District to proceed with the imposition of the special assessments for operations and maintenance in the amount set forth in the Adopted Budget; and

**WHEREAS**, the District has previously levied an assessment for debt service, which the District desires to collect for Fiscal Year 2019/2020; and

**WHEREAS**, Chapter 197, *Florida Statutes*, provides a mechanism pursuant to which such special assessments may be placed on the tax roll and collected by the local tax collector (“**Uniform Method**”), and the District has previously authorized the use of the Uniform Method by, among other things, entering into agreements with the Property Appraiser and Tax Collector of the County for that purpose; and

**WHEREAS**, it is in the best interests of the District to adopt the assessment roll (“**Assessment Roll**”) attached to this Resolution as **Exhibit “B,”** and to certify the portion of the Assessment Roll related to certain developed property (“**Tax Roll Property**”) to the County Tax Collector pursuant to the Uniform Method and to directly collect the portion of the Assessment Roll relating to the remaining property (“**Direct Collect Property**”), all as set forth in **Exhibit “B,”** and

**WHEREAS**, it is in the best interests of the District to permit the District Manager to amend the Assessment Roll adopted herein, including that portion certified to the County Tax Collector by this Resolution, as the Property Appraiser updates the property roll for the County, for such time as authorized by Florida law; and

**WHEREAS**, pursuant to that Budget Deficit Funding Agreement, dated, \_\_\_\_\_, in lieu of levying an increased amount of operations and maintenance assessments, the primary Landowner within the District has agreed to deficit fund the Adopted Budget to the extent the District’s expenses for the Fiscal Year 2019/2020 exceed the amount of assessments collected to fund the Adopted Budget.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE DEER RUN COMMUNITY DEVELOPMENT DISTRICT:**

**SECTION 1. BENEFIT & ALLOCATION FINDINGS.** The provision of the services, facilities, and operations as described in **Exhibit “A”** confers a special and peculiar benefit to the lands within the District, which benefit exceeds or equals the cost of the assessments. The allocation of the assessments to the specially benefitted lands is shown in **Exhibits “A” and “B,”** and is hereby found to be fair and reasonable.

**SECTION 2. ASSESSMENT IMPOSITION.** Pursuant to Chapters 190 and 197, *Florida Statutes*, and using the procedures authorized by Florida law for the levy and collection of special assessments, a special assessment for operation and maintenance is hereby imposed and levied on benefitted lands within the District and in accordance with **Exhibits “A” and “B.”** The lien of the special assessments for operations and maintenance imposed and levied by this Resolution shall be effective upon passage of this Resolution. Moreover, pursuant to Section 197.3632(4), *Florida Statutes*, the lien amount shall serve as the “maximum rate” authorized by law for operation and maintenance assessments.

**SECTION 3. COLLECTION AND ENFORCEMENT; PENALTIES; INTEREST.**

- A. **Tax Roll Assessments.** The operations and maintenance special assessments and previously levied debt service special assessments imposed on the Tax Roll Property shall be collected at the same time and in the same manner as County taxes in accordance with the Uniform Method, as set forth in **Exhibits “A” and “B.”**
- B. **Direct Bill Assessments.** The operations and maintenance special assessments and previously levied debt service special assessments imposed on the Direct Collect Property shall be collected directly by the District in accordance with Florida law, as set forth in **Exhibits “A” and “B.”** Assessments directly collected by the District are due in full on December 1, 2019; provided, however, that, to the extent permitted by law, the assessments due may be paid in several partial, deferred payments and according to the following schedule: 50% due no later than December 1, 2019, 25% due no later than February 1, 2020 and 25% due no later than May 1, 2020. In the event that an assessment payment is not made in accordance with the schedule stated above, the whole assessment – including any remaining partial, deferred payments for Fiscal Year 2019/2020, shall immediately become due and payable; shall accrue interest, penalties in the amount of one percent (1%) per month, and all costs of collection and enforcement; and shall either be enforced pursuant to a foreclosure action, or, at the District’s sole discretion, collected pursuant to the Uniform Method on a future tax bill, which amount may include penalties, interest, and costs of collection and enforcement. Any prejudgment interest on delinquent assessments shall accrue at the rate of any bonds secured by the assessments, or at the statutory prejudgment interest rate, as applicable. In the event an assessment subject to direct collection by the District shall be delinquent, the District Manager and District Counsel, without further authorization by the Board, may initiate foreclosure proceedings pursuant to Chapter 170, *Florida Statutes*, or other applicable law to collect and enforce the whole assessment, as set forth herein.
- C. **Future Collection Methods.** The decision to collect special assessments by any particular method – e.g., on the tax roll or by direct bill – does not mean that such method will be used to collect special assessments in future years, and the District reserves the right in its sole discretion to select collection methods in any given year, regardless of past practices.

**SECTION 4. ASSESSMENT ROLL.** The Assessment Roll, attached to this Resolution as **Exhibit “B,”** is hereby certified for collection. That portion of the Assessment Roll which includes the Tax Roll Property is hereby certified to the County Tax Collector and shall be collected by the County Tax Collector in the same manner and time as County taxes. The proceeds therefrom shall be paid to the District.

**SECTION 5. ASSESSMENT ROLL AMENDMENT.** The District Manager shall keep apprised of all updates made to the County property roll by the Property Appraiser after the date of this Resolution, and shall amend the Assessment Roll in accordance with any such updates,

for such time as authorized by Florida law, to the County property roll. After any amendment of the Assessment Roll, the District Manager shall file the updates in the District records.

**SECTION 6. SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

**SECTION 7. EFFECTIVE DATE.** This Resolution shall take effect upon the passage and adoption of this Resolution by the Board.

**PASSED AND ADOPTED** this 28<sup>th</sup> day of August, 2019.

ATTEST:

**DEER RUN COMMUNITY  
DEVELOPMENT DISTRICT**

---

Secretary / Assistant Secretary

---

Chair, Board of Supervisors

**Exhibit A:** Budget  
**Exhibit B:** Assessment Roll (Uniform Method)  
Assessment Roll (Direct Collect)

# SECTION VII

# SECTION A

**FISCAL YEAR 2019/2020 BUDGET DEFICIT FUNDING AGREEMENT  
BETWEEN DEER RUN COMMUNITY DEVELOPMENT DISTRICT  
AND D.R. HORTON, INC. - JACKSONVILLE**

THIS AGREEMENT (the “Agreement”) is made and entered into the 28<sup>th</sup> day of August, 2019, by and between:

**DEER RUN COMMUNITY DEVELOPMENT DISTRICT**, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, and located in the City of Bunnell, Florida whose mailing address is 135 W. Central Boulevard, Suite 320, Orlando, Florida 32801 (the “District”); and

**D.R. HORTON, INC. - JACKSONVILLE**, a Delaware corporation and the primary landowner in the District whose address is 4220 Race Track Road, Saint Johns, Florida 32259 (the “Landowner”).

**Recitals**

**WHEREAS**, the District was established pursuant to Chapter 190, *Florida Statutes*, for the purpose of planning, financing, constructing, operating and/or maintaining certain infrastructure improvements including but not limited on-site and off-site roadways improvements, water and sewer utility improvements, stormwater management system, open space and right-of-way improvements, recreation amenities, public park and other infrastructure; and

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

**WHEREAS**, the District has adopted its operating budget for the Fiscal Year 2019/2020 (the “2020 O&M Budget”), which budget will commence on October 1, 2019, and conclude on September 30, 2020, a copy of which is attached hereto as **Exhibit A** and incorporated herein by reference; and

**WHEREAS**, Landowner is developing certain real property within the District and presently owns those lands identified in the District’s Fiscal Year 2019/2020 Assessment Roll, attached to **Exhibit A** and incorporated herein by reference, which is located within the District and will benefit from the continued operations of the District (the “Property”); and

**WHEREAS**, following the adoption of the 2020 O&M Budget, the District has the option of levying non-ad valorem assessments on all land within its boundaries that will benefit from the activities, operations and services set forth in such budget (hereinafter referred to as the “O&M Assessment(s)”), or utilizing such other revenue sources as may be available to it; and

**WHEREAS**, due to the nature of the ownership of the Property, the District is not able to predict with absolute certainty the amount of monies necessary to fund the District’s activities, operations and services set forth in the 2020 O&M Budget; and

**WHEREAS**, in contemplation of the foregoing, and in lieu of levying an increased amount in O&M Assessments on the Property to fund the 2020 O&M Budget, the Landowner desires to provide the monies necessary to fund the actual expenditures for the Fiscal Year 2019/2020 (hereinafter referred to as the “O&M Budget Payment”), not otherwise funded by O&M Assessments levied upon other benefited lands located within the District.

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

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

**SECTION 2. PAYMENT OF DISTRICT’S O&M BUDGET.**

- i. Payment of O&M Budget Expenses. Upon the District Manager’s written request, the Landowner agrees to make available to the District the monies necessary to fund all expenditures of the 2019/2020 O&M Budget not otherwise funded through O&M Assessments levied upon other benefited lands located within the District, on a continuing basis, within fifteen (15) days of written request by the District. Funds provided hereunder shall be placed in the District’s general checking account. In no way shall the foregoing in any way affect the District’s ability to levy special assessments upon the lands within the District, including the Property, in accordance with Florida law, to provide funds for any unfunded expenditures whether such expenditures are the result of an amendment to the District’s 2020 O&M Budget or otherwise.
- ii. Consent to Funding of 2020 O&M Budget. The Landowner acknowledges and agrees that the O&M Budget Payment represents the funding of operations and maintenance expenditures that would otherwise be appropriately funded through O&M Assessments equitably allocated to the Property within the District in accordance with the District’s Assessment Methodology. Landowner agrees to pay, or caused to be paid, the O&M Budget Payment regardless of whether Landowner owns the Property at the time of such payment subject to the terms set forth in Section 10 herein. Landowner agrees that it will not contest the legality or validity of such imposition, collection or enforcement to the extent such imposition is made in accordance with the terms of this Agreement.

**SECTION 3. CONTINUING LIEN.** The District shall have the right to file a continuing lien upon the Property described in **Exhibit A** for all payments due and owing under the terms of this Agreement and for interest thereon, and for reasonable attorneys’ fees, paralegals’ fees, expenses and court costs incurred by the District incident to the collection of funds under this Agreement or for enforcement of this lien, and all sums advanced and paid by the District for taxes and payment on account of superior interests, liens and encumbrances in order to preserve

and protect the District's lien. The lien shall be effective as of the date and time of the recording of a "Notice of Lien for FY 2019/2020 O&M Budget" in the public records of Flagler County, Florida, stating among other things, the description of the real property and the amount due as of the recording of the Notice, and the existence of this Agreement. The District Manager, in its sole discretion, is hereby authorized by the District to file the Notice of Lien for FY 2019/2020 O&M Budget on behalf of the District, without the need of further Board action authorizing or directing such filing. At the District Manager's direction, the District may also bring an action at law against the record title holder to the Property to pay the amount due under this Agreement, or may foreclose the lien against the Property in any manner authorized by law. The District may partially release any filed lien for portions of the Property subject to a plat if and when the Landowner has demonstrated, in the District's sole discretion, such release will not materially impair the ability of the District to enforce the collection of funds hereunder. In the event the Landowner sells any of the Property described in **Exhibit A** after the execution of this Agreement, the Landowner's rights and obligations under this Agreement shall remain the same, provided however that the District shall only have the right to file a lien upon the remaining Property owned by the Landowner.

**SECTION 4. ALTERNATIVE COLLECTION METHODS.**

- i. In the alternative or in addition to the collection method set forth in Section 3 above, the District may enforce the collection of the O&M Budget Payment(s) by action against the SPE in the appropriate judicial forum in and for Flagler County, Florida. The enforcement of the collection of funds in this manner shall be in the sole discretion of the District Manager on behalf of the District. In the event that either party is required to enforce this Agreement by court proceedings or otherwise, then the parties agree that the prevailing party shall be entitled to recover from the other all costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.
  
- ii. The District hereby finds that the activities, operations and services funded by the O&M Budget Payment(s) provide a special and peculiar benefit to the Property, which benefit is initially allocated on an equal developable acreage basis. The SPE agrees that the activities, operations and services that will be funded by the O&M Budget Payment(s) provide a special and peculiar benefit to the Property in excess of the costs thereof on an equal developable acreage basis. Therefore, in the alternative or in addition to the other methods of collection set forth in this Agreement, the District, in its sole discretion, may choose to certify amounts due hereunder as a non-ad valorem assessment on all or any part of the Property for collection, either through the Uniform Method of Collection set forth in Chapter 197 or under any method of direct bill and collection authorized by Florida law. Such assessment, if imposed, may be certified on the next available tax roll of the Flagler County property appraiser.

**SECTION 5. NOTICE.** All notices, payments and other communications hereunder ("Notices") shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or telecopied to the parties, as follows:

A. If to District: Deer Run Community Development District  
135 W. Central Boulevard, Suite 320  
Orlando, Florida 32801  
Attn: District Manager

With a copy to: Hopping Green & Sams, P.A.  
119 South Monroe Street, Suite 300  
Tallahassee, Florida 32301  
Attn: District Counsel

B. If to Landowner: D.R. Horton, Inc. - Jacksonville  
4220 Race Track Road  
Saint Johns, Florida 32259  
Attn: Robert Porter

**SECTION 6. AMENDMENT.** This instrument shall constitute the final and complete expression of the agreement between the parties relating to the subject matter of this Agreement. Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by both of the parties hereto.

**SECTION 7. AUTHORITY.** The execution of this Agreement has been duly authorized by the appropriate body or official of all parties hereto, each party has complied with all the requirements of law, and each party has full power and authority to comply with the terms and provisions of this instrument.

**SECTION 8. ASSIGNMENT.** This Agreement may not be assigned, in whole or in part, by either party except upon the written consent of the other, which consent shall not be unreasonably withheld.

**SECTION 9. DEFAULT.** A default by either party under this Agreement shall entitle the other to all remedies available at law or in equity, which shall include, but not be limited to, the right of damages, injunctive relief and specific performance and specifically including the ability of the District to enforce any and all payment obligations under this Agreement in the matter described in Sections 3 and 4 above.

**SECTION 10. THIRD PARTY RIGHTS; TRANSFER OF PROPERTY.** This Agreement is solely for the benefit of the formal parties herein and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third party not a formal party hereto. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the parties hereto any right, remedy or claim under or by reason of this Agreement or any provisions or conditions hereof; and all of the provisions, representations, covenants and conditions herein contained shall inure to the sole benefit of and shall be binding upon the parties hereto and their respective representatives, successors and assigns. In the event the Landowner sells or otherwise disposes of its business or of all or substantially all of its assets relating to improvements, work product, or lands within the District,

including the Property, the Landowner shall continue to be bound by the terms of this Agreement and additionally shall expressly require that the purchaser agree to be bound by the terms of this Agreement. The Landowner shall give ninety (90) days prior written notice to the District under this Agreement of any such sale or disposition.

**SECTION 11. APPLICABLE LAW AND VENUE.** This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida. The parties agree that venue shall be in Flagler County, Florida.

**SECTION 12. NEGOTIATION AT ARM'S LENGTH.** This Agreement has been negotiated fully between the parties as an arm's length transaction. The parties participated fully in the preparation of this Agreement with the assistance of their respective counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, the parties are each deemed to have drafted, chosen and selected the language, and the doubtful language will not be interpreted or construed against any party.

**SECTION 13. EFFECTIVE DATE.** The Agreement shall take effect as of August 28, 2019. The enforcement provisions of this Agreement shall survive its termination, until all payments due pursuant to this Agreement are paid in full.

*[Signature page follows]*

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

**Attest:**

**DEER RUN COMMUNITY  
DEVELOPMENT DISTRICT**

\_\_\_\_\_  
Secretary/Assistant Secretary

\_\_\_\_\_  
Chairperson, Board of Supervisors

**Witness:**

**D.R. HORTON, INC. – JACKSONVILLE**, a Delaware corporation

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A: Fiscal Year 2019/2020 O&M Budget & Assessment Roll**

**EXHIBIT A**

**Fiscal Year 2019/2020 O&M Budget & Assessment Roll**

# SECTION B

# Deer Run CDD Website Compliance Proposal

(URL: <http://www.deerruncdd.com/>)

Website Accessibility for People with Disabilities as per

[Nondiscrimination requirements of Title II of the American Disabilities Act \(ADA\)](#)

Date	Version#	Comments	Author
May 25, 2018	1.0	Initial version	VB Joshi, Kristen T
June 18, 2018	1.1	Added document conversion cost	VB Joshi
June 21, 2018	1.2	Added WCAG Standards Compliance	VB Joshi
August 10, 2018	1.3	Added CDD Specific details	VB Joshi
Jan 5 <sup>th</sup> 2019	1.4	Discussion with Management Company	VB Joshi
Feb 15 <sup>th</sup> 2019	2.0	Human Audit Seal	VB Joshi



## VGlobalTech's Compliance Seal & Human Audit Compliance Seal\*

(\* depending on the contract)



*VGlobalTech the ADA, WCAG Compliance Experts, with over 100 ADA & WCAG compliant websites created (...and counting) to-date! We have also partnered with a non-profit agency to conduct Human Audit and Certification Seal*

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Page 1 of 13

Your strategic partner for Web Design, Software, Marketing, and SEO solutions.

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## Table of Contents

1.0	The Law.....	3
2.0	ADA & WCAG Compliance – Introduction.....	5
2.1	Common Problems and VGlobalTech Solutions for Website Accessibility .....	6
2.1.1	Problem: Images Without Text Equivalentts .....	6
2.1.2	Problem: Documents Are Not Posted In an Accessible Format .....	6
2.1.3	Problem: Specifying Colors and Font Sizes .....	6
2.1.4	Problem: Videos and Other Multimedia Lack Accessible Features .....	7
2.1.5	Web Content Accessibility Guidelines (WCAG) .....	7
3.0	Pricing .....	9
3.1	One time (website conversion and compliance cost): .....	9
3.2	ADA Compliance Yearly Maintenance and Upgrade .....	10
4.0	Proposal Acceptance: .....	12
5.0	References:.....	13

## 1.0 The Law

**Source:** [http://www.leg.state.fl.us/statutes/index.cfm?App\\_mode=Display\\_Statute&URL=0100-0199/0189/Sections/0189.069.html](http://www.leg.state.fl.us/statutes/index.cfm?App_mode=Display_Statute&URL=0100-0199/0189/Sections/0189.069.html)

189.069 Special districts; required reporting of information; web-based public access.—

(1) Beginning on October 1, 2015, or by the end of the first full fiscal year after its creation, each special district shall maintain an official website containing the information required by this section. Each special district shall submit its official website address to the department.

(a) Each independent special district shall maintain a separate website.

(b) Each dependent special district shall be prominently displayed on the home page of the website of the local general-purpose government upon which it is dependent with a hyperlink to such webpages as are necessary to provide the information required by this section. A dependent special district may maintain a separate website providing the information required by this section.

(2)(a) A special district shall post the following information, at a minimum, on the district's official website:

1. The full legal name of the special district.
2. The public purpose of the special district.
3. The name, official address, official e-mail address, and, if applicable, term and appointing authority for each member of the governing body of the special district.
4. The fiscal year of the special district.
5. The full text of the special district's charter, the date of establishment, the establishing entity, and the statute or statutes under which the special district operates, if different from the statute or statutes under which the special district was established. Community development districts may reference chapter 190 as the uniform charter but must include information relating to any grant of special powers.
6. The mailing address, e-mail address, telephone number, and website uniform resource locator of the special district.

7. A description of the boundaries or service area of, and the services provided by, the special district.
  8. A listing of all taxes, fees, assessments, or charges imposed and collected by the special district, including the rates or amounts for the fiscal year and the statutory authority for the levy of the tax, fee, assessment, or charge. For purposes of this subparagraph, charges do not include patient charges by a hospital or other health care provider.
  9. The primary contact information for the special district for purposes of communication from the department.
  10. A code of ethics adopted by the special district, if applicable, and a hyperlink to generally applicable ethics provisions.
  11. The budget of the special district and any amendments thereto in accordance with s.189.016.
  12. The final, complete audit report for the most recent completed fiscal year and audit reports required by law or authorized by the governing body of the special district.
  13. A listing of its regularly scheduled public meetings as required by s. 189.015(1).
  14. The public facilities report, if applicable.
  15. The link to the Department of Financial Services' website as set forth in s. 218.32(1)(g).
  16. At least 7 days before each meeting or workshop, the agenda of the event, along with any meeting materials available in an electronic format, excluding confidential and exempt information. The information must remain on the website for at least 1 year after the event.
- (b) The department's website list of special districts in the state required under s. 189.061 shall include a link for each special district that provides web-based access to the public for all information and documentation required for submission to the department pursuant to subsection

## 2.0 ADA & WCAG Compliance – Introduction

Every individual must have equal access to information whether it is in person service or online. This is a general agreement and understanding of access.

The Internet has dramatically changed the way state and local governments do business. Today, government agencies routinely make much more information about their programs, activities, and services available to the public by posting it on their websites. As a result, many people can easily access this information seven day a week, 24 hours a day.

Many government services and activities are also provided on websites because the public is able to participate in them at any time of day and without the assistance of government personnel. Many government websites offer a low cost, quick, and convenient way of filing tax returns, paying bills, renewing licenses, signing up for programs, applying for permits or funding, submitting job applications, and performing a wide variety of other activities.

The **Americans with Disabilities Act (ADA)** and, if the government entities receive federal funding, the Rehabilitation Act of 1973 generally require that state and local governments provide qualified individuals with disabilities equal access to their programs, services, or activities unless doing so would fundamentally alter the nature of their programs, services, or activities or would impose an undue burden. One way to help meet these requirements is to ensure that government websites have accessible features for people with disabilities, using the simple steps described in this document. An agency with an inaccessible website may also meet its legal obligations by providing an alternative accessible way for citizens to use the programs or services, such as a staffed telephone information line. These alternatives, however, are unlikely to provide an equal degree of access in terms of hours of operation and the range of options and programs available.

The World Wide Web Consortium (W3C) sets the main international standards for the World Wide Web and its accessibility. W3C created the Web Content Accessibility Guidelines (WCAG 2.0 and 2.1) which are similar to Section 508, but on an international level. WCAG 2.0 and 2.1 requires specific techniques for compliance and is more current than Section 508.

Many countries and international organizations require compliance with WCAG 2.0 and 2.1. The guidelines are categorized into three levels of compliance: A (must support), AA (should support), and AAA (may support). Representatives from the accessibility community around the world participate in the evolution of these guidelines.

Source: <https://www.w3.org/WAI/standards-guidelines/wcag/>

Visit <http://vglobaltech.com/website-compliance/> for more details, do a website compliance check on your website and to download a PDF proposal.

## 2.1 Common Problems and VGlobalTech Solutions for Website Accessibility

### 2.1.1 Problem: Images Without Text Equivalents

#### **Solution: Add a Text Equivalent to Every Image**

Adding a line of simple HTML code to provide text for each image and graphic will enable a user with a vision disability to understand what it is. Add a type of HTML tag, such as an “alt” tag for brief amounts of text or a “longdesc” tag for large amounts, to each image and graphic on your agency’s website.

The words in the tag should be more than a description. They should provide a text equivalent of the image. In other words, the tag should include the same meaningful information that other users obtain by looking at the image. In the example of the mayor’s picture, adding an “alt” tag with the words “Photograph of Mayor Jane Smith” provides a meaningful description.

In some circumstances, longer and more detailed text will be necessary to convey the same meaningful information that other visitors to the website can see. For example, a map showing the locations of neighborhood branches of a city library needs a tag with much more information in text format. In that instance, where the map conveys the locations of several facilities, add a “longdesc” tag that includes a text equivalent description of each location shown on the map – e.g., “City Center Library, 433 N. Main Street, located on North Main Street between 4th Avenue and 5th Avenue.”

### 2.1.2 Problem: Documents Are Not Posted In an Accessible Format

#### **Solution: Post Documents in a Text-Based Format**

Always provide documents in an alternative text-based format, such as HTML or RTF (Rich Text Format), in addition to PDF. Text-based formats are the most compatible with assistive technologies.

### 2.1.3 Problem: Specifying Colors and Font Sizes

#### **Solution: Avoid Dictating Colors and Font Settings**

Websites should be designed so they can be viewed with the color and font sizes set in users’ web browsers and operating systems. Users with low vision must be able to specify the text and background colors as well as the font sizes needed to see webpage content.

## 2.1.4 Problem: Videos and Other Multimedia Lack Accessible Features

### Solution: Include Audio Descriptions and Captions

Videos need to incorporate features that make them accessible to everyone. Provide audio descriptions of images (including changes in setting, gestures, and other details) to make videos accessible to people who are blind or have low vision. Provide text captions synchronized with the video images to make videos and audio tracks accessible to people who are deaf or hard of hearing.

## 2.1.5 Web Content Accessibility Guidelines (WCAG)

### Understanding the Four Principles of Accessibility

The guidelines and Success Criteria are organized around the following four principles, which lay the foundation necessary for anyone to access and use Web content. Anyone who wants to use the Web must have content that is:

1. **Perceivable** - Information and user interface components must be presentable to users in ways they can perceive.
  - This means that users must be able to perceive the information being presented (it can't be invisible to all of their senses)
2. **Operable** - User interface components and navigation must be operable.
  - This means that users must be able to operate the interface (the interface cannot require interaction that a user cannot perform)
3. **Understandable** - Information and the operation of user interface must be understandable.
  - This means that users must be able to understand the information as well as the operation of the user interface (the content or operation cannot be beyond their understanding)
4. **Robust** - Content must be robust enough that it can be interpreted reliably by a wide variety of user agents, including assistive technologies.
  - This means that users must be able to access the content as technologies advance (as technologies and user agents evolve, the content should remain accessible)

**If any of these are not true, users with disabilities will not be able to use the Web.**

Under each of the principles are guidelines and Success Criteria that help to address these principles for people with disabilities. There are many general usability guidelines that make content more **usable by all people**, including those with disabilities. However, in WCAG 2.1, we only include those guidelines that address problems particular to people with disabilities. This includes issues that block access or interfere with access to the Web more severely for people with disabilities.

See reference section at the end of this document for more information and websites for ADA, Usability and other important compliance issues and solutions.

**VGlobalTech development and business management team shall study these compliance guidelines and with our technical capabilities apply these to make your website accessible, compatible and fully functional for all people, including those with disabilities.**

**Upon full remediation the CDD Website shall receive VGlobalTech's and Human Audit Compliance Seals**

### 3.0 Pricing

#### Website Complexity: **Small Level Websites**

**VGlobalTech team shall complete the following critical tasks for client website. All costs below are per website / CDD:**

#### 3.1 One time (website conversion and compliance cost):

	<b>Task</b>
1.	Perform ADA Website Compliance Check for current website – Update ALL webpages on the website / Create new website with all current content. Create an accessibility before and after document, code review, html updates, plugins / security updates required for ADA and WCAG compliance
2.	Cross-Device Check (Website needs to appear as per ADA standards on Mobile Phones, Tablets, Desktops etc). Braille Readers, Other assistance technology compatibility
3.	ADA Standards application (as per Section 1 above). ADA.gov, <b>Web Content Accessibility Guidelines (WCAG)</b>
4.	PDF Documents conversion (to Text, HTML etc) as needed for ADA Compliance / Reader Compliance
5.	Create a webpage showing websites ADA Compliance efforts
6.	Create customized footer with VGlobalTech’s ADA Compliance Seal (valid for 1 year only)
	<b>Total (one-time compliance / conversion cost): \$2375 / one time</b>

### 3.2 ADA Compliance Yearly Maintenance and Upgrade

Starting after initial conversion is completed. Annual Maintenance is critical to maintain compliance as websites get updated.

**VGlobalTech team shall complete the following critical tasks for client website. All costs below are per website / CDD:**

	Task
1.	Perform ADA Website Compliance Check for current website – All new webpages on the website
2.	Cross-Device Check (Website needs to appear as per ADA standards on Mobile Phones, Tablets, Desktops etc)
3.	Update footer with VGlobalTech’s ADA Compliance Seal (extended for current year)
4.	Support (upto 8 hr / month) for the year including updates to newly added pages, upgrade to new standards (if any). Posting new documents, minutes, agendas etc to the websites as needed – Worry Free Monthly Maintenance.
5.	PDF Documents conversion (to Text, HTML etc) as needed for ADA Compliance / Reader Compliance – Upto 2 years of documents only as required by Florida Statute
	<b>Annual Maintenance (starts after initial compliance engagement quoted above section is complete): \$1350 / year</b> (can be broken up into smaller monthly bills)

***This proposal includes following points, stipulations terms and conditions:***

\*(1) conference call or in person meetings per month with client to review metrics, results and monthly recaps *\*unless otherwise noted*

\* email and phone communication

\*Anything out of the scope of work in the above proposal will be addressed and client will be immediately notified. After notification of additional work, a subsequent quote will be provided to cover that work.

\*Client is responsible to adhering to timelines as far as information required to complete the task is concerned. If timelines are not adhered to and exceed 15 business days past the current marketing months, last day, all work will end. A new month with new allocated costs will be presented for future work to commence. No refunds and owed work will be due unless otherwise agreed upon. **An Invoice will be provided once signature approval of this project proposal. Payments will be made to VGLOBALTECH**

\*Client is responsible for verifying quality of work, providing feedback, verifying that compliance has been met as required. VGlobalTech team shall not be responsible for any legal ramifications arising from work not done as per external agencies / organizations / associations needs if proper feedback is not provided by the customer. VGlobalTech's work will be in best faith but cannot guarantee all compliance / legal needs since we are not the SME's in the compliance area. VGlobalTech shall not be liable for any legal ramifications arising from compliance issues.

Refund Policy: The client may halt work and request for a refund within seven days of the date of signing this services agreement by mailing a signed letter to the main address listed on [www.VGlobalTech.com](http://www.VGlobalTech.com) website. If client requests a refund within seven days of the date of signing their agreement they shall be liable to pay for all work completed and will be refunded the remaining balance of the initial payment if billable work has not exceeded a charge that would be greater than client's initial payment. If client requests a refund after the seven days from the date of the signing of the agreement client is liable to pay for all work completed plus an additional 25% of any remaining balance that may still be due. Once line item projects are complete no refunds will be issued. Confidentiality: All information between client and service provider inclusive of technical and business information relating to proprietary ideas, patentable ideas and/or trade secrets, existing and/or contemplated products and services, research and development, production, costs, profit and margin information, finances and financial projections, customers, clients, marketing, and current or future business plans and models, regardless of whether such information is designated as "Confidential Information" at the time of its disclosure and will be treated as such and with absolute confidentiality and will not be shared or used, which will be maintained at all times. The client is not allowed to disclose their price with any third parties. Doing so is in breach of this agreement. All information development will be shared and proprietary information and property between client and service providers.

#### 4.0 Proposal Acceptance:

To accept these project, associated costs and conditions as listed above please sign and date below.

***The VGlobalTech proposed solution and terms have been accepted by the customer and the VGlobalTech team can proceed with the project. All payments shall be made according to this agreement.***

---

**Select Proper Option Below, Sign and Date, Return to [contact@vglobaltech.com](mailto:contact@vglobaltech.com):**

---

**Section 3.1: One time (website conversion and compliance cost):**

**Section 3.1: One time (website conversion and compliance cost)**

**+**

***Section 3.2 ADA Compliance Yearly Maintenance and Upgrade starting after initial conversion is completed (Annual Maintenance – It is critical to maintain compliance as websites get updated):***

---

For Customer

Date

VB Joshi

---

For VGlobalTech

Date

## 5.0 References:

### ADA Best Practices Tool Kit for State and Local Governments:

<https://www.ada.gov/pcatoolkit/chap5toolkit.htm>

### U.S. Department of Justice, Civil Rights Division, *Disability Rights Section*

<https://www.ada.gov/websites2.htm>

Web design Standards: <https://www.w3schools.com/>

Web Content Accessibility Guidelines (WCAG) <https://www.w3.org/TR/WCAG21/>

### VGlobalTech Web Content Accessibility Implementation and Checkpoints:

<http://vglobaltech.com/website-compliance/>



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Page 13 of 13

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# SECTION C



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[www.lifesafeservices.com](http://www.lifesafeservices.com)

Company: **Beacon Lake**  
 Name: **Danielle Simpson**  
 Date: **1/7/2019**

Automated External Defibrillators & Supplies:	Philips OnSite	Quantity	Total
Purchase	\$1,150		
<b>Discounted purchase price if selecting one of the service plans listed below</b>			
<b>Purchase price with Service **</b>	<b>\$1,050</b>	<b>2</b>	<b>\$2,100</b>
Case and AED Prep Kit	<i>included</i>	2	\$0
Wall Cabinet Pricing **	\$175	? If needed?	
<b>Total</b>			<b>\$2,100</b>

\*\* Plus shipping & tax (if applicable)

**\*\*\*\$25.00 Discount off total AED purchase with credit card payment**

Service Programs:	Total Annual Service		
	Quantity	Total	
Standard Service Agreement (per unit)	\$200/year	2	\$400

**Standard Service:** Includes semi-annual inspection and service of your aed unit, electrodes, battery, connectors and casing. Notation of unit upgrades or recalls. All documentation of AED inspections are consistently maintained and securely stored electronically and backed up with a hard copy. Documentation notes battery and electrode expiration dates and upgrades. **Replacement parts and upgrades receive a discount off standard pricing.**

Gina Campbell  
 Regional Manager  
 888.767.0050 ext. 29  
 888.767.4018 fax  
[www.LifeSafeServices.com](http://www.LifeSafeServices.com)

LSS-017 / R05-08

# The POWERHEART® AED G3 Automatic and The POWERHEART® AED G3 Semi-Automatic

Two dependable members of our automated external defibrillator family – choose the one that fits your needs

## Appropriate Locations

- Fire department vehicles
- Medical transport
- Police vehicles
- Physician offices
- General practitioner's offices
- Hospitals
- Any public setting

## Primary Benefits

**Reliability.** Powerheart G3 AEDs are Rescue Ready®, meaning they self-test daily to ensure they work when you need them.

### Ease of use.

- Clear voice prompts guide the user through the entire process.
- The device analyzes the heart rhythm and “knows” when to deliver (or not deliver) the shock.
- The text screen provides helpful information.

**Assurance.** These Powerheart G3 AEDs have a 7-year warranty and a 4-year full battery replacement guarantee.



## Rescue Ready® performance sets Powerheart AEDs apart

Our Rescue Ready technology distinguishes us among competitors.

- + Every day, to ensure anytime functionality, the AED self checks all main components (battery, hardware, software, and pads).
- + Every week, the AED completes a partial charge of the high-voltage electronics.
- + Every month, the AED charges the high-voltage electronics to full energy.

If anything is amiss, the Rescue Ready status indicator on the handle changes from green to red and the device will emit an audible alert to prompt the user to service the unit. In sum, a Powerheart AED is Rescue Ready when a life depends on it.

## In an emergency, Powerheart AEDs are easy to use

When sudden cardiac arrest strikes, every second is critical. We designed our Powerheart AED G3 Automatic and G3 Semi-Automatic to help maximize responder efforts.

- + When the rescuer applies the pads, the device analyzes the heart rhythm and “knows” when to deliver (or not deliver) the shock.
- + On fully-automatic models the shock is delivered automatically, without requiring the user to press a shock button.
- + The text screen lends extra help in noisy and chaotic environments.

The bottom line: These AEDs are easy to use for almost anyone with minimal training. For sudden cardiac arrest victims, a Powerheart AED – and you – may save a life.

## Variable escalating energy

Our AED determines the electrical impedance (resistance level) of each patient and customizes the energy level delivered. If more than one shock is necessary, our proprietary STAR® biphasic software escalates the energy to deliver therapy at an appropriate, higher level.



# The POWERHEART® AED G3 Automatic and The POWERHEART® AED G3 Semi-Automatic

TECHNICAL SPECIFICATIONS	
<b>DEFIBRILLATOR</b> Operations Waveform Allowable Energy Range (J) Protocols Factory default (nominal) Voice prompts CPR prompts Text screen  Visible indicators Audible alerts Synchronized shock Pacemaker pulse detection Programmable Pediatric capability Warranty	Semi-automatic or fully automatic STAR® biphasic truncated exponential Escalating Variable Energy (VE) 95J to 351J 5 energy protocols available 200VE, 300VE, 300VE Clear, concise voice prompts guide user through the rescue Available with compressions-only CPR or CPR with rescue breaths Displays rescue prompts to guide user through rescue process as well as additional critical rescue information for EMS responders  Rescue Ready status indicator, SmartGauge battery status indicator, service indicator, pad indicator, text display Voice prompt, system alert Built-in automatic synchronization feature Yes Yes, via MDLink* Yes 7 years
<b>PADS</b> Minimum combined surface area Extended length of lead wire Supplied Type Shelf life	35.3 sq in (228 cm <sup>2</sup> ) 4.3 ft (1.3 m) Self-checking, pre-connected to the AED Adult, pre-gelled, self-adhesive, disposable, non-polarized (identical pads can be placed in either position) defibrillation pads 2 years
<b>BATTERY</b> Type Guarantee	IntelliSense® lithium battery 4-year, full operational replacement
<b>AUTOMATIC SELF-TESTS</b> Daily Weekly Monthly	Battery, pads (presence and function), internal electronics, SHOCK/CONTINUE button, and software Battery, pads (presence and function), internal electronics, partial energy charge, SHOCK/CONTINUE button, and software Battery, pads (presence and function), internal electronics, full energy charge cycle, SHOCK/CONTINUE button, and software
<b>EVENT DOCUMENTATION</b> Type Internal memory ECG playback Communications Clock synchronization	Internal memory 60 minutes ECG data with event annotation, multiple rescue functionality Viewable via Rescuelink® software via PC Serial port or USB (via adapter) for PC with Windows Rescue event time stamp of event data
<b>DIMENSIONS (H x D x W)</b>	3.3 in x 12.4 in x 10.6 in (8 cm x 31 cm x 27 cm)
<b>WEIGHT</b>	6.6 lb (3.1 kg)
<b>MODEL NUMBERS</b> 9300A-1001 9300E-1001	Powerheart AED G3 Automatic with 2010 AHA/ERC Guidelines Protocols Powerheart AED G3 Semi-Automatic with 2010 AHA/ERC Guidelines Protocols

**Cardiac Science Corporation** • N7 W22025 Johnson Drive, Waukesha, WI 53186 USA • +1.262.953.3500 • US toll-free +1.800.426.0337 • Fax: +1.262.953.3499 • [care@cardiacscience.com](mailto:care@cardiacscience.com)  
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 0086 Authorized EU representative • MDSS GmbH, Schiffgraben 41, D-30175 Hannover, Germany





HeartSine.

# samaritan® PAD

Public Access Defibrillator



- compact design
- lightweight
- easy to use
- INTEGRATED battery and pads
- biphasic SCOPE® technology\*
- AHA/ERC 2005 compliant

Sudden Cardiac Arrest (SCA) is a leading cause of death globally. Response time is critical for surviving SCA, when every minute counts.

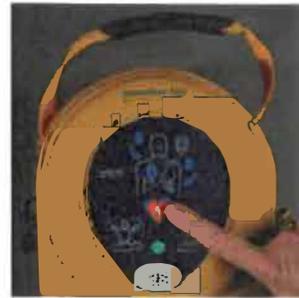
HeartSine's samaritan® PAD was designed especially for use in public areas by providing a sophisticated defibrillator inside a lightweight, easy-to-operate system.

HeartSine - "helping you...  
help someone."



# HeartSine™

## samaritan® PAD unit



### Feature:

System weighs 2.4 lbs (1.1 kg)

Only 2 buttons—ON & SHOCK—accessible even in storage case

Clear, easy to understand visual and oral prompts

SCOPE® Biphasic escalating energy waveform (150/150/200J) & automatic impedance compensation

### Benefit:

Lightweight

Straightforward to operate

Guides rescuer through each step in the process

Defibrillator automatically optimizes energy output, minimizing excess current - no adjustments required

### Result:

Easy to carry and transport

Easy to use

Easy to understand

Provides significantly better performance in removing ventricular fibrillation (VF) by the third shock\*\*

## Pad-Pak™



### Feature:

One Pad-Pak cartridge contains all system disposables – battery AND electrode pads

One expiry date – pads and integrated battery together

Pre-attached sensors provided in an easily accessible drawer

### Benefit:

One Pad-Pak updates ALL expired components at once, quickly restoring system readiness

Provides assurance that all disposables are fresh with a new Pad-Pak

No wires to connect, and pads are accessible while in carry-case

### Result:

Easy to maintain, with minimal replacement parts

No multiple dates or multiple components to check

Designed for emergency response and quick system access

\*Self Compensating Output Pulse Envelope technology automatically compensates energy, slope and pulse envelope for the patient.

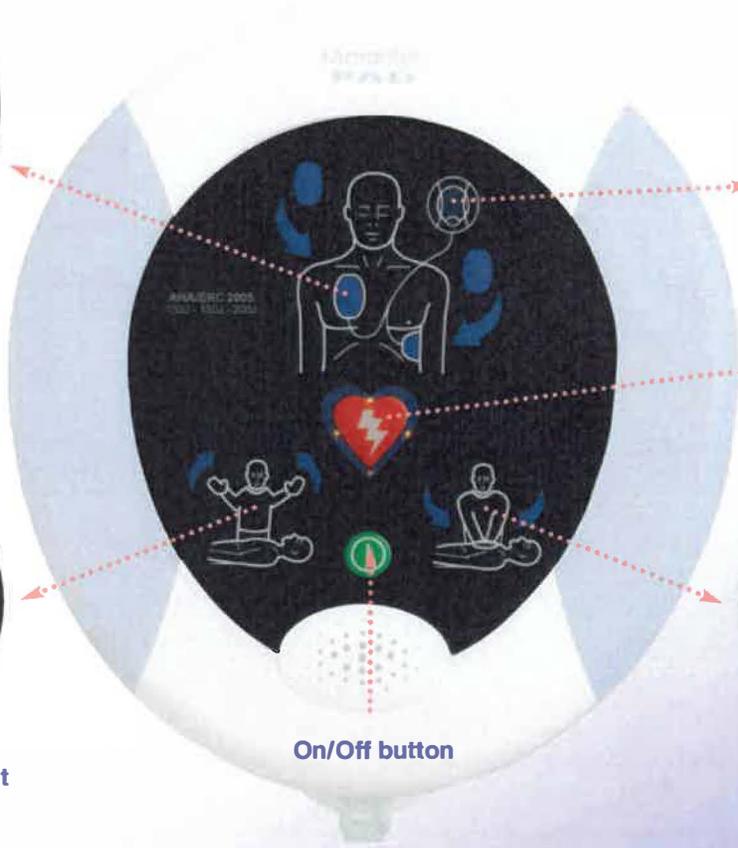
\*\*Efficacy of Distinct Energy Delivery Protocols Comparing Two Biphasic Defibrillators for Cardiac Arrest,"Walsh, McClelland, Owens, Anderson, Turner, Adgey; The American Journal of Cardiology, Vol. 94, Aug. 1, 2004



# HeartSine™



Visual cues prompt pad placement



System Status Ready Indicator flashes, to show that complete system is operational

Press to deliver shock when prompted. Button illuminates.



Stand clear of the patient



It is safe to touch the patient

On/Off button

The samaritan® PAD system senses when pads are applied to the patient, and automatically analyzes heart rhythm, advises whether or not therapy should be applied, and delivers carefully defined electrical shock designed to return the heart to a normal rhythm.





# HeartSine™

## samaritan® PAD Ordering Information:

The samaritan® PAD represents the latest in public access (AED) user technology with innovative SCOPE® biphasic waveforms which automatically compensate for differences in patient impedance. Battery and electrode pads are incorporated into one, simple Pad-Pak™ cartridge. Each system includes: samaritan unit, Pad-Pak cartridge, zippered carry case with clear cover and separate zippered storage compartment, data port for downloading information, quick instruction card, user manual, and poster. Compatible with AHA/ERC 2005 AED/CPR rescue guidelines. Unit : 7 year warranty. Pad-Pak shelf life: 3 years from date of manufacture (pads and battery). Contact HeartSine for available language variants.



- PAD-BAS-05 samaritan® PAD Defibrillator, Adult version
- PAD-DAT-05 samaritan® PAD, Adult - with SAVER® software & cable
- PAD-SYS-05 samaritan® PAD Defibrillator, Adult, with 2 Pad-Paks
- PAD-TRN-05 samaritan® PAD Defibrillator, Adult, and Trainer System

## Replacement Pad-Pak™ cartridges

- PAD-PAK-01 samaritan® Pad-Pak™ cartridge



## SAVER™ EVO Software

Saver™ EVO Software is an easy to use icon based interface that enables comprehensive recovery of events to PC for review by a medical program director. Event records contain ECG strip, event start time and duration, pads on/off, analyzing, and shock delivered information with CPR intervals. Saver EVO also enables user to configure operating system volume and CPR metronome, and PAD memory can be erased by qualified personnel once events are downloaded. Also includes PAD diagnostic LED test menu.



- PAD-ACC-01 Saver™ EVO Software (CD ROM) and custom USB cable
- PAD-ACC-02 Custom USB cable for samaritan® PAD units
- PAD-ACC-03 Saver™ EVO Software (CD ROM) only



## Corporate Headquarters:

HeartSine Technologies, Inc.  
 105 Terry Drive,  
 Newtown, PA. 18940  
 Tel: (215) 860 8100  
 Fax: (215) 860 8192

HeartSine Technologies, Ltd  
 Canberra House, 203 Airport Road West  
 Belfast, Northern Ireland BT3 9ED  
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 Fax: +44 (0) 28 9093 9401



The products described in this brochure all meet the applicable European Medical Device Directive requirements.



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# SECTION D

# Riverside Management Services, Inc.

9655 Florida Mining Blvd., Building 300, Suite 305, Jacksonville, FL 32257

## WORK AUTHORIZATION FOR DEER RUN COMMUNITY DEVELOPMENT DISTRICT FISCAL YEAR 2019/2020 AMENITIES MANAGEMENT, POOL SERVICE AND JANITORIAL SERVICE

### Amenities Manager:

Riverside Management Services, Inc. shall provide Amenities Management Services for the Deer Run Community Development District. These services include overseeing all amenity facilities, interacting with residents, prospective residents and their guests, social event execution, and promoting clubs and marketing. RMS has the ability to create a unique schedule to accommodate the needs of each community, which will include the following:

- The Amenities Manager is the liaison for the Community Development District Board of Supervisors and will attend all District Meetings.
- Will prepare a monthly Manager's Report detailing all activity such as all social events, clubs, upcoming events, residents concerns, information regarding completed and planned maintenance projects, etc.
- Primary area of responsibilities will be management of District owned amenities and recreational facilities, to include the planning and execution of social events, programming of resident services, camps, and facility rentals
- Respond to all resident questions and concerns regarding the District in a timely and professional manner.
- Maintain a professional relationship with all residents, welcoming and educating new homeowners, issuing access cards and maintaining data base, updating resident information, supervising staff members, monitoring facility usage and rentals.
- Responsible for updating and maintaining District communications platforms, to include the community website, marquee board, E-blasts and monthly newsletter.
- Coordinate with Operations Manager to ensure all District contracts such as pool maintenance, landscape, janitorial, security, pest control, etc. are in compliance with contract specifications
- Inspect Amenity Center and common areas for lighting, debris removal, pest control, signage and fencing necessary maintenance. Inspections include recommendations to improve safety and minimize potential hazards in order to prevent accidents from occurring
- Coordinate with maintenance staff and the Operations Manager regarding current and upcoming projects based upon inspection reports.
- Inventory cleaning products, paper products, office and first aid supplies.
- Coordinate, organize, and promote all social events and activities throughout the year, Administer rental program of District Facilities for private parties, social events and clubs.
- Educate staff members, security guards, residents, prospective residents and public on District policies and procedures.
- Prepare report for recommendations regarding modifications/updates to the policies and procedures as needed.
- Interactions regarding budgeting, maintenance recommendations, social event recommendations, coordination and communication with the Board of Supervisors and others.
- Process any insurance claims and related repair work.
- Provide recommendations for annual budget, marketing social events, promoting community clubs, etc.
- Responsible for sending CDD information for website updates and maintaining a community social event calendar.
- Interface with vendors for repairs, billing, payments, and approve certain invoices.

### **Amenities Assistant:**

The Amenities Assistant shall be employed on a part-time basis as directed by the Board of Supervisors. Responsibilities will include, but are not limited to assist and compliment the Amenities Manager with operating the facilities and assist with special events.

### **Pool Maintenance:**

Riverside Management Services, Inc. ("RMS") shall be responsible for the cleaning and maintenance of the "Districts" swimming pool. RMS currently has seven (8) Certified Pool Operators (CPO) on staff and readily available for any Emergency Services that may arise.

#### **Responsibilities/Tasks:**

- Check pool water quality for clarity, chemical quality, cleanliness and complete equivalent of operational requirements set forth in Chapter 64E-9.004
- Conduct tests for proper pool chemicals as required in order to maintain water quality levels as outlined in Chapter 64E-9.004
- Operate backwash circulation system
- Manually skim, brush tiles, and vacuum pool every site visit
- Inspect all pumps, valves, motors, drives and pool vaults weekly for proper working condition
- Keep daily records log for pool operation and chemical readings as required by code
- Chemicals for cleaning pool tiles, treatment of stains, metal removal agents, oil removal, phosphate and nitrate removal, mustard and black algae treatments shall be invoiced to the District
- Notify Community Manager/Operations Manager of any repair or replacement needs
- Emergency Call Out Service/unscheduled visits shall be invoiced at actual time plus any materials

### **Janitorial Services:**

- Maintain the general appearance of all indoor spaces.
- General Janitorial scope of service includes, but not limited to the following:
  - Sweep, vacuum and mop all floor types as necessary
  - Clean restroom sinks, mirrors, fixtures, toilets, urinals, etc.
  - Clean interior windows, baseboards, wipe down walls and doors
  - Wipe down and sanitize fitness equipment
  - Remove trash and replace trash can liners
  - Restock supplies, paper products, soap, etc. (as needed)
  - Dust, polish and sanitize all appliances, interior fans, etc.
- Service will be provided Monday – Friday between the hours of 6:00 am – 5:00 pm
- Holidays excluded are New Year's Day, Memorial Day, July 4<sup>th</sup>, Labor Day, Thanksgiving Day and Christmas Day. If a service visit falls on a Holiday, a subsequent day will be used.
- District to supply all paper products, soap, trash liners, fitness wipes, supplies, etc.
- Please see Exhibit "A" for complete Janitorial Scope

### **General Provisions:**

- RMS shall provide, at no charge to the District, company uniforms to all personnel providing these services.
- Costs incurred by RMS due to maintenance related requests, emergencies or unscheduled visits (i.e. vandalism, acts of God, etc.) shall be invoiced at \$35.00/hour, plus any materials, and travel reimbursement. Minimum of two (2) hour charge.
- Reasonable reimbursement for the expense of copies, office supplies, etc.
- District to provide computer, printer and/or any other office related supplies

- All supplies, materials needed for maintenance within the District shall be paid-for by the District. An administrative fee of 15% will be charged for all district related purchases.
- Additional staffing, organizing, purchasing, planning, set up and cleaning for special events and facility rentals shall be invoices at \$25.00 per hour
- All RMS employees are subject to a background check, drug screening and physical.

**Pricing:**

	<u>Monthly Amount</u>	<u>FY2020 Amount</u>
Amenity Manager	\$5,000	\$60,000
Amenities Assistant	--	\$18,750
Pool Maintenance		
Option #1	\$1,541	\$18,492
o Three (3) days service per week (Annually)		
Option #2	\$1,337	\$16,044
o Two (2) days service per week (Nov. – March)		
o Three (3) days service per week (April – Oct.)		
Janitorial Service		
Three (3) days service per week	\$1,560	\$18,720

*Additional Services*

- o General Maintenance Personnel (per hour) \$35.00/hr
- o Pressure Washing Upon Request

\_\_\_\_\_  
Chairman, Deer Run CDD

\_\_\_\_\_  
Date

\_\_\_\_\_  
Riverside Management Services, Inc.

\_\_\_\_\_  
Date



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411 S. Central Avenue, Suite B  
Flagler Beach, FL 32136  
VestaPropertyServices.com

## AMENITY MANAGEMENT PROPOSAL

## DEER RUN COMMUNITY DEVELOPMENT DISTRICT



Prepared by  
Leslie Pragasam  
Business Development Manager  
August 19, 2019



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## Table of Contents

COMPANY PROFILE .....	3
COMMUNITY MANAGEMENT DIVISION.....	4
<i>Professional Management Support</i> .....	4
<i>Accounting</i> .....	5
<i>Property Management Services</i> .....	5
<i>Technology</i> .....	7
<i>Financial Services</i> .....	7
VESTA ADVANTAGES .....	8
LEADERSHIP TEAM .....	10
REFERENCES .....	12
SCOPE OF WORK .....	14
PRICING .....	16



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August 19, 2019

Dear Board of Directors,

Thank you for the opportunity to present Vesta Property Services in consideration for the management of **Deer Run CDD**. We wish to offer our services as your new full-service association management company and are confident our more than 25 years of experience and industry expertise will ensure proper management of your community.

### Why choose Vesta?

- Our community management team has been responsible for some of **Florida's most prestigious communities**. More than two decades later, we are still managing the property of our first client.
- We are a member of the Community Associations Institute and have earned the coveted **"A+" rating** from the Better Business Bureau.
- Your property will be managed from a local office, with local staff who understand your community's unique needs. They are supported by our **experienced executive team**, which is available to lend assistance when needed.
- Vesta is an industry leader in client retention and growth. We annually retain close to **100% of our current clients** and have been growing year over year by **more than 20%**. This is a direct result of the care and professional service our team delivers to our client-communities. It's our mission to not only earn your business but retain it for years to come.

If given the privilege to serve as your management company, we would be committed to providing the customer support that has earned us the reputation as a leader in the industry. We very much look forward to discussing how Vesta Property Services can add value to **Deer Run CDD** and provide a customized program specific to your needs.

Regards,

*Lea A. Stokes*

**Lea A. Stokes, CAM**  
Vice President, NE, NC, Orlando Florida Region  
Vesta Property Services

## COMPANY PROFILE

---

Vesta provides financing, management, and ancillary services to developers of planned unit communities and resident associations in connection with clubhouses, golf courses, amenity and infrastructure facilities, commercial real estate, CDDs and governmental agency management.

Headquartered in Jacksonville, our facilities are located throughout the state of Florida. We employ over 1,200 professionals, strategically positioned in all of our communities to provide a wide spectrum of services to our more than **200,000 residents** and unit owners.

We have redefined property management with our superior amenities programming, customized community management and affordable, direct financing for communities. Our intention is to provide a single place where all community needs are met. This three-dimensional approach is **“The Vesta Difference.”**

**Community Management** – Over the past 25 years, Vesta Property Services has grown to become a leading community management company in the state of Florida. Our management solutions, specifically tailored to each community we serve, sets us apart from our competition.

Our decades of in-depth industry knowledge and experience in the operations and maintenance of community facilities delivers the quality results that help us achieve our close to 100% retention rate.

**Lifestyle Services** – We build dynamic lifestyle and amenity programs that range from pool services to theatrical productions and on-site restaurant management. Our holistic approach ensures every element of lifestyle creation is provided with no burden or stress to the community. We work directly with HOAs and CDDs to become their one point of contact, providing seamless and exceptional services. Our teams work on-site and are overseen and supported by our regional operations managers.

**Financial Services** – Vesta offers comprehensive financial tools, exemplary fiscal management, low closing costs, and expert strategic planning and consulting services to achieve the best results for our clients.

Whether you are considering an early sale of the community amenities, capital projects and improvements or waiting until post turnover, we provide a range of solutions and expertise from start to finish.



Community



Lifestyle



Investment

## COMMUNITY MANAGEMENT DIVISION

---

Vesta's goal is to provide communities with an exceptional community management experience. Our team is equipped with years of experience and expertise – *all under one roof*. Utilizing local resources, expertise, and strong management, we offer unparalleled services for each of our communities.

### PROFESSIONAL MANAGEMENT SUPPORT

Managing your property begins on day one with effective and concise Administrative Services. Your Vesta manager will attend board and member meetings and make arrangements for the necessary meeting facility, procedures, materials and personnel required to conduct the Annual Meeting. Proper notification is given prior to all meetings.

#### General Administrative Services:

- Transcription and distribution of minutes of all meetings.
- Manager will provide guidance and advice to the Board regarding administrative procedures and responsibilities.
- Recommendations regarding the hiring of Accountants, Engineers, Attorneys and other professionals.
- Investigation and reporting to the Board all incidents regarding protection of Association property and operation.
- Preparation and mailing of welcome information to new owners.
- Filming and record storage.

#### House Rules/ By-Laws/CC&R Violations Enforcement:

- Vesta will provide periodic inspections, photographing, documenting, investigating, and following through on any violations of the documents.
- Consult with the Board and recommend additions and changes in the rules and governing documents.
- Implement the policies of the Board and provide enforcement of the Rules and Regulations, By-laws and Resolutions as designed by the Board.
- Inform owners who are in violation of the community documents as determined by the Board.



#### HOA SUPPORT: MAINTENANCE SERVICES

*Prepare board meeting information.*

*Send meeting notices.*

*Perform Community website services.*

*Arrange inspections and follow-ups.*

*Help create annual budgets.*

*Review vendor contracts.*



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## ACCOUNTING

### Financial Reporting:

We'll manage **Deer Run CDD's** interests with care. All accounts are managed by skilled local staff, who use specialized management software designed specifically for the community management industry. The software exceeds the standards established by the Institute of Real Estate Management Foundation, and includes features to create custom reports to sort, summarize, arrange, and produce a variety of property data.

On a monthly basis, Vesta produces a complete set of financial statements. These include:

- Collections
- Balance Sheet
- Income Statement
- Cash Receipts
- Accounts Payable
- Accounts Receivable
- Cash Disbursements
- Bank Reconciliation
- General Ledger through Trial balance

### Accounts Payable:

Manager checks accuracy of all invoices on accounts payable.

Manager codes invoices and prepares checks for Board approval and signature, as needed.

## PROPERTY MANAGEMENT SERVICES

Maintaining your property is essential to the longevity and perception of your community. Vesta's community management team takes **a holistic approach to maintenance**. Conducting routine site inspections, reviewing the performance of the association's vendors and staff, and keeping up-to-date records of all service requests and work orders, we ensure your community is maintained continuously – *not just when there's a problem*.

### Work Orders and Service Requests:

Your Property Manager will coordinate with the maintenance staff to manage service requests and work orders. Once the work is complete, the manager will inspect the work to ensure successful completion. Monthly work-order logs help detect trends and potential problem areas, giving the community ample time to solve any problems.

### **Maintenance Scheduling, Coordinating, & Supervision:**

Vesta Property Services will provide close supervision and evaluation over **all work, labor, services, and materials** required in the operation and maintenance of the common areas and facilities of **Deer Run CDD**. We will:

- Coordinate maintenance staff to service requests from homeowners.
- Diagnose maintenance and construction defects determining responsibility and provide clear directives regarding repair methods, etc.
- Inspect and follow-up maintenance work to ensure successful completion of service requested.
- Keep work order log of all incoming and completed work orders.
- Compile status reports included in monthly report.

### **Bid Specifications and Contract Administration**

- Coordinate vendors or maintenance staff to service requests from homeowners.
- Research references and make recommendations accordingly.
- With prior Board approval, enter into contracts on behalf of the Board for services, utilities, materials, supplies, etc.
- Provide contract supervision to ensure compliance with terms, condition and quality.

#### **HOA SUPPORT: MAINTENANCE SERVICES**

*Vesta will evaluate, document and report to the Board all information relative to assessing the Community functions and performance of contractors and personnel involved in common area maintenance.*

*In addition, Vesta will handle the procurement, completion and filing of all necessary government documents.*



## TECHNOLOGY

**Utilizing the latest technology**, we created Vesta Vantage Pro<sup>®</sup> as a communication and productivity tool for boards, committees, and residents. Easy-to-use and maintain, Vesta Vantage Pro<sup>®</sup> provides your community with a platform to distribute information, educate, and support the community. Our online services will help you efficiently and economically:

- Target and send group emails
- Collect resident information
- Support resident services and access to information
- Provide education on procedures and rules

Your Community Website and/or downloadable applications can be sent to your mobile device, so residents and stakeholders will experience the ultimate level of service, convenience, savings, and management efficiency.

### **Online Forms:**

Bring our management office online for convenience and an office that never closes.

### **Board Member Access:**

Board Members can access all financial reports, maintenance reports, homeowner accounts, violation history and all other community information.

### **Online Resource Center:**

Offers a secure, easy-to-organize, centralized location for important documents such as covenants and bylaws, board and committee meeting minutes and newsletters. Association information is in one place – online and available 24 hours a day, 7 days a week.

### **Messenger Service:**

Notify individual residents, board members, or committee members of matters requiring immediate attention; to send a reminder about an upcoming event; and to distribute documents electronically (governing documents, newsletters, etc.).



## FOR OUR EMPLOYEES

*Vesta's Community Association Managers are equipped with the latest software to access Association documents, edit, sign, and send while out in the field.*

*Community inspections are efficiently managed through our ability to send pictures and notes of homeowner violations or Vendor issues direct to our database for documentation.*

### **Consistent Fulfillment of Board Expectations:**

Due to the unrivaled support provided by Vesta's (a) regional leadership team; (b) statewide executive and senior management team, and (c) our Florida-based home office's shared services, the Boards of Directors of our client-communities experience the benefits of Vesta's convenient, reliable and timely service-delivery, month-in and month-out.

### **What are the advantages of combining maintenance services through Vesta?**

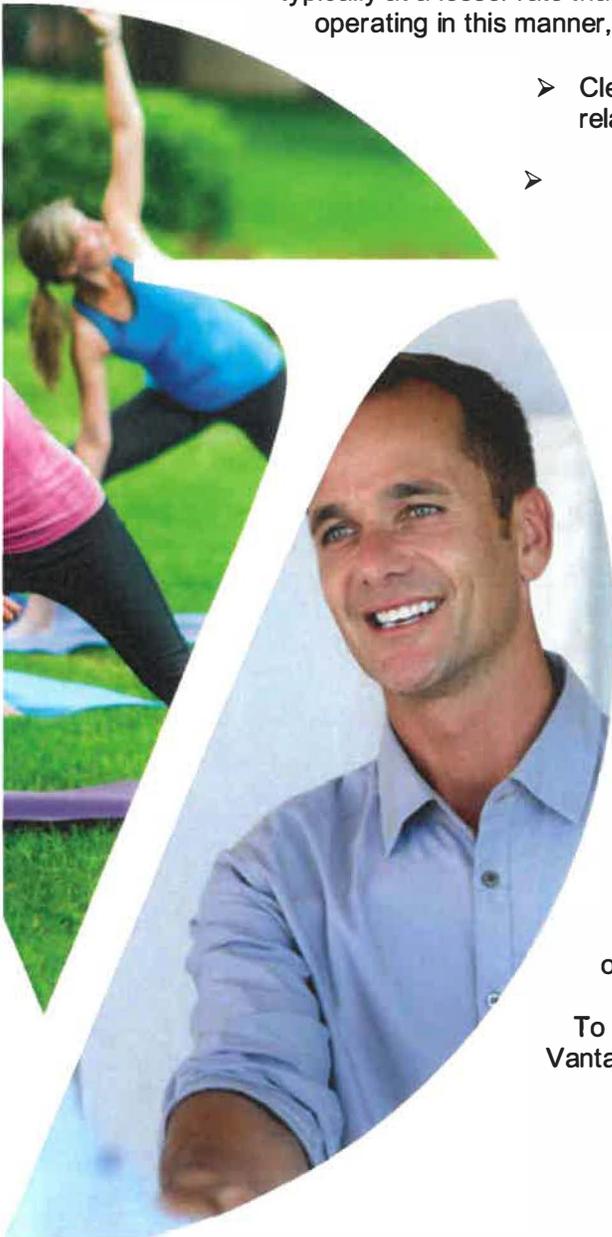
Vesta has a lengthy history of providing excellent facility maintenance services on behalf of dozens of communities throughout Florida (see list of references). We do so with our own tight-knit team of quality employees, not independent sub-contractors. By combining services Vesta is able to gain efficiencies that result in an improved level of service and typically at a lesser rate than our competitors. Due to our two decades of experience operating in this manner, our communities consistently enjoy:

- Cleaner, better maintained amenity buildings, clubhouses, and related facilities.
- Improved response times via a team of maintenance technicians. Less "down-time," waiting for other contractors to show up.
- No "finger-pointing" between management and outside vendors.
- Greater control of maintenance personnel's schedules, work-habits, appearance, and results.
- Greater efficiency and flexibility in the deployment of personnel, due to being able to more nimbly respond to the most pressing needs and opportunities that arise each day.
- Staff "owns" the operation acting as the eyes and ears of the board and the District

### **Communications Management**

Vesta understands the crucial importance of effective communication on behalf of the community's residents in order to deliver a vibrant and engaging lifestyle experience.

To achieve this, our strong preference is to utilize Vesta Vantage - our proprietary, multi-channel, digital communications





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platform that integrates almost everything that is communications-related involving the residents, community leadership, and management.

## **GATED ACCESS SYSTEMS, SECURITY SYSTEMS AND ACCESS CONTROL**

In 2019, Vesta Property Services acquired Florida's premiere gated access systems company, [Sunbelt Gated Access Systems.](#)

Sunbelt Gated Access Systems installs and services systems for controlled vehicle and pedestrian access to single family residences, multi-family communities, automated commercial and municipal parking lots and decks and commercial and industrial facilities.

Sunbelt is nationally certified in Automatic Gate System Design and maintains the proper licenses and insurance to provide turnkey systems specifically designed to meet each customer's requirements, local building codes and national safety standards.

They have relationships with all the major product vendors and a network of strategic partners to make certain we can provide as much as you want or as little as you need.





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## LEADERSHIP TEAM

### **Lea A. Stokes, LCAM Vice-President, Northeast Region**

Lea Stokes has been in the Community Association Management field since 1988. Her career initiated with ITT Community Development Career in Palm Coast. Lea created Preferred Management Services, Inc. in June of 1995. In August 2016, Lea sold her firm to Vesta Property Services and was retained by Vesta as the Vice President for their Northeast Region.

The Northeast Region has offices in Jacksonville, World Golf Village, Flagler Beach, and Daytona Beach. The NE Region currently manages a portfolio of 70 associations ranging from a 5,800-unit single family HOA to a four-unit commercial condominium association.

Lea has been a resident of Flagler County since 1988. Her civic activities include:

- Founding board member – Flagler County Tiger Bay Club
- Board member – Florida Hospital Foundation/Hospice
- Past Chairperson – Flagler County Chamber of Commerce & Affiliates
- Past President – Flagler Beach Rotary Club
- Chairperson – Flagler Beach Vision Committee
- Past Chairperson – Flagler Beach Economic Development Task Force
- Youth Exchange Committee Member – Rotary District 6970
- Assistant District Governor – Rotary District 6970
- Board Member – Flagler Beach Planning & Architectural Review Board
- Board Member – Flagler Beach Historical Museum



Lea was selected as the Flagler County “Business Woman of the Year” for 2004-2005 by the Business and Professional Women of Flagler County, and as “One of the Most Influential Women in Business” by the *News Journal Volusia/Flagler Business Report* in 2010.

**Heather Elliott  
General Manager**

Heather has more than 13 years of experience in both the Amenity and Community Association Management industries. She was previously responsible for management of Queens Harbor Yacht and Country Club and Julington Creek Plantation CDD:

**Queens Harbor Yacht and Country Club** (Jacksonville, FL) – 900+ homes, sub association and 8 employees. Management of homeowners' association, marina, harbor with lock system, golf course, amenity center, gym, tennis program, committees, social clubs and events. [www.qhycc.com](http://www.qhycc.com).

**Julington Creek Plantation CDD** (St. Johns, FL) – 5,900+ homes and 160 employees. Management and oversight of two large amenity centers to include: clubhouse with restaurant, pools, swim team programs, fitness classes, fitness center, swim teams, tennis programs, childcare, community events, sports plex and all common area landscaping. [www.jcpcdd.org](http://www.jcpcdd.org).



**Stacey L. Konopa, LCAM  
Senior Administrator, Northeast Region**

Stacey has more than 25 years of administrative experience, with five years dedicated in property management. Stacey began her career with Vesta as an administrative assistant before receiving her CAM license.

- LCAM for two-and-a-half years.
- Previously managed a portfolio with Lea Stokes consisting of approximately 26 associations, as well as commercial clients.
- Currently on-site manager for La Grande Provence as well as manager of three Commercial plazas.
- Work with Halifax Plantation Phase 1 ARC and Committee chairman exclusively.
- Promoted to Senior Administrator of the Northeast Region in March 2019.
- Presently works very closely with the maintenance division.
- Personal assistant to Lea with whatever is needed throughout the region.



## AMENITY MANAGEMENT SERVICE REFERENCES



### Heritage Landing CDD

**Contact:** Robert Porter – VP of Land

Phone: (904) 899-5915 (cell)

Description: Planned-community of 1,250 single-family and multi-family homes.

Scope of Services: HOA, Amenities & Lifestyle Management; Field Operations Management, Maintenance Services.

Dates Serviced: 2006 to present.

### Bartram Springs CDD

**Contact:** Kevin Colcord, Board Chairman

Phone: (904) 451-6808

Description: Built-out community of 1,200+ single-family and multi-family homes.

Scope of Services: HOA & Amenity Management, Maintenance Services, and Lifestyle Programs.

Dates Serviced: 2005 to present.



### Durbin Crossing CDD

**Contact:** Peter Pollicino – Board Chairman

Phone: (973) 713-7384

Description: Community of 2,600 homes, near build-out.

Scope of Services: Amenity Management, Field Operations Management, Maintenance Services, Programs, Lifeguard Services, and Facility Monitoring.

Dates Serviced: 2008 to present.

### Grand Haven CDD

**Contact:** Barry Kloptosky – District Operations Manager.

Phone: (386) 715-6081 (cell)

Description: Planned-community of 1,900+ homes.

Scope of Services: Amenity Management, Restaurant & Bar Turn-key Operation, Maintenance Services, Community-wide Special Events, and Lifestyle Programs.

Dates Serviced: 2007 to present.





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## COMMUNITY ASSOCIATION MANAGEMENT SERVICE REFERENCES

### **Bella Harbor Condominiums, Inc.**

John Pons – Board President (303) 396 – 5520  
[President.bella.harbor@gmail.com](mailto:President.bella.harbor@gmail.com)

### **Rivergate Homeowners Association, Inc.**

Robert Whitty - Board President (386) 931 – 6179  
[Rwhitty69@gmail.com](mailto:Rwhitty69@gmail.com)

### **Polo Club West Homeowners Association, Inc.**

Tom Cooke – Treasurer (407) 230 – 7535  
[tcooke@learningoutsourcigroup.com](mailto:tcooke@learningoutsourcigroup.com)

### **Village Drive Homeowners Association, Inc.**

Daniel Elder – Board President (904) 838 – 6428  
[Daniel.e.elder@gmail.com](mailto:Daniel.e.elder@gmail.com)

## MAINTENANCE SERVICE REFERENCES

### **Waterside at Palm Coast**

John Coffey – (386) 338-1627  
[flatsflyer@yahoo.com](mailto:flatsflyer@yahoo.com)

### **City Centre**

Kris Chiumento – (386)517-8741  
[Kris@palmcoastlaw.com](mailto:Kris@palmcoastlaw.com)

### **Village Drive Owners Association, Inc.**

Danny Elder  
(904) 838-6428  
[Daniel.e.elder@gmail.com](mailto:Daniel.e.elder@gmail.com)

### **Ocean Palm Villa North**

Mary LeVine – (914)393-3029  
[maryclevine@gmail.com](mailto:maryclevine@gmail.com)

## PROPOSAL FOR AMENITY MANAGEMENT SERVICES

### Overview

Vesta will provide Deer Run CDD with the best combination of the following features:

- Quality Management, Lifestyle Programming, Maintenance and Communication Services.
- Unrivalled Experience, Expertise & Depth of Resources to Best Support the On-Site Staff.
- Competitive Pricing for the services and benefits we will deliver.
- Vesta's Flagler Beach office is located just 8 miles from Deer Run.

### List of Available Services

Unlike any other firm in our industry, Vesta has decades of experience providing a diverse set of contracted services for master-planned communities in Florida. Our main services include:

- Association Management & Accounting: Includes a wide-range of management and/or accounting services for master-associations and sub-associations
- Amenity Facilities Management & Staffing: Clubhouses, Recreation Facilities, Amenity Centers, Aquatics Facilities/Waterparks, Fitness Facilities, and Tennis Complexes
- Lifestyle Programs: Resident Activities, Recreation, Athletics, Spa and Wellness services
- Field Operations Management: Oversight of common areas, including Landscaping and Pond maintenance service-providers
- Facilities Maintenance: Swimming Pools, Tennis Courts, Fitness Equipment, General Facility Maintenance and Repair, and Janitorial / Housekeeping services
- Food & Beverage Management: Turn-key Operation of full-service establishments
- Event Management: Carrying out dynamic Special Events for the entire community

## Staffing – Amenity Management

### SCOPE OF WORK: Amenity Manager:

- Act as a liaison between Vesta staff, Committees, District Management and the Board of Supervisors.
- Ensure that staff provide exceptional service for the benefit of all residents, guests and prospective home buyers.
- Act as an ambassador of the community.
- Facilitate/assist with developing policies and procedures.
- Hold subordinate managers (such as the, certified pool operator and maintenance staff) accountable to a high level of performance within their areas of responsibility. Provide direction and support to said staff.
- Maintain an expansive knowledge of the history and current state of the entire community. Provide suggestions to the board relative to potential future needs of the property.
- Resolve resident issues on a timely basis.
- Recommend community policy changes as needed.
- Maintain timely communication with the Board of Supervisor, committee's staff and support staff.
- Plan a wide-range of resident activities, clubs and events and by leveraging the unique amenities in and around Deer Run.

### SCOPE OF WORK: Facilities Maintenance

- Clean and sterilize all toilets.
- Clean all sinks, faucets and mirrors.
- Clean all flooring. Immediately address any safety hazard.
- Clean all interior surfaces of fitness room, media room, social hall and fitness studio.
- Clean and maintain fitness equipment.
- Remove of all interior trash.
- Blow off entire pool deck position all furniture, wipe down all outdoor cushions.
- Clean all outdoor structures including cabanas, pavilions and terraces. Other areas include covered porches, fire pits, grill(s) and outdoor kitchen area.
- Brush and remove all dirt, dust, debris and insects from structures.
- Clean all soffits, ceiling fans and light fixtures.
- Maintain clean and safe flooring.
- Pressure wash as needed.
- Clean and maintain all pickle ball courts. Inspect for potential damage or wear.
- Blow off bocce ball courts. Clean all surfaces as needed. Inspect courts and net for damage or wear and tear.
- Address all safety hazards immediately.



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P.O. Box 353187  
Palm Coast, FL 32135  
VestaPropertyServices.com

### **SCOPE OF WORK: Pool Maintenance**

Maintain a clean and safe pool environment. Duties include:

- Manually skim, brush and vacuum both bodies of water.
- Maintain safe chemistry levels and filtration rates.
- Maintain recirculation systems and clean regularly.
- Ensure all valves and gauges are in proper condition.
- Inspect all drain grates to ensure safety.
- Clean all waterline tiles.
- Provide additional treatments as required.

### **PRICING**

- Amenity Manager, 40 hours per week: \$62,400 annually.
- Administrative Assistant, as needed: \$25 per hour.
- Pool Contract:
  - Option 1 – 3 times per week, year-round: \$15,600 annually.
  - Option 2 – 3 times per week (May - Aug), 2 times per week (Sept. – March): \$13,200 annually.
- Facilities Maintenance, 3 days per week: \$28,080 annually
- **OPTION: Vesta Vantage Communications Platform = \$1,500 per year**

Please be advised that our firm has a full-service maintenance division offering Certified Pool Operators, Janitorial, Absentee Owner Home Monitoring, Pressure Cleaning, Maintenance, and Remodeling. Multi – year discount available upon negotiation.

# SECTION E

**DEER RUN  
COMMUNITY DEVELOPMENT DISTRICT**

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**AMENITIES RULES & POLICIES**

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c/o Governmental Management Services, LLC  
475 West Town Place, Suite 114  
World Golf Village  
St. Augustine, Florida 32092  
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[AMENITY MANAGER]

## **PART 1: Deer Run Community Development District**

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**In accordance with Chapter 190 of the Florida Statutes, and on August 28, 2019 at a duly noticed public meeting, the Board of Supervisors of the Deer Run Community Development District adopted the following policies to govern the operation of the District's Amenities. All prior policies of the District are hereby superseded on a going forward basis.**

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### **DEFINITIONS**

The following definitions shall apply to these policies in their entirety:

**“Access Card”** – shall mean the identification card issued to Patrons.

**“Amenities”** – shall mean the properties and areas owned by the District and intended for recreational use and shall include, but not specifically be limited to, the District's clubhouse, fitness center, swimming pool, multi-purpose field, tennis courts, playground, picnic area, and walking trails, together with their appurtenant areas, facilities, equipment, and any other appurtenances.

**“Amenities Policies” or “Policies”** – shall mean all Amenities Policies of the District, as amended from time to time.

**“Amenity Manager”** – shall mean the management company, including Community Manager, Lifestyles Director and its employees, staff and agents, contracted by the District to manage the Amenities.

**“Annual User Fee”** – shall mean the base fee established by the District for the non-exclusive right to use the Amenities. The amount of the Annual User Fee is set forth in the District's rules.

**“Board of Supervisors” or “Board”** – shall mean the Board of Supervisors of the District.

**“District”** – shall mean the Deer Run Community Development District.

**“District Manager”** – shall mean the professional management company with which the District has contracted to provide management services to the District.

**“Family”** – shall mean a group of individuals living under one roof or head of household. This can consist of individuals who have not yet attained the legal age of majority (i.e., 18 or as otherwise provided by law), together with their parents or legal

guardians. This does not include visiting relatives, or extended family not residing in the home.

**“Guest”** – shall mean any person or persons, other than a Patron, who are expressly authorized by the District to use the Amenities, or invited and who must be the accompanied for the entire day by a Patron to use the Amenities.

**“Non-Resident”** – shall mean any person that does not own property within the District.

**“Non-Resident Patron”** – shall mean any person or Family not owning property in the District who is paying the Annual User Fee to the District.

**“Patron” or “Patrons”** – shall mean persons or entities who own real property within the District and those persons or entities not owning land within the District who have paid the annual user fee. Tenants shall only be considered “Patrons” if they are renting or leasing a home from persons owning property in the District pursuant to a current, written lease of not less than six months or if they pay the annual user fee. All other persons shall be considered guests..

**“Person”** – shall mean an individual, or legal entity recognized under Florida law.

**“Renter”** – shall mean any tenant residing in a Resident’s home pursuant to a valid rental or lease agreement.

**“Resident”** – shall mean any person or Family owning property within the District.

**“Weekly Guest”** – shall mean a Guest who is visiting a Patron for a limited amount of time and who purchases a weekly Guest Access Card.

## **AUTHORIZED USERS**

**Generally.** Only Patrons and Guests, as set forth herein, have the right to use the Amenities.

**Residents.** A Resident must pay the Annual User Fee applicable to Residents in order to have the right to use the Amenities. Such payment must be made in accordance with the District’s annual assessment collection resolution and typically will be included on the Resident’s property tax bill. Payment of the Annual User Fee entitles the Resident to use the Amenities for one full fiscal year of the District, which year begins October 1 and ends September 30.

**Non-Residents.** A Non-Resident Patron must pay the Annual User Fee applicable to Non-Residents in order to have the right to use the Amenities for one full year, which year begins from the date of receipt of payment by the District. This fee must be paid in

full before the Non-Resident may use the Amenities. Each subsequent Annual User Fee shall be paid in full on the anniversary date of application.

***Renter's Privileges.*** Residents who rent or lease residential unit(s) in the District shall have the right to designate the Renter of the residential unit(s) as the beneficial users of the Resident's privileges to use the Amenities.

1. A Renter who is designated as the beneficial user of the Resident's rights to use the Amenities shall be entitled to the same rights and privileges to use the Amenities as the Resident.
2. During the period when a Renter is designated as the beneficial user, the Resident shall not be entitled to use the Amenities.
3. Residents shall be responsible for all charges incurred by their Renters which remain unpaid after the customary billing and collection procedure established by the District. Resident owners are responsible for the department of their respective Renter.
4. Renters shall be subject to all rules and policies as the Board may adopt from time to time.

***Guests.*** Except as otherwise provided for herein, each Patron (by family) may bring a maximum of four Guests to the Amenities, provided however that Guests must be accompanied by the Patron when using the Amenities and provided however that the Patron will be responsible for any harm caused by the Patron's Guests while using the Amenities. For clarification purposes, the preceding sentence shall be construed to place an four Guest limitation on the total number of Guests that a Patron may bring on behalf of that Patron's particular residence or household – e.g., a Patron Family consisting of four people cannot bring up to four Guests each for a total of sixteen Guests, but instead can only bring a total of four Guests on behalf of the entire household. The District may also in its discretion invite Guests as part of any community programming activities. Applicable fees may apply. Guests shall be subject to all rules and policies as the Board may adopt from time to time.

Weekly Guests who have purchased a Guest Access Card are not required to be accompanied by a Patron; however, they are not entitled to bring additional Guests. The Patron by which the Guest Access Card was purchased is responsible for any harm caused by the Patron's Weekly Guest while using the Amenities.

***Registration / Disclaimer.*** In order to use the Amenities, each Patron, all members of a Patron's Family, and all Guests shall register with the District by executing a Registration Form, and by executing the Consent and Waiver Agreement, a copy of which is attached hereto as **Exhibit A**. **All persons using the Amenities do so at their own risk and agree to abide by the rules and policies for the use of the Amenities. As set forth more fully later herein, the District shall assume no responsibility and shall not be liable for any accidents, personal injury, or damage to, or loss of property arising from the use of the Amenities or from the acts, omissions or negligence of other**

**persons using the Amenities. Patrons are responsible for their actions and those of their Guests.**

## ACCESS CARDS

***Use of Access Cards.*** Patrons use their Access Cards to gain access to the Amenities. Upon arrival at the clubhouse or other amenity facility, Patrons will scan their Access Cards in the card reader located outside of the main entrance doors in order to unlock the doors. Under no circumstance should a Patron provide an Access Card to another person to allow him or her to use the Amenities.

***Issuance of Access Cards.*** Each Patron will receive two Access Card per individual residing in the home upon registration with the District. Proof of residence is required.

***Non-Transferrable.*** Access Cards are the property of the District and are non-transferable except in accordance with the District's rules and policies.

***Lost or Stolen Cards.*** All lost or stolen cards need to be reported immediately to the District. Fees may apply to replace any lost or stolen cards.

## COMMUNITY PROGRAMMING

***Resources.*** The District is pleased to offer a wide variety of programs and activities designed to meet the needs of community members of all ages, interests and skill levels. Each year, the Amenity Manager will evaluate and improve upon existing programs, as well as continually add new activities in each category. The format of each program or activity will be structured to most effectively provide participants with a positive recreational experience of the highest caliber. Patrons can easily find information on new programs and events by picking up the monthly program calendars, reviewing the community bulletin board, or by contacting the Amenity Manager at the clubhouse:

Amenity Manager  
The Clubhouse at \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

***Patrons and Guests Only.*** Unless otherwise directed by the District, programs will be open to Patrons and their Guests only, subject to payment of any applicable fees. Patrons may register Guests for programs; however, in order to provide Patrons with priority registration, Guests may be assessed a surcharge and will only be able to register for programs if space permits.

***Registration.*** Most programs will require advanced registration or an RSVP to allow the staff to plan effectively. To avoid the unnecessary cancellation of a program, register by the posted deadline. Late registrations may be accepted on a case-by-case basis.

Due to the nature of some programs and the availability of space, late registration may not always be feasible. Some programs will have maximum registration limitations. In the event a program is full, a waiting list will be created. If there are cancellations in the program, the Patrons on the waiting list will be contacted. This waiting list will also be used to determine if an additional program can be offered.

***Programs and Activities.*** All programs and services including personal training, group exercise, instructional programs, competitive events, and other programs must be conducted through the Amenity Manager or as directed by the Board. A schedule of activities for the Amenities will be posted in each area and updated by the Amenity Manager.

***Athletic Teams.*** The District may from time to time authorize certain District sponsored athletic teams that may be eligible to use the Amenities for both practice and competitions. For such events, teams from outside the District may be invited to participate in competitions. The District's rules and policies apply to all such teams, and all such members of any outside teams shall be considered Guests within the meaning of these policies. Please contact the Amenity Manager for further information.

***Cancellation by the District.*** The Amenity Manager will notify Patrons if there is a need to change or cancel a program. If a program is cancelled, Patrons will be issued a refund or credit on their account.

***Refunds.*** Program refunds and credit may be granted on a case by case basis. Refunds and credits after the program registration deadline or after a program begins may not be approved.

## GENERAL PROVISIONS

All Patrons and Guests using the Amenities are expected to conduct themselves in a responsible, courteous and safe manner, in compliance with all rules and policies of the District.

***Emergencies:*** After contacting 911 if required, all emergencies and injuries must be reported to the on-site Amenity Manager at \_\_\_\_\_, and to the office of the District Manager at \_\_\_\_\_.

***Hours of Operation.*** All hours of operation of the Amenities will be established and published by the District. The clubhouse will be closed on the following holidays: Easter, Thanksgiving Day, Christmas Eve, Christmas Day and New Year's Day. The District may restrict access or close some or all of the Amenities for purposes of providing a community activity, for making improvements, for conducting maintenance, or other purposes. Any programs or activities of the District may have priority over other users of the Amenities.

PLEASE BE AWARE THAT USE OF THE AMENITIES IS AT YOUR OWN RISK. THE DISTRICT DOES NOT PROVIDE ANY SUPERVISION WITH RESPECT TO THE USE OF THE AMENITIES, AND THERE ARE INHERENT RISKS IN THE USE OF THE AMENITIES – E.G., THE USE OF THE COURTS, FITNESS ROOM, POOL, ETC. CAN RESULT IN SERIOUS BODILY INJURY OR EVEN DEATH. PARENTS AND LEGAL GUARDIANS ARE RESPONSIBLE FOR THEIR MINOR CHILDREN WHO USE THE AMENITIES. THE DISTRICT STRONGLY ENCOURAGES PARENTS AND LEGAL GUARDIANS TO ACCOMPANY AND SUPERVISE THEIR MINOR CHILDREN WHILE AT THE AMENITIES.

Except as otherwise stated herein, the following additional guidelines govern the use of the Amenities generally:

1. **Registration.** All Patrons must have their assigned Access Card upon entering the clubhouse. Cards are only to be used by the Patron to whom they are issued. Patrons must present their Access Cards upon request by the Amenity Manager.
2. **Guests.** Guests must be accompanied by a Patron while using the Amenities, unless the Guest has purchased a Guest Access Card.
3. **Minors.** Adult Patrons are responsible for all minor Patrons from their household or visiting the Amenities as Guests of the Patron, and, to better protect the health, welfare and safety of such minors, a parent/guardian (of at least 18 years of age) must accompany all such minors who are under the age of 14 or who are otherwise unable to govern and look after themselves in an appropriate manner.
4. **Attire.** With the exception of the pool and wet areas where bathing suits are permitted, Patrons and Guests must be properly attired with shirts and shoes to use the Amenities. Bathing suits and wet feet are not allowed indoors.
5. **Food and Drink.** Food and drink will be limited to designated areas only.
6. **Alcohol.** Alcoholic beverages shall not be served or sold, nor permitted to be consumed on the premises of the Amenities, except at pre-approved special events. Patrons will be required to hire a licensed and insured vendor of alcoholic beverages, and they must provide proof of this to the Amenity Manager prior to the event. Anyone that appears to be under the influence of drugs or alcohol will be asked to leave the Amenities.
7. **No Smoking.** Smoking (including e-cigarettes) is not permitted in any building, or enclosed or fenced area to the maximum extent of the prohibitions set forth in the Florida Clean Indoor Air Act or other subsequent legislation. All waste must be disposed of in the appropriate receptacles. No employee or contractor of the District shall smoke in any building, or enclosed or fenced area of the Amenities. Any violation of this policy shall be reported to the Amenity Manager.
8. **Pets.** With the exception of service animals, are not permitted. Where service animals are permitted on the grounds, they must be leashed. Patrons are responsible for picking up after all pets as a courtesy to others and in accordance with the law. No pets are allowed at the Amenity Center.
9. **Vehicles.** Vehicles must be parked in designated areas. Vehicles should not be parked on grass lawns, or in any way which blocks the normal flow of traffic.

10. **Skateboards, Etc.** Bicycles, skateboards, rollerblades, scooters, hover boards and other similar uses are limited to designated outdoor areas only.
11. **Fireworks.** Fireworks of any kind are not permitted anywhere on the Amenities or adjacent areas.
12. **Service Areas.** Only District employees and staff are allowed in the service areas of the Amenities.
13. **Courtesy.** Patrons and their Guests shall treat all staff members and other Patrons and Guests with courtesy and respect.
14. **Profanity.** Loud, profane or abusive language is prohibited.
15. **Horseplay.** Disorderly conduct and horseplay are prohibited.
16. **Equipment.** All equipment and supplies provided for use of the Amenities must be returned in good condition after use. Patrons are encouraged to let the staff know if an area of the Amenities or a piece of equipment is in need of cleaning or maintenance.
17. **Littering.** Patrons are responsible for cleaning up after themselves and helping to keep the Amenities clean at all times.
18. **Solicitation and Advertising.** Commercial advertisements shall not be posted or circulated in the Amenities. Petitions, posters or promotional material shall not be originated, solicited, circulated or posted on Amenities property unless approved in writing by the District.
19. **Firearms.** Firearms are not permitted in any of the Amenities or on any District property in each case to the extent such prohibitions are permitted under Florida law. Among other prohibitions, no firearms may be carried to any meeting of the District's Board of Supervisors.
20. **Trespassing / Loitering.** There is no trespassing or loitering allowed at the Amenities. Any individual violating this policy may be reported to the local authorities.
21. **Compliance with Laws.** All Patrons and Guests shall abide by and comply with any and all federal, state and local laws and ordinances, as well as any District rules and policies, while present at or utilizing the Amenities, and shall ensure that any minor for whom they are responsible also complies with the same.
22. **Surveillance.** Various areas of all Amenities are under twenty-four (24) hour video surveillance.
23. **Grills.** Grills are permitted only outdoors and at the discretion of, and in areas designated by, the District.
24. **Bounce Houses.** Bounce houses and similar apparatus are permitted only outdoors and at the discretion of, and in areas designated by, the District. Proof of liability insurance acceptable to the District shall also be required.
25. **Cellular Phones.** To prevent disturbance to others, use of cellular telephones is limited while in the clubhouse. Patrons and guests are asked to keep their ringers turned off or on vibrate while in the clubhouse.
26. **Lost Property.** The District is not responsible for lost or stolen items. Staff members are not permitted to hold valuables or bags for Patrons or Guests. All found items should be turned in to the Amenity Manager for storage in the lost and found. Items will be stored in the lost and found for up to one month.

## FITNESS ROOM

The following policies apply to the District's fitness center:

1. **Exercise at Your Own Risk.** The fitness center is not supervised during operating hours. All Patrons are encouraged to consult their physician before beginning an exercise program.
2. **Usage Restrictions.** For safety purposes, only patrons and Guests ages 15 and older may use the fitness center.
3. **Attire.** Appropriate attire including shorts, shirts, and closed toed athletic footwear must be worn at all times in the fitness center. To maintain clean and sweat-free equipment, clothing must cover any part of the body exposed to direct contact with the equipment.
4. **Courtesy.** If a Patron/guest is waiting, cardiovascular equipment utilization is limited to 30 minutes. If a Patron or Guest is waiting for the weight equipment, individuals should allow others to "work in" between sets. All equipment must be wiped down after use with the wipes and/or spray provided.
5. **Food and Drink.** No food or chewing gum is permitted in the fitness center. Water or other sport drinks must be contained in non-breakable spill-proof containers.
6. **Noise.** Personal music devices are permitted if used with headphones and played at a volume that does not disturb others.
7. **Equipment.** Weights or other fitness equipment may not be removed from the fitness center. Please replace weights to their proper location after use. Free weights are not to be dropped and should be placed only on the floor or on equipment made specifically for storage of the weights.
8. **Hand Chalk.** Hand chalk is not permitted.
9. **Personal Training.** Except as expressly authorized by the District, personal training for fees, or solicitation of personal training services for fees, is prohibited.

## SWIMMING POOL

The following policies apply to the District's pool:

1. **Swim at Your Own Risk.** The pool areas are not supervised, so all Patrons use the pool at their own risk.
2. **Operating Hours.** The pool areas are open from dawn to 10:00 PM. No one is permitted in the pool at any other time unless a specific event is scheduled.
3. **Skateboards, Etc.** No bicycles, scooters, roller skates, roller blades, hover boards, skate boards or other similar items are permitted on the pool deck.
4. **Food and Drink; Alcohol & Smoking.** Patrons are permitted to bring their own snacks and water to the pool; however, no food or beverages are permitted in the pool or the pool wet deck area, as defined by Florida law. Glass containers or breakable objects of any kind are not permitted within the fenced area surrounding the pool. Additionally, all General Provisions previously set forth

herein apply, including but not limited to the prohibitions on alcohol and smoking set forth as paragraphs 6 and 7 of the General Provisions.

5. **Unsafe Behavior.** No pushing, running, horseplay or other similarly unsafe behavior is allowed in the pool or on the pool deck area.
6. **Diving.** Diving is strictly prohibited at the pool, with the exception of swim team competitions pre-approved by the District.
7. **Noise.** Radios, tape players, CD players, MP3 players and televisions, and the like are not permitted unless they are personal units equipped with headphones.
8. **Aquatic Toys and Recreational Equipment.** Prohibited items include, but are not limited to, rafts, inner tubes, scuba gear, squirt guns, swim fins, pool balls, frisbees, inflatable objects, or other similar water play items. Exceptions are small personal floatation devices for swimming assistance, kickboards, masks, goggles, pool noodles, dive sticks, snorkels and water wings. Amenities staff has the final say regarding the use of any and all recreational floatation devices, and the District reserves the right to discontinue usage of such play equipment during times of peak or scheduled activity at the pool, or if the equipment provides a safety concern.
9. **Entrances.** Pool entrances, including stairs and ladders, must be kept clear at all times.
10. **Railings.** No swinging on ladders, fences, or railings is allowed.
11. **Pool Furniture.** Pool furniture is not to be removed from the pool area or placed in the pool to include the pool sundeck area.
12. **Chemicals.** Chemicals used in the pool may affect certain hair or fabric colors. The District is not responsible for these effects.
13. **Pets.** Pets, (with the exception of service animals), are not permitted on the pool deck area inside the pool gates at any time.
14. **Attire.** Appropriate swimming attire (swimsuits) must be worn at all times.
15. **Parties.** Parties at the pool are prohibited, and participants may be asked to leave by the Amenity Manager.
16. **Prevention of Disease.** All swimmers must shower before initially entering the pool. Persons with open cuts, wounds, sores or blisters may not use the pool. No person should use the pool with or suspected of having a communicable disease which could be transmitted through the use of the pool.
17. **Swim Diapers.** All persons who are not reliably toilet trained must wear swim diapers and a swimsuit over the swim diaper. If contamination occurs, the pool will be closed for twenty four (24) hours and the water will be shocked with chlorine to kill the bacteria. Any individual responsible for contamination of the pool may be held responsible for any clean-up or decontamination expenses incurred by the District.
18. **Pollution.** No one shall pollute the pool. Anyone who does pollute the pool is liable for any costs incurred in treating and reopening the pool.
19. **Lap Lanes.** Lap lanes are to be used only by persons swimming laps or water walking or jogging.
20. **Reservation of Tables or Chairs.** Tables or chairs on the deck area may not be reserved by placing towels or personal belongings on them, except for up to thirty minutes.

21. **Pool Closure.** The pool may close due to weather warnings, fecal accidents, chemical balancing, or general maintenance and repairs.
22. **Weather.** The pool and pool area will be closed during electrical storms or when rain makes it difficult to see any part of the pool or pool bottom clearly. The pool will be closed at the first sound of thunder or sighting of lightning and will remain closed for thirty 30 minutes after the last sighting. Everyone must leave the pool deck immediately upon hearing thunder or sighting lightning, or when instructed to do so by the staff.
23. **Swim Instruction.** Except as expressly authorized by the District, swim instruction for fees, or solicitation of swim instruction for fees, is prohibited.

### **PICKLEBALL & BOCCE COURTS**

The following policies apply to the tennis courts:

1. **First Come Basis.** Courts are available for use by Patrons and Guests only on a first come first serve basis unless reserved. When other players are waiting tennis court use should be limited to 1 hour.
2. **Attire.** All players shall be dressed in appropriate attire, which includes: shirts, tennis shoes, shorts or warm up suits. These items must be worn at all times. Hard and/or black soled shoes are restricted from the tennis courts.
3. **Use.** Pickleball courts are for pickelball only. Bocce courts are for bocce only.
4. **Pets.** Pets, with the exception of service animals, are not permitted on the courts at any time.
5. **Food and Drinks.** Food and gum are not permitted on the courts. Drinks must be in a non-breakable spill-proof container.
6. **Glass Containers.** No glass containers or breakable objects of any kind are permitted on the tennis courts.
7. **Operating Hours.** Courts are open from 8 a.m. to 10 p.m. or as otherwise posted. No one is permitted on the courts at any other time unless a specific event is scheduled.
8. **Skateboards, Etc.** No bicycles, scooters, roller skates, roller blades or skate boards, hover boards or similar items are permitted on the tennis courts.
9. **Furniture.** No furniture, other than benches already provided, will be allowed on the playing surfaces.
10. **Equipment.** Patrons are responsible for bringing their own equipment.

### **OUTDOOR FIRE PIT AND FIREPLACE**

1. When in use fire pit must be constantly attended.
2. Fire must be completely extinguished after use.
3. Use is prohibited to anyone under the age of 18.
4. Use only during operation hours.

## FACILITY RENTAL POLICIES

The following policies apply to the rental of the Amenities:

1. **Patrons Only.** Unless otherwise directed by the District, only Patrons may reserve the Amenities for parties and events. Please contact the Amenity Manager in order to determine availability of the Amenities for any particular reservation. Rental reservations must be made 14 days in advance.
2. **Amenities Available for Rental:** The following Amenities are available for rental: Meeting Room, Great Room, and Patio Lounge
3. **Payment & Registration.** At the time the reservation is made, one check or money orders (no cash), one for the deposit made out to District (Deer Run CDD) must be delivered to the Activities Director along with completed paperwork and insurances, if necessary. Each Patron renting the Amenities must sign and execute a Rental Agreement acceptable to the District, must schedule a time to complete a rental check list with Activities Director one week in advance. Regardless of whether the Rental Agreement is executed, the Patron is bound by the Rental Agreement, which is incorporated herein by this reference.
4. **Rates and Deposits.** The rental rates and deposits for use of the Amenities are as set forth in the District's rules. The deposit will secure the rental time, location and date. To receive the full refund of the deposit within 10 days after the party, the renter must:
  - i. Remove all garbage, place in dumpster and replace garbage liners;
  - ii. Take down all decorations or event displays; and
  - iii. Otherwise clean the rented Amenities and restore them to their pre-rented condition, and to the satisfaction of the District.The District may retain all or part of any deposit if the District determines, in its sole discretion, that it is necessary to repair any damages (including any clean-up costs) arising from the rental.
5. **Computation of Rental Time.** The rental time period is inclusive of set-up and clean-up time.
6. **Duration of Rentals.** Unless otherwise authorized by the District, each rental shall be for a minimum of two hours but no more than six hours, rental events shall not extend past 10 p.m. Additional fee may be charged for rentals that extend beyond the reserved hours. See exhibit B, rental form.
7. **Available Hours.** The Amenities may be rented for parties and events during normal operating hours. Additionally, the designated rooms may be rented after hours and until 0:00 pm. All parties and events, including clean-up, at the clubhouse must conclude by midnight. Please note that the Amenity Center is unavailable for private events on the following holidays:

Easter Sunday  
4<sup>th</sup> of July  
Thanksgiving  
Christmas Day

Memorial Day  
Labor Day  
Christmas Eve  
New Year's Eve

### New Year's Day

8. **Capacity.** The clubhouse capacity limit shall not be exceeded at any time for a party or event.
9. **Noise.** The volume of live or recorded music must not violate applicable Manatee County noise ordinances, or unreasonably interfere with residents' enjoyment of their homes and staff offices
10. **Insurance.** Additional liability insurance coverage may be required for all events that are approved to serve alcoholic beverages, or for other events that the District determines in its sole discretion should require additional liability insurance. The District is to be named on these policies as an additional insured party.
11. **Cancellation.** If the renter wishes to cancel a reservation, the cancellation must be communicated to the Activities Director no later than thirty days prior to the scheduled event to receive 100% of the rental fee and deposit. If the event is cancelled less than 3 days prior to the event 0% of the security deposit and 100% of the rental fee will be returned. Should inclement weather cause the Amenity Center to be closed and prevents the event from occurring on the scheduled date the Amenity Manager will make every attempt to reschedule event or return 100% rental fee and deposit.

### THUNDERSTORM POLICY

Amenity Manager are responsible for the pool and or other District properties, during thunderstorms, heavy rain and other inclement weather. The Amenity Manager will determine whether swimming is permitted during the times the swimming pool is attended. During the periods of heavy rain, thunderstorms and other inclement weather, the pool area, tennis courts, recreational lake, and parks will be closed. If heavy rain, thunder and/or lightning occurs, everyone will be required to exit the pool and other pool areas at the first sound of thunder and/or first sighting of lightning for a waiting period of at least 30 minutes. At any point during the 30 minute waiting period, if thunder and/or lightning is heard or seen, the waiting period will be extended 30 minutes from the last sighting or sound.

### PROPERTY DAMAGE

Each Patron shall be liable for any property damage at the Amenities caused by him or her, his or her Guests, or members of his or her Family. The District reserves the right to pursue any and all legal and equitable measures necessary to remedy any losses due to property damage.

Each Patron and Guest, as a condition of invitation to the premises of the Amenities, assumes sole responsibility for his or her property. The District shall not be responsible for the loss or damage to any private property used or stored on the premises of the Amenities, whether in lockers or elsewhere.

### USE AT OWN RISK; INDEMNIFICATION

Any Patron, Guest, or other person who participates in the Activities (as defined below), shall do so at his or her own risk, and shall indemnify, defend, release, hold harmless, and forever discharge the District and its contractors, and the present, former, and future supervisors, staff, officers, employees, representatives, agents, and contractors of each (together, "Indemnitees"), for any and all liability, claims, lawsuits, actions, suits or demands, whether known or unknown, in law or equity, by any individual of any age, or any corporation or other entity, for any and all loss, injury, damage, theft, real or personal property damage, expenses (including attorney's fees, costs and other expenses for investigation and defense and in connection with, among other proceedings, alternative dispute resolution, trial court, and appellate proceedings), and harm of any kind or nature arising out of, or in connection with, the participation in the Activities, by said Patron, Guest, or other person, and any of his or her Guests and any members of his or her Family.

Should any Patron, Guest, or other person, bring suit against the Indemnitees in connection with the Activities or relating in any way to the Amenities, and fail to obtain judgment therein against the Indemnitees, said Patron, Guest, or other person shall be liable to the District for all attorney's fees, costs, and other expenses for investigation and defense and in connection with, among other proceedings, alternative dispute resolution, trial court, and appellate proceedings.

The waiver of liability contained herein does not apply to any act of intentional, willful or wanton misconduct by the Indemnitees.

For purposes of this section, the term "Activities," shall mean the use of or acceptance of the use of the Amenities, or engagement in any contest, game, function, exercise, competition, sport, event, or other activity operated, organized, arranged or sponsored by the District, its contractors or third parties authorized by the District.

#### **SOVEREIGN IMMUNITY**

Nothing herein shall constitute or be construed as a waiver of the Districts' limitations on liability contained in Section 768.28, F.S., or other statutes or law.

#### **SEVERABILITY**

The invalidity or unenforceability of any one or more provisions of these policies shall not affect the validity or enforceability of the remaining provisions, or any part of the policies not held to be invalid or unenforceable.

#### **AMENDMENTS / WAIVERS**

The Board in its sole discretion may amend these policies from time to time. The Board may also elect in its sole discretion at any time to grant waivers to any of the provisions of these policies.

**ATTACHMENT A: Consent and Waiver Agreement**

DRAFT

**ATTACHMENT A**  
**Consent and Waiver Agreement**

DRAFT

**CONSENT AND WAIVER AGREEMENT  
- Deer Run Community Development District -**

The Deer Run Community Development District (“District”) owns and operates certain amenities, including a clubhouse, pool, playground, walking trails, and other facilities, and offers certain amenity programs, to the District’s patrons. In consideration for being allowed to use the amenities and/or participate in the amenity programs (together, “Activities”), I hereby voluntarily assume any and all risk, including injury to my person and property, relating to the Activities, and agree to indemnify, defend and hold harmless the District, \_\_\_\_\_ Homeowners’ Association, Inc., \_\_\_\_\_, and any of their affiliates, supervisors, officers, staff, agents, employees, volunteers, organizers, officials or contractors (collectively, the “Indemnitees”) from any claim, liability, cost, or loss of any kind sustained or incurred by either any of the Indemnitees or by other residents, users or guests, and resulting from any acts or omissions of myself, my family members, or my guests, and arising out of or incident to the Activities, unless such loss is solely the result of Indemnitees’ gross negligence or intentional, willful, or wanton misconduct. I further acknowledge and agree that I shall be bound at all times by the terms and conditions of the policies, rules and regulations of the District, as currently in effect and as may be amended from time to time. I have read and understand the terms of this Consent and Waiver Agreement and have willingly signed below as my own free act, being both of lawful age and legally competent to do so. Nothing herein shall constitute or be construed as a waiver of the District’s limitations on liability contained in section 768.28, Florida Statutes or other statute or law.

Participant Name: \_\_\_\_\_

Participant Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
(if Participant is 18 years of age or older)

Parent/Guardian Name: \_\_\_\_\_  
(if Participant is a minor child)

Parent/Guardian Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
(if Participant is a minor child)

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Phone Number (home): \_\_\_\_\_

Phone Number (alternate): \_\_\_\_\_

Emergency Contact: \_\_\_\_\_

Phone Number: \_\_\_\_\_

**NOTE TO STAFF: THIS FORM MAY CONTAIN CONFIDENTIAL INFORMATION. DO NOT DISCLOSE ITS CONTENTS WITHOUT FIRST CONSULTING THE DISTRICT MANAGER.**

**PRIVACY NOTICE: Under Florida’s Public Records Law, Chapter 119, Florida Statutes, the information you submit on this form may become part of a public record. This means that, if a citizen makes a public records request, we may be required to disclose the information you submit to us. Under certain circumstances, we may only be required to disclose part of the information submitted to us. If you believe that your records may qualify for an exemption under Chapter 119, Florida Statutes, please notify the District Manager.**

**PART 2: Deer Run  
Community Development District  
Rule for Amenities Rates**

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**In accordance with Chapters 190 and 120 of the Florida Statutes, and at a duly noticed public meeting and after a duly noticed public hearing, the Board of Supervisors of the Deer Run Community Development District adopted the following rules to govern rates for the District’s Amenities.**

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1. **Introduction.** This rule addresses various rates, fees and charges associated with the Amenities.

2. **Definitions.** All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Amenities Policies of the Deer Run Community Development District, as amended from time to time.

3. **Annual User Fee.** For Non-Resident Patrons, the Annual User Fee is equal to the average annual operation and maintenance assessment and debt assessment as established by the District in connection with the adoption of the District’s annual fiscal year budgets. For Residents, the Annual User Fee is paid when the Resident makes payment for the Resident’s annual operation and maintenance assessment, and debt service assessment, for the property owned by the Resident.

4. **Reservation Rates for Clubhouse.** Any Patron wishing to have the exclusive use of any room or area within the clubhouse must pay the appropriate fee and submit a security deposit in the amounts set forth below. (For clarification purposes, all Guests must be represented by a Patron and deposit must be made by the Patron.)

<b>Room / Area</b>	<b>Rental Fee</b>	<b>Deposit</b>
Meeting Room	\$0.00 - \$75.00	\$0.00 - \$75.00
Great Room	\$0.00 - \$250.00	\$0.00 - \$250.00
Patio Lounge	\$0.00 - \$250.00	\$0.00 - \$250.00

5. **Non-Clubhouse Rates.** The following non-clubhouse fees apply: TBD when applicable

6. **Miscellaneous Fees.**

Item	Fee
Access Cards	Free – 1 <sup>st</sup> Resident
Replacement of Damaged, Lost, or Stolen Access Card	\$10.00 - \$25.00
Insufficient Funds Fee (for submitting an insufficient funds check)	\$35

7. **Special Provisions.**

a. **Homeowner’s Association Meetings.** Unless otherwise provided in the District’s official policies, as may be amended from time to time, each homeowner’s association located within the boundaries of the District is permitted one free meeting per month, subject to availability.

b. **Additional Costs.** The District may in its sole discretion require additional staffing, insurance, cleaning, or other service for any given event, and, if so, may charge an additional fee for the event equal to the cost of such staffing, insurance, cleaning, or service.

8. **Adjustment of Rates.** Not more than once per year, the Board may adjust by resolution adopted at a duly noticed public meeting any of the fees set forth in paragraphs 4, 5, and 6 by not more than five percent per year to reflect actual costs of operation of the Amenities, to promote use of the Amenities, or for any other purpose as determined by the Board to be in the best interests of the District. The Board may also in its discretion authorize discounts for certain services.

9. **Prior Rules; Policies.** The District’s prior rules setting amenities rates are hereby rescinded. The District’s Amenities Policies, as may be amended from time to time, govern all use of the Amenities.

10. **Severability.** The invalidity or unenforceability of any one or more provisions of this rule shall not affect the validity or enforceability of the remaining portions of this rule, or any part of this rule not held to be invalid or unenforceable.

Law Implemented: ss. 190.011, 190.035, Fla. Stat. (2018)

Effective Date:

**PART 3: Deer Run**  
**Community Development District**  
*Disciplinary & Enforcement Rule*

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**In accordance with Chapters 190 and 120 of the Florida Statutes, and on \_\_\_\_\_ at a duly noticed public meeting and after a duly noticed public hearing, the Board of Supervisors of the Deer Run Community Development District adopted the following rules / policies to govern disciplinary and enforcement matters. All prior rules / policies of the District governing this subject matter are hereby superseded on a going forward basis.**

---

**1. Introduction.** This rule addresses disciplinary and enforcement matters relating to the use of the amenities and other properties owned and managed by the District. All capitalized terms not otherwise defined herein have the definitions ascribed to them in the District's Amenities Operating Rules.

**2. General Rule.** All persons using the Amenities and entering District properties are responsible for compliance with, and shall comply with, the Amenities Rules established for the safe operations of the District's Amenities.

**3. Suspension of Rights.** The District, through its Board, District Manager, Amenities Manager, shall have the right to restrict, suspend, or terminate the Amenities privileges of any person to use the Amenities for any of the following behavior:

- a. Submits false information on any application for use of the Amenities;
- b. Permits the unauthorized use of an Access Card;
- c. Exhibits unsatisfactory behavior, deportment or appearance;
- d. Fails to pay amounts owed to the District in a proper and timely manner;
- e. Fails to abide by any District rules or policies (e.g., Amenity Rules and Policies);
- f. Treats the District's supervisors, staff, amenities management, contractors, or other representatives, or other residents or guests, in an unreasonable or abusive manner;
- g. Damages or destroys District property; or
- h. Engages in conduct that is improper or likely to endanger the health, safety, or welfare of the District, or its supervisors, staff, amenities management, contractors, or other representatives, or other residents or Guests.

**4. Authority of Amenities Manager.** The Amenities Manager or his or her designee has the ability to remove any person from one or all Amenities if any of the above-referenced behaviors are exhibited or actions committed. The Amenities Manager or their designee may at any time restrict or suspend for cause or causes, including but not limited

to those described above, any person's (and his/her family's) privileges to use any or all of the Amenities for a period not to exceed thirty days.

5. **Authority of District Manager.** The District Manager may at any time restrict, suspend or terminate for cause or causes, including but not limited to those described above, any person's (and his/her family's) privileges to use any or all of the District Amenities for a period greater than thirty days. Any such person will have the right to appeal the imposition of the restriction, suspension or termination before the Board of Supervisors.

6. **Enforcement of Penalties/Fines.** For any of the reasons set forth in Section 3 above, the District shall additionally have the right to impose a fine of up to the amount of \$1,000 – in addition to any amounts for damages – and collect such fine, damages and attorney's fees as a contractual lien or as otherwise provided pursuant to Florida law.

7. **Legal Action; Criminal Prosecution.** If any person is found to have committed any of the infractions noted in Section 3 above, such person may additionally be subject to arrest for trespassing or other applicable legal action, civil or criminal in nature.

8. **Severability.** If any section, paragraph, clause or provision of this rule shall be held to be invalid or ineffective for any reason, the remainder of this rule shall continue in full force and effect, it being expressly hereby found and declared that the remainder of this rule would have been adopted despite the invalidity or ineffectiveness of such section, paragraph, clause or provision.

Law Implemented: ss. 120.69, 190.011, 190.012, Fla. Stat. (2018)

Effective Date: \_\_\_\_\_

# SECTION VIII

# SECTION A



**YELLOWSTONE**  
LANDSCAPE

*Landscape Management Agreement*

**Client Name/Billing Address:**

Deer Run  
Community Development District  
135 W. Central Blvd, Suite 320  
Orlando, FL 32801

**Property Name/Address:**

Deer Run CDD/Grand Reserve Amenity Center  
Additional Landscape Maintenance

**Property Contact:**

William Viasalyers  
Government Management Services  
**Tel:** 407-451-4047  
**Email:** wviasalyers@gmscfl.com

**Contractor:**

Yellowstone Landscape – Southeast, LLC  
(d/b/a Yellowstone Landscape)  
PO Box 849  
Bunnell, FL 32110

**Effective Date:** July 1, 2019

**Expiration Date:** June 30, 2020

**Initial Term:** 12 Months

**Branch Office Contact:**

Ty Rentz, Branch Manager  
**Tel:** 386-437-6211  
**Email:** trentz@YellowstoneLandscape.com

**Scope of Services:**

The Client agrees to engage Yellowstone Landscape – Southeast, LLC (d/b/a Yellowstone Landscape) to provide the Services and work described in the attached Exhibit(s) A & B.

This agreement includes both pond areas at the amenity center.

**Compensation Schedule:**

Additional Annual - \$21,700.00  
Additional Monthly - \$1,808.33

*222*  
*216,500*  
*1,375*

*Charges will increase at the commencement of each additional automatic twelve (12) month renewal term per the Agreement Renewal section on page 2.*  
**THE TERMS AND CONDITIONS ON PAGE 2 AND THE EXHIBITS ATTACHED HERETO CONSTITUTE PART OF THIS AGREEMENT.**

**PRESENTED BY:**  
YELLOWSTONE LANDSCAPE – SOUTHEAST, LLC  
(d/b/a Yellowstone Landscape)

**ACCEPTED BY:**  
CLIENT

By/Date: Ty Rentz, Branch Manager

By/Date: *Emilio Dawson*

Printed Name/Title Assistant Secretary  
\_\_\_\_ Owner \_\_\_\_\_ Agent

## TERMS AND CONDITIONS

**Entire Agreement:** This Landscape Management Agreement contains the entire agreement between the Parties and supersedes all prior and contemporaneous negotiations, promises, understandings, commitments, proposals, or agreements, whether oral or written on the subject matter addressed herein. This Agreement may only be modified or amended by a writing signed by authorized representatives of both Parties.

**Acceptance of Agreement:** The Agreement constitutes Yellowstone Landscape – Southeast, LLC's (d/b/a Yellowstone Landscape) (hereinafter referred to as "Yellowstone") offer to Client and shall become a binding contract upon acceptance by Client's signature on this Agreement and/or instruction to perform the Services by Client's authorized representative. The Parties agree that the provisions of the Agreement shall control and govern over any contract terms and/or Purchase Orders generated by Client and that such documentation may be issued by Client to, and accepted by, Yellowstone without altering the terms hereof.

**Price, Quality and Working Conditions:** The amounts in the "Compensation Schedule" include all labor, materials, insurance, equipment, and supervision for the performance of the specified Services in the attached exhibits. All materials supplied as part of this agreement are guaranteed to be as specified and all work shall be completed in a workmanlike manner according to standard landscape maintenance practices ("Warranty"). Unless otherwise stated in writing Yellowstone shall have the right to rely on the contents of all documents provided by Client and/or its agents, including Plans, Specifications, and test results, without independent verification and analysis by Yellowstone. Client agrees that Yellowstone is not an insurer or guarantor of the appropriateness of any landscape design provided by others, or of the long term viability of plant material utilized within that specified landscape design or of the site constraints (including watering restrictions) under which Yellowstone is required to perform its Services.

**Assignment:** Neither Client nor Yellowstone may assign this Agreement or transfer any right, interest, obligation, claim or relief under this Agreement without the prior written consent of the other party. Client acknowledges that Yellowstone may subcontract portions of the Work to specialty subcontractors.

**Relationship of Parties:** The legal relationship of Yellowstone to Client with respect to the Services shall be that of an independent contractor, not an agent or employee. Yellowstone is responsible for its own withholding taxes, social security taxes, unemployment taxes, licenses, and insurance pertaining to its employees or operations. If applicable, Yellowstone agrees to pay all sales taxes on materials supplied.

**Agreement Renewal:** Unless Client notifies Yellowstone regarding its intent to terminate Services prior to expiration of the "Initial Term", this Agreement will renew automatically for an additional 12 month term and will continue to renew at the end of each successive 12 month term unless cancelled by either party in accordance with the "Termination" provision or by either party with written notice of not less than 30 days prior to the end of the "Initial Term" or any automatic term(s). Charges will increase by 3.0% at the commencement of each additional automatic twelve (12) month renewal term.

**Payment Terms:** Billing for Services occurs in advance at the first of each month in accordance with the "Compensation Schedule" on Page 1 of this agreement. Payment for Service(s) is due upon receipt of monthly invoices. The Parties contractually agree that interest on all past due amounts shall accrue at the maximum allowable rate provided by law per month, beginning on the first day following the month in which the invoice was received. This Agreement constitutes a contract of indebtedness. All payments should be mailed to:

Yellowstone Landscape – Southeast, LLC  
PO Box 101017  
Atlanta, GA 30392-1017

**Termination for Cause:** If Yellowstone fails to fully perform its obligations and fails to cure any such default within 90 days after receipt of written notice specifying the acts or omissions, Client shall have the right to terminate this Agreement. In the event of a "Termination for Cause", Client shall notify Yellowstone of the termination date in writing and pay Yellowstone for all Services performed to the effective date of termination.

**Default:** In the event that Client breaches its obligations under this Agreement to permit and cooperate with Yellowstone's performance of its duties or Client fails to make payment for any Services within 30 days of receipt of Yellowstone's invoice, Yellowstone may, but shall not be obligated to, suspend Services until the breach is cured and/or until all arrearages have been paid in full. This Agreement will terminate automatically and without notice upon the insolvency of, or upon the filing of a bankruptcy petition by or against Client.

**Claims:** Yellowstone's responsibility with regard to Services not meeting the "Warranty" shall be limited, at the sole choice of Yellowstone, to the re-performance of those defective Services and replacement of those defective materials without charge during the ninety (90) day period following completion of the defective Services or provision of defective materials, or a credit to Client's account of the compensation paid by Client for the portion of such Services determined to be defective. If the attached exhibit(s) expressly provide for a longer "Warranty" period, that "Warranty" period shall apply. The Parties shall endeavor in good faith to resolve any such Claim within 30 days, failing which all claims, counterclaims, disputes, and other matters in question between Client and Yellowstone arising out of or relating to this Agreement or the breach thereof may be decided by the dispute resolution process identified below. Each Party will bear its own costs, including attorneys' fees; however, the prevailing party shall have the right to collect reasonable costs and attorneys' fees for enforcing this agreement as allowable by applicable law.

**Dispute Resolution and Choice of Law:** The Agreement shall be governed by the laws of the State of Florida without regard to its conflicts of laws provision. Yellowstone and Client agree (i) to submit to the jurisdiction of the State or Superior Courts of Flagler County, FL for the purpose of any suit or other proceeding arising out of or based upon this Agreement, (ii) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the state courts of Flagler County, FL. Any such dispute may by mutual agreement of the Parties be submitted to arbitration or mediation, which shall be conducted in Flagler County, FL.

**Insurance:** Yellowstone shall secure and maintain, throughout the performance of Services under this Agreement, General Liability, Employers Liability, Auto Liability & Umbrella Liability coverage, as specified herein:

- Worker's Compensation Insurance with statutory limits;
- Employer's Liability Insurance with limits of not less than \$1,000,000;
- Commercial General Liability Insurance with combined single limits of not less than \$1,000,000 per occurrence/\$2,000,000 annual aggregate;
- Comprehensive Automobile Liability Insurance, including owned, non-owned and hired vehicles, with combined single limits of not less than \$1,000,000.
- Umbrella Coverage \$10,000,000 per occurrence/\$10,000,000 annual aggregate

If required in writing by Client, Yellowstone shall furnish Certificates of Insurance verifying such insurance and Yellowstone agrees to provide written notice to Client at least thirty (30) days prior to any cancellation, non-renewal or material modification of the policies. When requested by Client, the original insurance policies required of Yellowstone will be made available for review.

**License:** Yellowstone shall maintain all applicable licenses and permits within the cities, counties, and states of operation.

**Indemnification for Third Party Claims:** Yellowstone agrees to indemnify, defend, and hold harmless Client from and against any and all claims, losses, liabilities, judgments, costs and expenses and damages and injuries to third parties ("Claims") arising out of or caused by the negligent act, error, omission or intentional wrongdoing of Yellowstone, its subcontractors or their respective agents, employees or representatives which arise from the performance of the Services or otherwise while present on the Property for the purpose of rendering Services pursuant to this Agreement. Client agrees to indemnify and hold harmless Yellowstone against any Claims based in whole or in part by the conduct or actions of Client. The indemnity rights and obligations identified in this Agreement shall be, and are the only indemnity rights and obligations between the Parties, in law or equity, arising out of or related to Yellowstone's Services under this Agreement or any claims asserted in relation thereto.

**Limitation of Liability:** Except for the indemnification provision applicable to claims by third parties against Client, Yellowstone's total and cumulative liability to Client for any and all claims, losses, costs, expenses and damages, whether in contract, tort or any other theory of recovery, shall in no event exceed the amount Client has paid to Yellowstone for Services under this Agreement during the calendar year in which the claim first occurred. In no event shall Yellowstone be liable for incidental, consequential, special or punitive damages.

**Indirect Damages:** Neither Party shall be responsible to the other or to any third party for any economic, consequential, incidental or punitive damages (including but not limited to loss of use, income, profits, financing or loss of reputation) arising out of or relating to this Service Agreement or the performance of the Services.

**Excusable Delays and Risk of Loss:** Yellowstone shall not be in breach of this Agreement nor liable for damages due to (i) delays, (ii) failure to perform any obligation under this Agreement, or (iii) losses caused or attributable, in whole or in part, to circumstances beyond its reasonable control, including but not limited to: drought conditions, acts of God, governmental restrictions or requirements, severe or unusual weather, natural catastrophes, vandalism or acts of third persons. Client assumes the full risk of loss attributable to all such occurrences, including but not limited to, the repair or replacement of landscaping and payment to Yellowstone of all amounts provided in this Agreement, notwithstanding that Yellowstone may not have been a ble to provide all or any of its Services during such occurrences or until the premises described under this Agreement has been restored to its pre-occurrence condition.

**Watering Restrictions and Drought Conditions:** Should the Property be located in an area which is or becomes subject to governmental restrictions on water usage and/or watering times applicable to the Services Yellowstone will comply with such governmental restrictions which may then impact the performance, viability and/or looks of plant materials and, as such, shall be deemed circumstances beyond its reasonable control.

**Non waiver:** No delay or omission by Yellowstone in exercising any right under this Agreement, and no partial exercise of any right under this Agreement, shall operate as a waiver of such right or of any other right under this Agreement as provided for by law or equity. No purported waiver of any right shall be effective unless in writing signed by an authorized representative of Yellowstone and no waiver on one occasion shall be construed as a bar to or waiver of any such right on any other occasion. All rights of Yellowstone under this Agreement, at law or in equity, are cumulative and the exercise of one shall not be construed as a bar to or waiver of any other.

**Construction:** The rule of adverse construction shall not apply. No provision of this Agreement is to be interpreted for or against any Party because that Party or that Party's legal representative drafted the provision. In the event any provision of the Agreement is deemed invalid or unenforceable, the remaining provisions shall continue in full force and effect, and the invalid or unenforceable provision shall be interpreted and enforced as closely as possible to the intent of the Parties as expressed herein.

**Change in Law:** This Agreement is based on the laws and regulations existing at the date of execution. In the event that a governmental authority enacts laws or modifies regulations in a manner that increases Yellowstone's costs associated with providing the services under this Agreement, Yellowstone reserves the right to notify Client in writing of such material cost increase and to adjust pricing accordingly as of the effective date of such cost increase. Yellowstone must submit clear documentation supporting the cost increase and can only increase pricing to the extent of actual costs incurred.



**Deer Run CDD / Grand Reserve Amenity Center  
Exhibit A  
Landscape Management Service Pricing Sheet**

Core Maintenance Services

**Mowing, Clean Up & Detailing** \$14,300.00  
*Includes mowing, edging, string-trimming,  
 clean-up, shrub pruning, and weed removal*

**IPM - Fertilization & Pest Control** \$1,200.00  
*Fertilization/Fungicide/Insecticide/herbicide/weed control*

**Irrigation Inspections** \$1,000.00  
*Includes monthly inspections*

**Grand Total Annual** \$16,500.00

Additional Services (billed per occurrence)

**Pine Bark Mulch** \$4,500.00 X  
*estimated 100 cubic yards to mulch entire property*

**Standard/Specialty Palm Pruning** \$700.00 X  
*based on 8 Sylvester, 18 Washingtonia palms twice per year*

**Additional Services Total** \$5,200.00 X

**GRAND TOTAL ANNUAL** \$21,700.00 14,500  
**MONTHLY** \$1,808.33 1,375

Client Initial:   ra



**Client:** Deer Run CDD /Grand Reserve Amenity Center  
**Service Area:** Center  
**Effective Date:** July 01, 2019

**Exhibit B - Performance Standards**

Managing the needs of your unique landscape requires careful planning and attention to detail. Our experienced professionals use their extensive training and state-of-the-art equipment to ensure the health and sustainability of your living investment. Should you ever have additional needs, questions or concerns, please feel completely free to ask us.

Geographic location and climate play a major role in the timing of our service delivery; schedules are adjusted to coincide with seasonal growth rates in order to maintain a consistent, healthy appearance. Services missed due to inclement weather will be made up as soon as possible. The following table summarizes our planned visits for completing each of the services performed on your property:

Service	Visits
<i>Mowing</i>	
Turf Mowing	38
Backpack If	38
Hard Edging	38
Soft Edging	26
Fence/Wall/Post/Etc Lf	38
<i>Detailing</i>	
Weeding Manual, Non-Selective Herbicide	26
Shrub Pruning	6
<i>IPM - Fertilization &amp; Pest Control</i>	
<i>Fertilization</i>	
St. Augustine	4
Shrubs - Cypress/Pinebark	2
<i>Chemical - Turf</i>	
St. Augustine - Insecticide	2
St. Augustine, Bahia - Herbicide, Fungicide	2
<i>Chemical - Shrubs/Trees</i>	
Shrubs-Fungicide, Insecticide	2
Shrubs-Pre-Emergent	1
<i>Irrigation Inspection</i>	
# of Checks	12
<i>Additional Services</i>	
uning - Standard/Specialty Palm	8 add
Pine Bark Mulch	8 add

Client Initial: cd

Creating premier properties. Building lasting relationships.

## What you can expect from us as our valued Client!

### Communication

- **You need to know what's going on.** Most frustration comes from not knowing. We've confronted this issue head on-our systems put communication first. Clients have a single point of contact regardless of the stage of their job. There are regular updates and we always welcome lots of feedback. It is our policy to be honest and responsive at all times and our objective is complete customer satisfaction.

### Customization

- **One size doesn't fit all.** Every property we service has its own set of needs and issues. Our experienced staff and integrated approach allow us to find unique solutions to meet most property or budget constraints. It is our focus to be as flexible as possible so that we find the best solution and our customer experience is stress free.

### Proactivity

- **We'll fix it before it's a problem.** The last thing we want is for our clients to point out something we've missed. We've built our service programs around proactivity and our professionals strive to catch every detail before someone else does. Procedures, checklists and training all focus on one result-making sure our customers don't have to manage our work.

### Personnel

- We understand that our personnel are perceived as your representatives while on your property; rest assured in knowing they will conduct themselves in an efficient, well-mannered, well-groomed and workman-like manner.
- All of our services are coordinated to minimize disruption and maximize safety to people and vehicular traffic.
- We provide all labor, transportation and supervision necessary except in circumstances where we may use a reputable subcontractor (e.g. palm pruning, mulch, and irrigation) to carry out the task.
- Should we accidentally damage anything on your property, we will promptly make repairs at no cost to you.

### Our Vehicles and Equipment

- Our service vehicles are well maintained, registered, insured, and operated only by responsible licensed personnel.
- All trailers, storage facilities, and maintenance equipment are in good condition and present a clean and neat appearance.
- Tools and equipment will be properly suited to the task at hand and used with safety gear when necessary.

### Additional Services

- We will gladly provide extra services (such as irrigation repair and plant material replacement), special services and/or landscape enhancements at an additional charge with written approval from one of your authorized representatives. Our landscape design team and enhancement crews are ready when you are!

### Additional Provisions

- Your personal Account Manager will conduct inspections on a monthly basis to assess and remedy landscape maintenance deficiencies as soon as possible.
- We offer a 24 hour contact list for use in case of emergencies.
- Removal of all landscape debris generated on the property during landscape maintenance is our sole responsibility, at no additional expense to you.
- Access to a water source on your property must be provided for use in spray applications.
- All products will be applied as directed by the manufacturers' instructions and in accordance with all state and federal regulations.
- We will frequently assess, identify, and notify you of any landscape conditions that affect long-term health including our suggestions regarding the best course of action. While we can't guarantee the survival of plant material, since it is a living thing, any plant material that dies as a direct and identifiable result of improper maintenance practices will be replaced at no additional cost to you.

Client Initial:   ES  

*Creating premier properties. Building lasting relationships.*

Page 5 of 5

# SECTION B

# **Riverside Management Services, Inc.**

9655 Florida Mining Blvd., Building 300, Suite 305, Jacksonville, FL 32257

## **WORK AUTHORIZATION FOR DEER RUN COMMUNITY DEVELOPMENT DISTRICT FISCAL YEAR 2019 (July 2019 to September 2019)**

### **AMENITY MANAGEMENT**

#### **Amenities Manager:**

Riverside Management Services, Inc. shall provide Amenity Management Services for the Deer Run Community Development District. These services are on an interim basis and include overseeing all amenity facilities, interacting with residents, prospective residents and their guests, social event execution, and promoting clubs and marketing. RMS has the ability to create a unique schedule to accommodate the needs of each community, which will include the following:

- The Amenity Manager is the liaison for the Community Development District Board of Supervisors and will attend all District Meetings.
- Will prepare a monthly Manager's Report detailing all activity such as all social events, clubs, upcoming events, residents concerns, information regarding completed and planned maintenance projects, etc.
- Primary area of responsibilities will be management of District owned amenities and recreational facilities, to include the planning and execution of social events, programming of resident services and facility rentals.
- Respond to all resident questions and concerns regarding the District in a timely and professional manner.
- Maintain a professional relationship with all residents, welcoming and educating new homeowners, issuing access cards and maintaining data base, updating resident information, supervising staff members, monitoring facility usage and rentals.
- Responsible for updating and maintaining District communications platforms, to include the community website, marquee board, E-blasts and monthly newsletter.
- Coordinate with Operations Manager to ensure all District contracts such as pool maintenance, landscape, janitorial, security, pest control, etc. are in compliance with contract specifications.
- Inspect Amenity Center and common areas for lighting, debris removal, pest control, signage and fencing necessary maintenance. Inspections include recommendations to improve safety and minimize potential hazards in order to prevent accidents from occurring.
- Coordinate with maintenance staff and the Operations Manager regarding current and upcoming projects based upon inspection reports.
- Inventory cleaning products, paper products, office and first aid supplies.
- Coordinate, organize, and promote all social events and activities throughout the year. Administer rental program of District Facilities for private parties, social events and clubs.
- Educate staff members, security guards, residents, prospective residents and public on District policies and procedures.
- Prepare report for recommendations regarding modifications/updates to the policies and procedures as needed.
- Interactions regarding budgeting, maintenance recommendations, social event recommendations, coordination and communication with the Board of Supervisors and others.
- Process any insurance claims and related repair work.
- Provide recommendations for annual budget, marketing social events, promoting community clubs, etc.
- Responsible for sending CDD information for website updates and maintaining a community social event calendar.
- Interface with vendors for repairs, billing, payments, and approve certain invoices.

**General Provisions:**

- RMS shall provide, at no charge to the District, company uniforms to all personnel providing these services.
- Costs incurred by RMS due to maintenance related requests, emergencies or unscheduled visits (i.e. vandalism, acts of God, etc.) shall be invoiced at \$35.00/hour, plus any materials, equipment rentals and travel reimbursement. Minimum of two (2) hour charge.
- Reasonable reimbursement for the expense of copies, office supplies, etc.
- District to provide computer, printer and/or any other office related supplies.
- All supplies, materials needed for maintenance within the District shall be paid-for by the District.
- Additional staffing, organizing, purchasing, planning, set up and cleaning for special events and facility rentals shall be invoiced at \$25.00 per hour.
- All RMS employees are subject to a background check, drug screening and physical.

**Pricing:**

	<u>Monthly Amount</u>	<u>FY2019 Amount</u>
Amenity Management (July 2019 – September 2019, 3 days/24 hours per week)	\$3,016	\$9,048

\* Month of July to be prorated pending actual start date.

  
Deer Run CDD, Representative

  
Riverside Management Services, Inc.

# SECTION C

**ALPHA DOG AUDIO VIDEO SECURITY**  
**120 Cumberland Park Drive, Suite 406**  
**Saint Augustine, FL 32095**  
**(904) 257-4295**

**CONSUMER DISCLOSURE AND CONSENT TO ELECTRONIC COMMUNICATIONS**

- 1. Disclosure.** Federal law [Electronic Signatures in Global and National Commerce Act, 15 U.S.C. § 7001-7031] permits you to agree to the receipt and access of certain documents and communications in electronic form, notwithstanding any requirement for written copies. Pursuant to this Consumer Disclosure and Consent to Electronic Communications you consent to receive and to be provided with electronic copies of all documents and communications as defined below. Please save or print a copy of this document for your records.
- 2. Consent to Electronic Delivery.** You agree to receive all documents and communications including but not limited to agreements, terms and conditions, bills for services, statutory notices, correspondence and disclosures required by law to be in writing, ("Documents and Communications") from ALPHA DOG AUDIO VIDEO SECURITY (hereinafter referred to as "ALPHA" or "COMPANY") in an electronic format, ("Electronic Communications"). You acknowledge that you are able to receive and retain such Electronic Communications by printing, downloading or saving them to your electronic device. You accept any Electronic Communications provided by ALPHA as reasonable and proper notice in full satisfaction of any law or regulation requiring that such Documents and Communications be provided to you in writing, or in a form that you have the ability to retain. You agree that you are solely responsible for notifying ALPHA of any changes to your email address, and agree to keep it up to date by writing to ALPHA at Brian@alphadogavs.com or to: ALPHA DOG AUDIO VIDEO SECURITY, 120 Cumberland Park Drive, Suite 406, Saint Augustine, FL 32095.
- 3. Paper Copies of Electronic Communications.** You agree that ALPHA does not need to provide you with additional paper (non-electronic) copies of any Electronic Communications unless you specifically request to receive paper copies. You may request a paper copy of any Electronic Communications provided by ALPHA. You acknowledge ALPHA reserves the right to charge you a reasonable fee for the production and mailing of any paper copy of Electronic Communications. To submit a request to receive a paper copy of all Electronic Communications contact ALPHA by mail: ALPHA DOG AUDIO VIDEO SECURITY, 120 Cumberland Park Drive, Suite 406, Saint Augustine, FL 32095.
- 4. Revocation of Consent to Electronic Communications.** You have the right to withdraw your consent to receive Electronic Communications from ALPHA at any time. You acknowledge that ALPHA reserves the right to restrict or terminate your access to its website, web portal or web application if you withdraw your consent to receive Electronic Communications. To withdraw your consent to receive Electronic Communications contact ALPHA by mail: ALPHA DOG AUDIO VIDEO SECURITY, 120 Cumberland Park Drive, Suite 406, Saint Augustine, FL 32095.

5. **System Requirements.** In order to receive Electronic Communications from ALPHA you must have a system that meets the following requirements:

Operating Systems:	Windows2000? or WindowsXP?
Browsers (for SENDERS):	Internet Explorer 6.0? or above
Browsers (for SIGNERS):	Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above)
Email:	Access to a valid email account
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	<ul style="list-style-type: none"> <li>• Allow per session cookies</li> <li>• Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection</li> </ul>

To the extent required by law, ALPHA shall notify you of any change made in the hardware or software requirements needed to access or participate in any electronic communication with ALPHA, and you agree to re-consent electronically in any manner that reasonably demonstrates your ability to access Electronic Communications.

6. **Right to Modify Terms.** ALPHA reserves the right, in its sole discretion, to modify the terms and conditions of this Consumer Disclosure and Consent to Electronic Signatures and Communications. If required by law ALPHA shall notify you of any modification to the Consumer Disclosure and Consent to Electronic Communications or the termination of its relationship with you.

To obtain Documents and Communications from ALPHA electronically, indicate your consent to the above terms and conditions by providing at least two of three personal identifiers as requested below, typing your full name in the space provided, and clicking the "I Accept" checkbox below.

**Personal Identifiers: (Provide two of three)**

June 9, 1969

(Date of Birth)

2808

(Last 4 digits of Social Security Number)

Ada Perez

(Mother's Maiden Name)

"I hereby accept the terms and conditions as outlined in the above agreement and understand that by confirming I am submitting my electronic consent to receive all document(s) and communication(s) electronically."

**Type Full Name:**

Ernesto J. Torres, District Manager

(Print Name)



1. Subscriber agrees that the System is to be kept in good working order by Subscriber. Subscriber further agrees that Company has no responsibility for the operation or non-operation of the System or the transmission of signals to Company's Central Station receiving equipment.

2. Subscriber agrees that this Agreement shall continue, without action by either party, extend and renew itself under the same terms and on the conditions precedent that Dealer prepays for central station monitoring services. Therefore, Subscriber hereby waives any right to equitable relief against Company. Notwithstanding the above provision, should Subscriber obtain equitable relief against Company, Subscriber agrees to pay Company all monies claimed by Company to be due and owing to Company by Dealer for past services to Subscriber, all monies for future services to be rendered Subscriber, as well as Company's reasonable attorneys' fees and expenses in defending any action by Subscriber seeking equitable relief.

3. **SUBSCRIBER AGREES AND UNDERSTANDS THAT COMPANY IS NOT AN INSURER AND THAT INSURANCE COVERING PERSONAL INJURY, INCLUDING DEATH AND REAL OR PERSONAL PROPERTY LOSS OR DAMAGE IN, ABOUT OR TO THE PREMISES SHALL BE OBTAINED BY THE SUBSCRIBER. THAT COMPANY MAKES NO GUARANTEE, REPRESENTATION OR WARRANTY INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PURPOSE; THAT THE EQUIPMENT AND SERVICES ARE DESIGNED TO REDUCE, BUT NOT ELIMINATE, CERTAIN RISKS OF LOSS AND THAT THE AMOUNTS BEING CHARGED BY COMPANY ARE NOT SUFFICIENT TO WARRANT OR GUARANTEE THAT EITHER NO LOSS OR DAMAGE WILL OCCUR OR INCREASED LOSS OR DAMAGE WILL NOT OCCUR; THAT COMPANY IS NOT LIABLE FOR ANY LOSS OR DAMAGE WHICH MAY OCCUR TO, OR BE SUSTAINED BY, OR BE INCIDENT TO THE EXECUTION OF THIS AGREEMENT EVEN IF DUE TO THE ACTIVE OR PASSIVE SOLE, JOINT OR SEVERAL NEGLIGENCE OF COMPANY OR ITS AGENTS, SERVANTS, EMPLOYEES, SUPPLIERS OR SUBCONTRACTORS, OR TO THE IMPROPER PERFORMANCE OF AND/OR FAILURE TO PERFORM OF THE EQUIPMENT, OR BREACH OF CONTRACT, EXPRESS OR IMPLIED, OR BREACH OF WARRANTY, EXPRESS OR IMPLIED, OR BY LOSS OR DAMAGE TO FACILITIES NECESSARY TO OPERATE THE SYSTEM OR ANY CENTRAL STATION, AND THAT COMPANY SHOULD THEREAFTER BE RESPONSIBLE FOR THE PART OF THE COMPANY FOR PERSONAL INJURY AND/OR PROPERTY DAMAGE, REAL OR PERSONAL, WHICH IS IN CONNECTION WITH, ARISES OUT OF OR FROM, OR RESULTS FROM THE REMOTE PROGRAMMING OR MONITORING OF ANY EQUIPMENT OR SYSTEM, AND/OR THE DISPATCH OF INDIVIDUALS TO THE PREMISES, AND/OR THE FAILURE OR FAULTY OPERATION OF THE SYSTEM, EQUIPMENT OR CENTRAL STATION FACILITIES, AND/OR THE ACTIVE OR PASSIVE SOLE, JOINT OR SEVERAL NEGLIGENCE (INCLUDING GROSS NEGLIGENCE), OF COMPANY AND/OR ITS AGENTS, SERVANTS, EMPLOYEES, SUPPLIERS OR SUBCONTRACTORS, INCLUDING UNLAWFUL, INTENTIONAL ACTS, ERRORS OR OMISSIONS WHICH OCCUR PRIOR TO, CONTEMPORANEOUSLY WITH OR SUBSEQUENT TO THE EXECUTION OF THIS AGREEMENT, AND/OR ANY CLAIM(S) BROUGHT IN PRODUCT OR STRICT LIABILITY, AND/OR BREACH OF WARRANTY, EXPRESS OR IMPLIED, AND/OR BREACH OF CONTRACT, EXPRESS OR IMPLIED, AND/OR ANY CLAIM FOR CONTRIBUTION OR INDEMNIFICATION, WHETHER IN CONTRACT, TORT OR EQUITY, INCLUDING, WITHOUT LIMITATION, ANY GENERAL, DIRECT, SPECIAL, INCIDENTAL AND/OR PUNITIVE, AND/OR CONSEQUENTIAL DAMAGES, IRRESPECTIVE OF CAUSE, SUCH LIABILITY SHALL BE LIMITED TO THE MAXIMUM SUM OF \$250,000, AND THIS LIABILITY SHALL BE EXCLUSIVE.**

IN THE EVENT THAT THE SUBSCRIBER WISHES TO INCREASE THE MAXIMUM AMOUNT OF SUCH LIMITED LIABILITY, SUBSCRIBER MAY, AS A MATTER OF RIGHT, OBTAIN FROM COMPANY A HIGHER LIMIT BY PAYING AN ADDITIONAL AMOUNT FOR THE INCREASE IN SUCH LIMIT OF LIABILITY, BUT THIS HIGHER LIMITATION SHALL IN NO WAY BE INTERPRETED TO HOLD COMPANY AS AN INSURER.

4. Subscriber understands that transmission of signals from the device with which the System is equipped ("device") and/or the System may be via radio telemetry, satellite transmission, cable or wire (telephone circuit) and that alternative or additional protection can be installed at Subscriber's request and expense. Subscriber further understands that for equipment which transmits signals via the telephone circuit there are various types of telephone line service, including direct wire, McCulloch Loop, Multiplex, etc., and the devices are not infallible and Subscriber specifically acknowledges that Company does not represent or warrant that the device, System or the transmission of signals from the device or the System via satellite transmission, radio telemetry, cable or telephone line service may not be interrupted, circumvented or compromised. In addition, Subscriber understands that a digital central station communicator is a non-supervised reporting device which requires the telephone equipment, connection to the telephone network and the telephone line ("Telephone Equipment") to be compatible and operative with the System in order for signals to be transmitted by the device and received by the central station; if the Telephone Equipment is not compatible or operative, there is no indication of this fact at the central station and no signal can be received by the central station while the Telephone Equipment remains incompatible or inoperative. Subscriber further understands that satellite transmissions, radio telemetry and radio frequency transmissions may be impaired or interrupted by ground interference and/or atmospheric conditions, including, without limitation, sun spots, electrical storms, power failures or other conditions and events beyond the control of Company and that if satellite or radio transmissions are interrupted there is no indication of this fact at the central station and no signal can be received by the central station while the interruption continues.

5. Subscriber does hereby for him/herself and all parties claiming under him/herself release and discharge Company from and against all hazards covered by insurance or bond, including all deductibles and retained limits as well as loss or damage in excess of policy limits. It is expressly understood and agreed that no insurance company, insurer, or bonding company or their successors or assigns shall have any rights created by a Loan Agreement, Loan Receipt, or other like document or procedure, or any right of subrogation against Company.

6. Subscriber releases and holds harmless Company from and against all claims, demands, liabilities, damages, losses, expenses, including attorneys' fees and lawsuits which may be asserted against or incurred by Company by or due to any person not a party to this Agreement, including Subscriber's insurance or bonding company, for any expense, loss or damage including, but not limited to, statutory civil damages, personal injury, death and/or property damage, real or personal, arising out of the design, sale, lease, installation, repair, service, dispatch, maintenance, monitoring, recording of communications, operation or non-operation of the equipment, System or central station facilities, whether due to the sole, joint or several negligence (including gross negligence) of Company or its agents, servants, employees, suppliers or subcontractors, or breach of contract, express or implied, breach of warranty, express or implied, product or strict liability, and/or any claim for contribution or indemnification, whether in contract, tort or equity.

7. Upon termination of monitoring services for any reason, the receipt of signals from "run-away" Systems, Systems which excessively signal the Company's Central Station without apparent reason or Premises or Systems not under contract with Company, Subscriber empowers and authorizes Company to refrain from monitoring the System and/or to render the equipment incapable of communicating with its Central Station by direct or remote programming the removal or deletion of data necessary for the operation of the System or through any other means render inoperable the equipment or other devices or the Service, without any claim, suit or arbitration, and without liability to Subscriber and/or Company for all general, special, incidental, exemplary, punitive and consequential expense, loss or damage to Subscriber, whether due to the sole, joint or several negligence (including gross negligence) of Company, its agents, servants, employees, suppliers or subcontractors. If Company is prohibited to render program or to render inoperable the microprocessor or other communication device, or if, after written notice to Subscriber, Subscriber fails to disconnect the System or prevent the System from communicating with the Central Station, Subscriber agrees to pay to Company the sum of Fifty (\$50.00) Dollars for each signal from the System received by the Central Station, as liquidated damages and not as a penalty. Further, Subscriber agrees to pay to Company all costs actually incurred by Company in any claim, suit or arbitration ("Claim") including, without limitation, actual attorneys' fees and court costs incurred by Company in connection with, arising out of or from or resulting from any Claim including, without limitation, any action at law or in equity arising out of this Section.

8. It is the sole responsibility of the Subscriber to (i) confirm that the Telephone Equipment is compatible with the System, especially when there are changes to the Telephone Equipment or services rendered to Subscriber by the telephone company, i.e., call waiting, Center Telephone System, answering machines, etc., and (ii) test the equipment periodically, at least monthly and whenever changes are made to telephone service or the Premises. Any claimed inadequacy or failure of the equipment shall be limited to Dealer.

9. In the event the System is activated for any reason whatsoever, the Subscriber agrees to pay without recourse or to reimburse Company for any fines, fees, costs, expenses, and penalties assessed against Subscriber and/or Company by any court or local, state or federal government or agency as a result thereof. Subscriber further agrees that Company, at its sole option, shall be permitted, upon five (5) days written notice to Subscriber, to terminate this Agreement if, in Company's sole opinion, Subscriber misuses or abuses the System, or the System is activated without apparent cause.

10. This Agreement becomes binding upon Company only when signed by an authorized representative of Company, who must be a Corporate Officer if any of the printed terms and conditions have been interlineated, altered or substituted by other wording. This Agreement is binding on the heirs, executors, administrators, successors and assigns of the parties, and shall be governed by and construed according to the laws of the state set forth in Company's address.

11. This Agreement is not assignable by Subscriber except upon the written consent of Company, which shall be at Company's sole option. This Agreement or any portion thereof is assignable by Company at its sole option.

12. If Company shall waive any breach by Subscriber, it shall not be construed as a waiver of any subsequent breach, and Company's failure to exercise any rights hereunder shall not be construed as a waiver of any breach unless specifically waived by Company in writing. Company's rights hereunder shall be cumulative, and any rights hereunder may be exercised concurrently or consecutively and shall include all remedies available under law and equity even though not expressly referred to herein.

13. (a) Non-U.L. Central Station monitoring service consists solely of the calling by telephone of the party professional services or the telephone number supplied by Subscriber in writing upon receipt of signals transmitted from equipment at the Premises. Subscriber agrees that Company shall have no liability for any loss, damage or expense to Subscriber including, without limitation, any general, special, incidental, exemplary, punitive or consequential damages arising out of remote programming of the Equipment or System.

(b) U.L. Central Station monitoring service consists solely of the obligations set forth in Section 13(a) hereof and responding to the Premises upon receipt of a signal from the Premises pursuant to the U.L. standards for the U.L. certification issued as of the date of commencement of monitoring service.

14. Subscriber warrants that any claims, demands, liabilities, damages, losses, expenses, including attorneys' fees and without liability to Company for any general, special, incidental, exemplary, punitive or consequential expense, loss or damage to Subscriber, in case the Central Station, telephone network equipment, or facilities necessary to operate the System or Central Station are destroyed, damaged, or inoperative for any reason whatsoever, for the duration of such interruption of service.

15. Subscriber agrees that Company has no responsibility for the condition or operation of any equipment, system, device, or property of any sort of Subscriber, Dealer, the telephone company or others. If the System transmits signals by wire (telephone circuit), Subscriber acknowledges that (a) the communication between the System and the Premises and Company's central station is via the telephone circuit and that the System may not transmit the signals to the central station if the telephone line is not operating when Company receives information advising it of said problem. If the System or its devices transmit signals by radio telemetry, Subscriber understands that a radio telemetry system is a non-supervised reporting device which requires operable antennae and non interference with radio wave transmissions for a receiver/transmitter and/or central station; if there is interference of the transmissions or if the antennae are inoperative, signal can be transmitted by the device or System and/or received by the central station while the interference continues.

16. All claims, actions or proceedings, legal or equitable, against Company shall be commenced in court within one (1) year after the cause of action has accrued or the act, omission or event occurred from which the claim, action or proceeding arises, whichever is earlier, without judicial extension of time, or said claim, action or proceeding is barred, time being of the essence of this paragraph.

17. This instrument contains the entire Agreement between the parties hereto with respect to the transactions described herein and supersedes all previous and contemporaneous negotiations, commitments, contracts, express or implied, warranties, express or implied, statements and representations, whether written or oral, pertaining thereto, all of which shall be deemed merged into this Agreement. Neither party has authority to make or claim any representation, term, promise, condition, statement, warranty, or inducement which is not expressed herein. Should any provision hereof (or portion thereof), or its application to any circumstances, be held illegal, invalid or unenforceable to any extent, the validity and enforceability of the remainder of the provision and this instrument, or of such provisions as applied to any other circumstances, shall not be affected thereby, and shall continue in full force and effect as valid, binding and subsisting. All changes or amendments to this Agreement must be in writing and signed by the parties to be binding on the parties.

18. The acceptance of this Agreement in writing or by course of conduct or payment by Subscriber to Dealer waives all terms and conditions contained in any purchase order, acknowledgment or contract submitted by Subscriber and Subscriber agrees that no other terms or conditions contained in any Subscriber document, unless signed by an authorized officer of Company, whether those terms or conditions be additional to, different from, or conflicting with the terms and conditions herein, shall be deemed included herein or agreed to by Company. Neither the failure of Company to object to any communication from Subscriber, nor any performance by Company shall be deemed an acceptance of any terms or conditions which are additional to, different from, or conflicting with the terms and conditions contained herein.

19. If, at any time after the date hereof, additional services are authorized by Subscriber, all services supplied by Company shall be subject to the terms of this Agreement only, except that additional charges shall be made for such additional services.

20. Company reserves the right to subcontract for the provision of services under this Agreement. Subscriber agrees and acknowledges that the provisions of this Agreement inure to the benefit of and are applicable to any subcontractors engaged by Company to provide any services set forth herein to Subscriber, and bind Subscriber to said subcontractor(s) with the same force and effect as they bind Subscriber to Company. Subscriber specifically agrees to defend, indemnify and hold harmless Company from and against all claims by any subcontractor engaged by Company.

21. Subscriber acknowledges that Company may record wire and oral communications and hereby consents and authorizes Company to so record all such communications between Company, Subscriber and/or Subscriber's agents, servants, employees and/or representatives.

22. Subscriber agrees to pay without recourse or to reimburse Company for all charges, fees, expenses, permits, etc., by any utility or local, state or federal government or agency, relating to the services provided under this Agreement.

23. Subscriber agrees that System monitoring information, notification information, and all other information used by Company to perform services under this Agreement shall be in writing only. All changes or amendments to this Agreement shall be in writing only. No oral communications shall be binding on Company.

24. If the System is Remote Programmable, Subscriber agrees that all Subscriber requests shall be in writing or, if oral, shall be recorded by Company and Subscriber hereby consents to such recording pursuant to Paragraph 21 hereof. Further, Subscriber agrees that all Remote Programmable changes or additions to service provided by the Company shall automatically be subject to the terms and conditions of this Agreement only, except that all additional charges, if any, shall be paid by Subscriber to Dealer upon receipt of invoice for same.

25. Subscriber agrees that Company shall have no responsibility for the monitoring of medical alert signals by Company. Subscriber agrees that unless a Medical Alert Rider is executed by Subscriber, Company shall be excused from any and all liability whatsoever in connection with, arising out of or from, or resulting from receipt of any medical alert signal(s) from Subscriber or Subscriber's premises. If Subscriber executes a Medical Alert Rider, Company's liability shall be subject to paragraph three (3) hereof.

26. Subscriber acknowledges and agrees that it is Subscriber's specific intent that all medical alert signals shall be deemed to be general emergency signals (herein after "General Emergency Signals") and not to constitute a medical emergency requiring Company to contact or dispatch any medical emergency, or other like entity, person or service (hereinafter "Medical Assistance"). Subscriber agrees that it is Subscriber's sole responsibility to (i) prepare for any medical emergency, and (ii) contact or dispatch, and/or make other arrangements to contact or dispatch, Medical Assistance if and when necessary by means other than through Company.

27. **SUBSCRIBER ACKNOWLEDGES AND AGREES THAT COMPANY'S SOLE RESPONSIBILITY FOR RECEIPT OF A GENERAL EMERGENCY SIGNAL TRANSMITTED FROM EQUIPMENT AT THE PREMISES IS TO CONTACT THE LOCAL POLICE DEPARTMENT OR PUBLIC EMERGENCY RESPONSE AGENCY RESPONSIBLE FOR THE MUNICIPALITY IN WHICH THE PREMISES IS LOCATED. SUBSCRIBER UNDERSTANDS AND AGREES THAT COMPANY SHALL NOT UNDER ANY CIRCUMSTANCES CONTACT OR DISPATCH MEDICAL ASSISTANCE FOR SUBSCRIBER OR THE PREMISES AND COMPANY IS HEREBY RELEASED FROM ANY AND ALL CLAIMS, SUITS, ACTIONS AND DEMANDS WHATSOEVER IN LAW OR EQUITY WHICH SUBSCRIBER, OR ANYONE CLAIMING THROUGH SUBSCRIBER, IN ANY WAY MIGHT OR COULD CLAIM AGAINST COMPANY BASED UPON OR IN ANY WAY ARISING OUT OF COMPANY'S FAILURE TO CONTACT OR DISPATCH MEDICAL ASSISTANCE.**

**ALPHA DOG AUDIO VIDEO SECURITY**  
**120 Cumberland Park Drive, Suite 406**  
**Saint Augustine, FL 32095**  
**(904) 257-4295**

**STANDARD COMMERCIAL SECURITY AGREEMENT**

Date: 7/31/2019

Subscriber's Name: Deer Run CDD

Telephone No.: 904-640-6850 ext 403

Address: 501 Grand Reserve Dr Bunnell FL 32110

Cell Phone No.: 904-285-5714

1. ALPHA DOG AUDIO VIDEO SECURITY (hereinafter referred to as "ALPHA" or "ALARM COMPANY") agrees to sell, install, and program, at Subscriber's premises, and Subscriber agrees to buy an electronic security system consisting of the equipment and services described in the attached Schedule of Equipment and Services.

Purchase Price: \$ 359.99 Approximate date work to begin \_\_\_\_\_  
Taxes: \$ 23.40 Estimated date work to be substantially completed \_\_\_\_\_  
Total: \$ 383.39  
Down Payment: \$ 0  
Balance due upon completion of installation: \$ 383.39

**2. DESCRIPTION OF EQUIPMENT AND SERVICES:**

Check Services Provided:  
 Monitoring Center Services  Service  Inspection  Remote Subscriber Access/Cameras  Access Control Administration  
 Alarm Signal Verification  Guard Response  Self-Monitoring  Cyber Security: Compliant Encryption  
 Alarm.com: (See Attached Alarm.com Rider)  Other: (See Attached Schedule of Equipment and Services.)

3. **PASSCODE TO CPU SOFTWARE REMAINS PROPERTY OF ALPHA:** Provided Subscriber performs this agreement for the full term, upon termination ALPHA shall at its option provide to Subscriber the passcode to the CPU software or change the passcode to the manufacturer's default code. Software programmed by ALPHA is the intellectual property of ALPHA and any unauthorized use of same, including derivative works, is strictly prohibited and may violate Federal Copyright Laws, Title 17 of the United States Code, and may subject violator to civil and criminal penalties. The Equipment shall remain Subscriber's personal property and shall not be considered a fixture, or an addition to, alteration, conversion, improvement, modernization, remodeling, repair or replacement of any part of the realty, and Subscriber shall not permit the attachment thereto of any apparatus not furnished by ALPHA. ALPHA's signs and decals remain the property of ALPHA and must be removed upon termination of this agreement.

4. **CHECK BOX FOR APPROPRIATE SERVICES: Only services selected are included: SERVICES AND RECURRING CHARGES: All charges are billed in advance and are plus tax, if applicable (select one option):**  
Billing shall be:  Monthly  Quarter Annually  Semi-Annually  Annually

(a) **MONITORING CENTER CHARGES:** Subscriber agrees to pay ALPHA:

(i) The sum of \$ \_\_\_\_\_, payable in advance for the installation and programming of the communication software and communication devices if separate from the alarm panel if not already installed.

(ii) The sum of \$ 44.95 per month for the monitoring of the Security System for the term of this agreement.

(b) **SERVICE (Select I or II)**

(i) Subscriber agrees to pay ALPHA on a per call basis. If this agreement provides for service on a per call basis, Subscriber agrees to pay ALPHA for all parts and labor at time of service. Subscriber is not obligated to call ALPHA for per call service and ALPHA is under no duty to provide service except its warranty service during warranty period. Service by anyone other than ALPHA during warranty period relieves ALPHA of any further obligations under the Limited Warranty. Subscriber to initial for per call service option: 95.00

(ii) Subscriber agrees to pay ALPHA for service of the security equipment the sum of \$ 5.00 per month for the term of this agreement.

(c) **INSPECTION AND TESTING:** Subscriber agrees to pay ALPHA \$ \_\_\_\_\_ per month for the term of this agreement for inspection service. If this option is selected ALPHA will make \_\_\_\_\_ inspection(s) per year. Unless otherwise noted in the Schedule of Equipment and Services inspection service includes testing of all accessible components to insure proper working order. If the system is UL Certified, the inspection will comply with UL requirements. ALPHA will notify Subscriber 3 days in advance of inspection date. It is Subscriber's responsibility to reschedule or permit access. Testing at inspection insures only that components are in proper working order at time of inspection unless otherwise reported to Subscriber at time of inspection. Inspection does not include repair. If sprinkler alarm or other device monitoring water flow is inspected the inspection does not include inspection or testing of sufficiency of water supply, for which ALPHA has no responsibility or liability.

(d) **ALARM SIGNAL VERIFICATION:** Subscriber agrees to pay ALPHA the sum of \$ \_\_\_\_\_ per month for the term of this agreement. If Subscriber selects Alarm Signal Verification as a service to be provided, or if Alarm Signal Verification is required by law, ALPHA or its designated Monitoring Center shall verify the alarm signal by electronic telephone communication, video verification or such other verification system deemed appropriate by ALPHA or as required by local law and only verified alarm conditions shall be communicated to police or fire department.

(e) **REMOTE SUBSCRIBER ACCESS / VIDEO STREAMING DATA [VSD] / CCTV / AUDIO / SELF-MONITORING:** Subscriber agrees to pay ALPHA the sum of \$ \_\_\_\_\_ per month for the term of this agreement. Select remote access / video / audio services to be provided:

Recording Device  Monitoring Center Remote Video / Audio Monitoring for Live Streaming  
 Video Clips Monitored Upon Alarm Activation Only  Verification Recorded Video Clips  Cloud Service Data Storage and Retrieval  
 Remote Access By Subscriber  Video Data to Subscriber's Smart Phone  Self-Monitoring  Audio  Other (describe):

(f) **ACCESS CONTROL ADMINISTRATION SERVICES:** Subscriber agrees to pay ALPHA the sum of \$ 60.00 per month for the term of this agreement. Select Access Control Administration services to be provided:

Remote Access Administration  On-Site Administration  Data Storage  Data Backup

(g) **GUARD RESPONSE:** Subscriber agrees to pay ALPHA the sum of (select payment method) \$ \_\_\_\_\_ per month for the term of this agreement (or \$ \_\_\_\_\_ plus tax payable per guard response).

(h) **SELF-MONITORING:** Subscriber agrees to pay ALPHA the sum of \$ \_\_\_\_\_ per month for the term of this agreement, for self-monitoring services. Self-Monitoring is provided by third party vendors who facilitate signals and data from Subscriber's alarm system to Subscriber's internet or cellular connected device. Unless Subscriber has selected Monitoring Center Services, signals from Subscriber's security system will not be monitored by and no signals will be received by any professional Monitoring Center.

(i) **CYBER SECURITY: COMPLIANT ENCRYPTION:** Subscriber agrees to pay ALPHA the sum of \$ \_\_\_\_\_ per month for the term of this agreement for cyber security encryption services as specified in the Schedule of Equipment and Services. Cyber security compliance and conformance programs include guidelines in Underwriters Laboratory (UL), 2090 Cybersecurity Assurance Program or the National Institute of Standards and Technology (NIST) Cybersecurity Framework (CSF). Encryption services are currently available for installation, inspection and monitoring of camera and access control equipment which meets Advanced Encryption Standard specifications for encryption of electronic data established by the US National Institute of Standards and Technology (NIST), UL or any other established criteria for encryption.

**IN LIEU OF SEPARATE RECURRING CHARGES IN PARAGRAPHS 4(a)-(i) ABOVE, SUBSCRIBER SHALL PAY \$ \_\_\_\_\_ PER MONTH WHICH INCLUDES ALL THE CHECKED SERVICES IN PARAGRAPHS 4(a)-(i).**

5. **TERM OF AGREEMENT / RENEWAL:** The term of this agreement shall be for a period of five years and shall automatically renew month to month thereafter under the same terms and conditions, unless either party gives written notice to the other of their intention not to renew the agreement at least 30 days prior to the expiration of any term. After the expiration of one year from the date hereof ALPHA shall be permitted from time to time to increase all charges by an amount not to exceed nine percent each year and Subscriber agrees to pay such increase. ALPHA may invoice Subscriber in advance monthly, quarterly, or annually at ALPHA's option. Unless otherwise specified herein, all recurring charges for 4(a)-(i) services shall commence on the first day of the month next succeeding the date hereof, all payments being due on the first day of the month.

6. **MONITORING CENTER SERVICES:** Upon receipt of an alarm signal, video or audio transmission, from Subscriber's security system, ALPHA or its designee Monitoring Center shall make every reasonable effort to notify Subscriber and the appropriate municipal police or fire department [First Responders] depending upon the type of signal received. Not all signals or transmissions will require notification to the authorities and Subscriber may obtain a written response policy from ALPHA. No response shall be required for supervisory, loss of communication pathway, trouble or low battery signals. Subscriber acknowledges that signals transmitted from Subscriber's premises directly to municipal police or fire departments are not monitored by personnel of ALPHA or ALPHA's designee Monitoring Center and ALPHA does not assume any responsibility for the manner in which such signals are monitored or the response, if any, to such signals. Subscriber acknowledges that signals and transmissions are transmitted over telephone lines, wire, air waves, internet, VOIP, radio or cellular, or other modes of communication, and pass through communication networks wholly beyond the control of ALPHA and are not maintained by ALPHA except ALPHA may own the radio network, and ALPHA shall not be responsible for any failure which prevents transmission signals from reaching the Monitoring Center or damages arising therefrom, or for data corruption, theft or viruses to Subscriber's computers if connected to the alarm communication equipment. Subscriber agrees to furnish ALPHA with a written Call List of names and telephone numbers of those persons Subscriber wishes to receive notification of alarm signals. Unless otherwise provided in the Call List, ALPHA will make a reasonable effort to contact the first person reached or notified on the list either via telephone call, text or email message. No more than one call to the list shall be required and any form of notification provided for herein, including leaving a message on an answering machine, shall be deemed reasonable compliance with ALPHA's notification obligation. All changes and revisions shall be supplied to ALPHA in writing. Subscriber authorizes ALPHA to access the control panel to input or delete data and programming. If the equipment contains video or listening devices permitting Monitoring Center to monitor video or sound then upon receipt of an alarm signal, Monitoring Center shall monitor video or sound for so long as Monitoring Center, in its sole discretion, deems appropriate to confirm an alarm or emergency condition. If Subscriber requests ALPHA to remotely activate or deactivate the system, change combinations, openings or closings, or re-program system functions, Subscriber shall pay ALPHA \$90.00 for each such service. ALPHA may, without prior notice, suspend or terminate its services, in ALPHA's sole discretion, in event of Subscriber's default in performance of this agreement or in event Monitoring Center facility or communication network is nonoperational or Subscriber's alarm system is sending excessive false alarms or runaway signals. Monitoring Center is authorized to record and maintain audio and video transmissions, data and communications, and shall be the exclusive owner of such property. All Subscriber information and data shall be maintained confidentially by ALPHA.

7. **REPAIR SERVICE:** Repair service pursuant to paragraph 4(b)(ii), includes all parts and labor, and ALPHA shall service upon Subscriber's request the security system installed in Subscriber's premises between the hours of 9 a.m. and 5 p.m. Monday through Friday, within reasonable time after receiving notice from Subscriber that service is required, exclusive of Saturdays, Sundays and legal holidays. All repairs, replacement or alteration of the security system made by reason of alteration to Subscriber's premises, or caused by unauthorized intrusion, water, insects, vermin, lightning or electrical surge, or caused by any means other than normal usage, wear and tear, shall be made at the cost of the Subscriber. Batteries, electrical surges, lightning damage, software upgrades and repairs, communication devices no longer supported by communication pathways, obsolete components and components exceeding manufacturer's useful life are not included in service and will be repaired or replaced at Subscriber's expense payable at time of service. No apparatus or device shall be attached to or connected with the security system as originally installed without ALPHA's written consent.

8. **SUBSCRIBER REMOTE ACCESS:** If Remote Access is included in the Schedule of Equipment and Services to be installed and services provided by ALPHA, the equipment will transmit data via Subscriber's high speed Internet, cellular or radio communication service from remote device supplied by ALPHA or Subscriber's Internet or wireless connection device which is compatible with ALPHA's remote services. ALPHA will grant access to server permitting Subscriber to monitor the security system, access the system to arm, disarm and bypass zones on the system, view the remote video camera(s) and control other remote automation devices that may be installed or, when system design permits, connect the system to the Internet, over which ALPHA has no control. The remote services server is provided either by ALPHA or a third party. ALPHA shall install the camera(s) in a permissible legal location in Subscriber's premises to permit Subscriber viewing. ALPHA shall have no responsibility for failure of data transmission, corruption or unauthorized access by hacking or otherwise and shall not monitor or view the camera data. Electronic data may not be encrypted and wireless components of the alarm system may not meet Advanced Encryption Standard specifications for encryption of electronic data established by the US National Institute of Standards and Technology [NIST] or any other established criteria for encryption and ALPHA shall have no liability for access to the alarm system by others.

9. **WIRELESS AND INTERNET ACCESS CAPABILITIES:** Subscriber is responsible for supplying high-speed Internet access and/or wireless services at Subscriber's premises. ALPHA does not provide Internet service, maintain Internet connection, wireless access or communication pathways, computer, smart phone, electric current connection or supply, or in all cases the remote video server. In consideration of Subscriber making its monthly payments for remote access to the system, ALPHA will authorize Subscriber access. ALPHA is not responsible for Subscriber's access to the Internet or any interruption of service or down time of remote access caused by loss of Internet service, radio or cellular or any other mode of communication used by Subscriber to access the system. Subscriber acknowledges that Subscriber's security system can be compromised if the codes or devices used for access are lost or accessed by others and ALPHA shall have no liability for such third party unauthorized access. ALPHA is not responsible for the security or privacy of any wireless network system or router. Wireless systems can be accessed by others, and it is the Subscriber's responsibility to secure access to the system with pass codes and lock out codes. ALPHA is not responsible for access to wireless networks or devices that may not be supported by communication carriers and upgrades to Subscriber's system will be at Subscriber's expense. If Subscriber is Self-Monitoring, no signals will be received unless Subscriber has access to the selected mode of communication pathway such as cellular, radio or Internet service.

10. **ACCESS CONTROL SYSTEM OPERATION AND LIMITATIONS / ACCESS CONTROL ADMINISTRATION:** If Access Control is selected as a service to be provided and included in the Schedule of Equipment and Services, Access Control equipment shall be connected to a computer supplied by the Subscriber and connected to Subscriber's computer network. If data storage or backup is a selected service ALPHA or its designee shall store and/or backup data received from Subscriber's system for a period of one year. ALPHA shall have no liability for data corruption or inability to retrieve data even if caused by ALPHA's negligence. Subscriber's data shall be maintained confidential and shall be retrieved and released only to Subscriber or upon Subscriber's authorization or by legal process. Internet access is not provided by ALPHA and ALPHA has no responsibility for such access or IP address service. ALPHA shall have no liability for unauthorized access to the system through the Internet or other communication networks or data corruption or loss for any reason whatsoever. If Access Control Administration is selected as a service to be provided ALPHA will maintain the data base for the operation of the Access Control System. Subscriber will advise ALPHA of all change in personnel and/or changes in access levels of authorization and restrictions, providing access card serial numbers or biometric data and such information that Subscriber deems necessary to identify personnel. All communication by Subscriber to ALPHA regarding personnel access must be in writing via email or fax to addresses designated by ALPHA. ALPHA shall have remote Internet access to the Subscriber's designated access control computer to program and make data base updates to the system. Subscriber is responsible for maintaining its computer and computer network and Internet access.

11. **AUDIO / VIDEO SYSTEM OPERATION AND LIMITATIONS:** If Audio / Video System is selected as a service to be provided and included in the Schedule of Equipment and Services, and if video equipment is attached to a recorder, it shall not be used for any other purpose. ALPHA shall be permitted to access and make changes to the system's operation on site and over the internet. If data storage is selected service, ALPHA shall store data received from Subscriber's system for one year. ALPHA shall have no liability for data corruption or inability to retrieve data even if caused by ALPHA's negligence. Subscriber's data shall be maintained confidential and shall be retrieved and released only to Subscriber or upon Subscriber's authorization or by legal process. Telephone or Internet access is not provided by ALPHA and ALPHA has no responsibility for such access or IP address service. If system has remote access ALPHA is not responsible for the security or privacy of any wireless network system or router, and it is the Subscriber's responsibility to secure access to the system with pass codes and lock outs. ALPHA shall have no liability for unauthorized access to the system through the Internet or other communication networks or data corruption or loss for any reason whatsoever. If audio or video devices are installed, Subscriber has been advised to independently ascertain that the audio or video devices are used lawfully. ALPHA has made no representations and has provided no advice regarding the use of audio or video devices, and it is Subscriber's sole responsibility to use the camera and audio devices lawfully.

12. **GUARD RESPONSE:** If guard response is specified as a service to be provided, upon receipt of an alarm signal, ALPHA or its subcontractor shall as soon as may be practical send one or more of its guards to the Subscriber's premises. Unless the guard determines that the alarm is a false alarm and that no situation requiring police or fire department services exist, the guard shall notify the Monitoring Center or police or fire department directly that an emergency situation exists and wait up to 15 minutes for the municipal police or fire department personnel or Subscriber to arrive at the premises and if permitted by the police shall assist in making a search of the premises to determine the cause of the alarm condition. If provided with keys to the premises the guard shall endeavor to secure the premises and repair the security equipment. However, Subscriber acknowledges that the guard is not required to enter the premises or to render any service to the security equipment and shall not be required to remain stationed at Subscriber's premises for more than 15 minutes after initial arrival. Subscriber authorizes the guard to take such action the guard deems necessary to secure the premises and reset the alarm, though Subscriber acknowledges that the guard may not be able to or may not have sufficient time to secure the premises or reset the alarm and put same in working order. If Subscriber requests ALPHA to station its guard at the premises for more than 30 minutes, and ALPHA has sufficient personnel to provide such service, and ALPHA makes no such representation that its personnel will be available, then Subscriber agrees to pay ALPHA \$95.00 per half hour plus tax for such service. Subscriber agrees to confirm the request to ALPHA to provide extended guard service by email, text or recorded conversation to ALPHA at the time request is made and ALPHA is authorized to ignore any request not confirmed within 15 minutes.

#### **LIMITED WARRANTY ON SALE**

13. In the event that any part of the security equipment becomes defective, ALPHA agrees to make all repairs and replacement of parts without costs to the Subscriber for a period of ninety (90) days from the date of installation. ALPHA reserves the option to either replace or repair the alarm equipment, and reserves the right to substitute materials of equal quality at time of replacement or to use reconditioned parts in fulfillment of this warranty. This warranty does not include batteries, electrical surges, lightning damage, software upgrades and repairs, communication devices that are no longer supported by communication pathways, obsolete components, and components exceeding manufacturer's useful life. ALPHA is not the manufacturer of the equipment and other than ALPHA's limited warranty Subscriber agrees to look exclusively to the manufacturer of the equipment for repairs under its warranty coverage if any. Except as set forth in this agreement, ALPHA makes no express warranties as to any matter whatsoever, including, without limitation to, unless prohibited by law, the condition of the equipment, its merchantability, or its

fitness for any particular purpose and ALPHA shall not be liable for consequential damages. ALPHA does not represent nor warrant that the security system may not be compromised or circumvented, or that the system will prevent any loss by burglary, hold-up, or otherwise; or that the system will in all cases provide the protection for which it is installed. ALPHA expressly disclaims any implied warranties, including implied warranties of merchantability or fitness for a particular purpose. The warranty does not cover any damage to material or equipment caused by accident, misuse, attempted or unauthorized repair service, modification, or improper installation by anyone other than ALPHA. Subscriber acknowledges that any affirmation of fact or promise made by ALPHA shall not be deemed to create an express warranty unless included in this agreement in writing; that Subscriber is not relying on ALPHA's skill or judgment in selecting or furnishing a system suitable for any particular purpose and that there are no warranties which extend beyond those on the face of this agreement, and that ALPHA has offered additional and more sophisticated equipment for an additional charge which Subscriber has declined. Subscriber's exclusive remedy for ALPHA's breach of this agreement or negligence to any degree under this agreement is to require ALPHA to repair or replace, at ALPHA's option, any equipment which is non-operational. This Limited Warranty is independent of and in addition to service contracted under paragraph 4(b)(ii) of this agreement. This Limited Warranty gives you specific legal rights and you may also have other rights which vary from state to state. If required by law, ALPHA will procure all permits required by local law and will provide a Certificate of Workman's Compensation prior to starting work.

## **GENERAL PROVISIONS**

**14. DELAY IN DELIVERY / INSTALLATION / RISK OF LOSS OF MATERIAL:** ALPHA shall not be liable for any damage or loss sustained by Subscriber as a result of delay in delivery and/or installation of equipment, equipment failure, or for interruption of service due to electric failure, strikes, walk-outs, war, acts of God, or other causes, including ALPHA's negligence or failure to perform any obligation. The estimated date work is to be substantially completed is not a definite completion date and time is not of the essence. In the event the work is delayed through no fault of ALPHA, ALPHA shall have such additional time for performance as may be reasonably necessary under the circumstances. Subscriber agrees to pay ALPHA the sum of \$1,000 per day for each business day the work is re-scheduled or delayed by Subscriber or others engaged by Subscriber through no fault of ALPHA on less than 24 hour notice to ALPHA. If installation is delayed for more than one year from date hereof by Subscriber or other contractors engaged by Subscriber and through no fault of ALPHA, Subscriber agrees to pay an additional 5% of the contract Purchase Price upon installation. Subscriber assumes all risk of loss of material once delivered to the job site. Should ALPHA be required by existing or hereafter enacted law to perform any service or furnish any material not specifically covered by the terms of this agreement Subscriber agrees to pay ALPHA for such service or material.

**15. TESTING OF SECURITY SYSTEM:** The parties hereto agree that the security equipment, once installed, is in the exclusive possession and control of the Subscriber, and it is Subscriber's sole responsibility to test the operation of the security equipment and to notify ALPHA if any equipment is in need of repair. Service, if provided, is pursuant to paragraphs 4 and 7. ALPHA shall not be required to service the security equipment unless it has received notice from Subscriber, and upon such notice, ALPHA shall, during the warranty or repair service plan period, service the security equipment to the best of its ability within 36 hours, exclusive of Saturday, Sunday and legal holidays, during the business hours of 9 a.m. and 5 p.m. Subscriber agrees to test and inspect the security equipment and to advise ALPHA of any defect, error or omission in the security equipment. In the event Subscriber complies with the terms of this agreement and ALPHA fails to repair the security equipment within 36 hours after notice is given, excluding Saturdays, Sundays, and legal holidays, Subscriber agrees to send notice that the security equipment is in need of repair to ALPHA, in writing, by certified or registered mail, return receipt requested, and Subscriber shall not be responsible for payments due while the security equipment remains inoperable. In any lawsuit between the parties in which the condition or operation of the security equipment is in issue, the Subscriber shall be precluded from raising the issue that the security equipment was not operating unless the Subscriber can produce a post office certified or registered receipt signed by ALPHA, evidencing that warranty service was requested by Subscriber.

**16. CARE AND SERVICE OF SECURITY SYSTEM:** Subscriber agrees not to tamper with, remove or otherwise interfere with the Security System which shall remain in the same location as installed. All repairs, replacement or alteration of the security system made by reason of alteration to Subscriber's premises, or caused by unauthorized intrusion, lightning or electrical surge, or caused by any means other than normal usage, wear and tear, shall be made at the cost of the Subscriber. Batteries, electrical surges, lightning damage, software upgrades and repairs, communication devices that are no longer supported by communication pathways, obsolete components and components exceeding manufacturer's useful life, are not included in warranty or service under paragraph 4(b) (ii) and will be repaired or replaced at Subscriber's expense payable at time of service. No apparatus or device shall be attached to or connected with the security system as originally installed without ALPHA's written consent.

**17. ALTERATION OF PREMISES FOR INSTALLATION:** ALPHA is authorized to make preparations such as drilling holes, driving nails, making attachments or doing any other thing necessary in ALPHA's sole discretion for the installation and service of the security system, and ALPHA shall not be responsible for any condition created thereby as a result of such installation, service, or removal of the security system, and Subscriber represents that the owner of the premises, if other than Subscriber, authorizes the installation of the security system under the terms of this agreement.

**18. SUBSCRIBER'S DUTY TO SUPPLY ELECTRIC AND TELEPHONE SERVICE:** Subscriber agrees to furnish, at Subscriber's expense, all 110 Volt AC power, electrical outlet, ARC Type circuit breaker and dedicated receptacle, Internet connection, high-speed broadband cable or DSL and IP Address, telephone hook-ups, RJ31x Block or equivalent, as deemed necessary by ALPHA.

**19. LIEN LAW:** ALPHA or any subcontractor engaged by ALPHA to perform the work or furnish material who is not paid may have a claim against purchaser or the owner of the premises if other than the purchaser which may be enforced against the property in accordance with the applicable lien laws.

**20. INDEMNITY / WAIVER OF SUBROGATION RIGHTS / ASSIGNMENTS:** Subscriber agrees to defend, advance expenses for litigation and arbitration, including investigation, legal and expert witness fees, indemnify and hold harmless ALPHA, its employees, agents and subcontractors, from and against all claims, lawsuits, including those brought by third-parties or by Subscriber, including reasonable attorneys' fees and losses, asserted against and alleged to be caused by ALPHA's performance, negligence or failure to perform any obligation under or in furtherance of this agreement. Parties agree that there are no third-party beneficiaries of this agreement. Subscriber on its behalf and any insurance carrier waives any right of subrogation Subscriber's insurance carrier may otherwise have against ALPHA or ALPHA's subcontractors arising out of this agreement or the relation of the parties hereto. Subscriber shall not be permitted to assign this agreement without written consent of ALPHA, which shall not unreasonably be withheld. ALPHA shall have the right to assign this agreement to a company licensed to perform the services and shall be relieved of any obligations herein upon such assignment.

**21. EXCULPATORY CLAUSE:** ALPHA and Subscriber agree that ALPHA is not an insurer and no insurance coverage is offered herein. The security system, equipment, and ALPHA's services are designed to detect and reduce certain risks of loss, though ALPHA does not guarantee that no loss or damage will occur. ALPHA is not assuming liability, and, therefore, shall not be liable to Subscriber or any other third party for any loss, economic or non-economic, in contract or tort, data corruption or inability to retrieve data, personal injury or property damage sustained by Subscriber as a result of equipment failure, human error, burglary, theft, hold-up, fire, smoke, water or any other cause whatsoever, regardless of whether or not such loss or damage was caused by or contributed to by ALPHA's breach of contract, negligent performance to any degree in furtherance of this agreement, any extra contractual or legal duty, strict products liability, or negligent failure to perform any obligation pursuant to this agreement or any other legal duty, except for intentional willful misconduct.

**22. INSURANCE / ALLOCATION OF RISK:** Subscriber shall maintain a policy of Comprehensive General Liability and Property Insurance for liability, casualty, fire, theft, and property damage under which Subscriber is named as insured and ALPHA is named as additional insured and which shall cover any loss or damage ALPHA's services are intended to detect to one hundred percent of the insurable value or potential risk. The parties intend that the Subscriber assume all potential risk and damage that may arise by reason of failure of the equipment, system or ALPHA's services and that Subscriber will look to its own Insurance carrier for any loss or assume the risk of loss. ALPHA shall not be responsible for any portion of any loss or damage which is recovered or recoverable by Subscriber from Insurance covering such loss or damage or for such loss or damage against which Subscriber is indemnified or insured. Subscriber and all those claiming rights under Subscriber waive all rights against ALPHA and its subcontractors for loss or damages caused by perils intended to be detected by ALPHA's services or covered by Insurance to be obtained by Subscriber, except such rights as Subscriber or others may have to the proceeds of Insurance.

**23. LIMITATION OF LIABILITY:** SUBSCRIBER AGREES THAT SHOULD THERE ARISE ANY LIABILITY ON THE PART OF ALPHA AS A RESULT OF ALPHA'S BREACH OF THIS CONTRACT, NEGLIGENT PERFORMANCE TO ANY DEGREE OR NEGLIGENT FAILURE TO PERFORM ANY OF ALPHA'S OBLIGATIONS PURSUANT TO THIS AGREEMENT OR ANY OTHER LEGAL DUTY, EQUIPMENT FAILURE, HUMAN ERROR, OR STRICT PRODUCTS LIABILITY, WHETHER ECONOMIC OR NON-ECONOMIC, IN CONTRACT OR IN TORT, THAT ALPHA'S LIABILITY SHALL BE LIMITED TO THE SUM OF \$250.00 OR 6 TIMES THE MONTHLY PAYMENT FOR SERVICES BEING PROVIDED AT TIME OF LOSS, WHICHEVER IS GREATER. IF SUBSCRIBER WISHES TO INCREASE ALPHA'S AMOUNT OF LIMITATION OF LIABILITY, SUBSCRIBER MAY, AS A MATTER OF RIGHT, AT ANY TIME, BY ENTERING INTO A SUPPLEMENTAL AGREEMENT, OBTAIN A HIGHER LIMIT BY PAYING AN ANNUAL PAYMENT CONSONANT WITH ALPHA'S INCREASED LIABILITY. THIS SHALL NOT BE CONSTRUED AS INSURANCE COVERAGE.

SUBSCRIBER ACKNOWLEDGES THAT THIS AGREEMENT CONTAINS EXCULPATORY CLAUSE, INDEMNITY, INSURANCE, ALLOCATION OF RISK AND LIMITATION OF LIABILITY PROVISIONS.

**24. LEGAL ACTION / BREACH / LIQUIDATED DAMAGES / AGREEMENT TO BINDING ARBITRATION:** The parties agree that due to the nature of the services to be provided by ALPHA, the payments to be made by the Subscriber for the term of this agreement form an integral part of ALPHA's anticipated profits; that in the event of Subscriber's default it would be difficult if not impossible to fix ALPHA's actual damages. Therefore, in the event Subscriber defaults in any payment or charges to be paid to ALPHA, Subscriber shall be immediately liable for any unpaid installation and invoiced charges plus 80% of the balance of all payments for the entire term of this agreement as LIQUIDATED DAMAGES and ALPHA shall be permitted to terminate all its services, including but not limited to terminating monitoring service, under this agreement and to remotely re-program or delete any programming without relieving Subscriber of any obligation herein.

SUBSCRIBER ACKNOWLEDGES THAT THIS AGREEMENT CONTAINS A LIQUIDATED DAMAGE CLAUSE.

The prevailing party in any litigation or arbitration is entitled to recover its reasonable legal fees from the other party. In any action commenced by ALPHA against Subscriber, Subscriber shall not be permitted to interpose any counterclaim. SUBSCRIBER AGREES THAT SUBSCRIBER MAY BRING CLAIMS AGAINST ALPHA ONLY IN SUBSCRIBER'S INDIVIDUAL CAPACITY, AND NOT AS A CLASS ACTION PLAINTIFF OR CLASS ACTION MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING. ANY DISPUTE BETWEEN THE PARTIES OR ARISING OUT OF THIS AGREEMENT, INCLUDING ISSUES OF ARBITRABILITY, SHALL, AT THE OPTION OF ANY PARTY, BE DETERMINED BY BINDING AND FINAL ARBITRATION BEFORE A SINGLE ARBITRATOR ADMINISTERED BY ARBITRATION SERVICES INC., ITS SUCCESSORS OR ASSIGNS, PURSUANT TO ITS ARBITRATION RULES AT WWW.ARBTRATIONSERVICESINC.COM AND THE FEDERAL ARBITRATION ACT, EXCEPT THAT NO PUNITIVE OR CONSEQUENTIAL DAMAGES MAY BE AWARDED. The arbitrator shall be bound by the terms of this agreement and is authorized to conduct proceedings by telephone, video, submission of papers or in-person hearing. By agreeing to this arbitration provision you are

waiving your right to a trial before a judge or jury, waiving your right to appeal the arbitration award and waiving your right to participate in a class action. Service of process or papers in any legal proceeding or arbitration between the parties may be made by First-Class Mail delivered by the U.S. Postal Service addressed to the party's address in this agreement or another address provided by the party in writing to the party making service. The parties submit to the jurisdiction and laws of Florida, except for arbitration which is governed by the FAA and agree that any litigation or arbitration between the parties may be commenced and maintained in the county where ALPHA's principal place of business is located or Nassau County, New York. The parties waive trial by jury in any action between them unless prohibited by law. Any action between the parties must be commenced within one year of the accrual of the cause of action or shall be barred. All actions or proceedings by either party must be based on the provisions of this agreement. Any other action that Subscriber may have or bring against ALPHA in respect to other services rendered in connection with this agreement shall be deemed to have merged in and be restricted to the terms and conditions of this agreement.

**SUBSCRIBER ACKNOWLEDGES THAT THIS AGREEMENT CONTAINS AN AGREEMENT TO ARBITRATE DISPUTES AND THAT ARBITRATION IS BINDING AND FINAL AND THAT SUBSCRIBER IS WAIVING SUBSCRIBER'S RIGHT TO TRIAL IN A COURT OF LAW AND OTHER RIGHTS.**

**25. ALPHA'S RIGHT TO SUBCONTRACT SPECIAL SERVICES:** Subscriber agrees that ALPHA is authorized and permitted to subcontract any services to be provided by ALPHA to third parties who may be independent of ALPHA, and that ALPHA shall not be liable for any loss or damage sustained by Subscriber by reason of fire, theft, burglary or any other cause whatsoever caused by the negligence of third parties. Subscriber appoints ALPHA to act as Subscriber's agent with respect to such third parties, except that ALPHA shall not obligate Subscriber to make any payments to such third parties. Subscriber acknowledges that this agreement, and particularly those paragraphs relating to ALPHA's disclaimer of warranties, exemption from liability, even for its negligence, limitation of liability and indemnification, inure to the benefit of and are applicable to any assignees, subcontractors, manufacturers, vendors and Monitoring Center of ALPHA.

**26. MOLD, OBSTACLES AND HAZARDOUS CONDITIONS:** Subscriber shall notify ALPHA in writing of any undisclosed, concealed or hidden conditions in any area where installation is planned, and Subscriber shall be responsible for removal of such conditions. In the event ALPHA discovers the presence of suspected asbestos or other hazardous material, ALPHA shall stop all work immediately and notify Subscriber. It shall be Subscriber's sole obligation to remove such conditions from the premises, and if the work is delayed due to the discovery of suspected asbestos or other hazardous material or conditions then an extension of time to perform the work shall be allowed and Subscriber agrees to compensate ALPHA for any additional expenses caused by the delay but not less than \$1000.00 per day until work can resume. If ALPHA, in its sole discretion, determines that continuing the work poses a risk to ALPHA or its employees or agents, ALPHA may elect to terminate this agreement on 3 day notice to Subscriber and Subscriber shall compensate ALPHA for all services rendered and material provided to date of termination. ALPHA shall be entitled to remove all its equipment and uninstalled equipment and material from the job site. Under no circumstances shall ALPHA be liable to Subscriber for any damage caused by mold or hazardous conditions or remediation thereof.

**27. NON-SOLICITATION:** Subscriber agrees that it will not solicit for employment for itself, or any other entity, or employ, in any capacity, any employee of ALPHA assigned by ALPHA to perform any service for or on behalf of Subscriber for a period of two years after ALPHA has completed providing service to Subscriber. In the event of Subscriber's violation of this provision, in addition to injunctive relief, ALPHA shall recover from Subscriber an amount equal to such employee's salary based on the average three months preceding employee's termination of employment with ALPHA, times twelve, together with ALPHA's counsel and expert witness fees.

**28. FALSE ALARMS / PERMIT FEES / WITNESS FEES:** Subscriber is responsible for all alarm permits and fees, agrees to file for and maintain any permits required by applicable law and indemnify or reimburse ALPHA for any fees or fines relating to permits or false alarms. ALPHA shall have no liability for permit fees, false alarms, false alarm fines, the manner in which police or fire department responds, or the refusal of the police or fire department to respond. In the event of termination of police or fire department response this agreement shall nevertheless remain in full force and Subscriber shall remain liable for all payments provided for herein. In the event Subscriber or any third party subpoenas or summons ALPHA requiring any services or appearances, Subscriber agrees to pay ALPHA \$150 per hour for such services and appearances. Subscriber shall reimburse ALPHA for any Monitoring Center charges for excessive, run-a-way or false alarm signals.

**29. SECURITY INTEREST / COLLATERAL:** To secure Subscriber's obligations under this agreement Subscriber grants ALPHA a security interest in the security equipment installed by ALPHA and ALPHA is authorized to file a financing statement.

**30. CREDIT INVESTIGATION:** Subscriber and any guarantor authorize ALPHA to conduct credit investigations from time to time to determine Subscriber's and guarantor's credit worthiness.

**31. FULL AGREEMENT / SEVERABILITY:** This agreement along with the Schedule of Equipment and Services constitute the full understanding of the parties and may not be amended, modified or canceled, except in writing signed by both parties. Subscriber acknowledges and represents that Subscriber has not relied on any representation, assertion, guarantee, warranty, collateral agreement or other assurance, except those set forth in this Agreement. Subscriber hereby waives all rights and remedies, at law or in equity, arising, or which may arise, as the result of Subscriber's reliance on such representation, assertion, guarantee, warranty, collateral agreement or other assurance. To the extent this agreement is inconsistent with any other document or agreement, whether executed prior to, concurrently with or subsequent to this agreement the terms of this agreement shall govern. This agreement shall run concurrently with and shall not terminate or supersede any existing agreement between the parties unless specified herein. Should any provision of this agreement be deemed void, the remaining parts shall be enforceable.

**SUBSCRIBER ACKNOWLEDGES RECEIVING A FULLY EXECUTED COPY OF THIS AGREEMENT AND SCHEDULE OF EQUIPMENT AND SERVICES AT TIME OF EXECUTION.**

**ALPHA DOG AUDIO VIDEO SECURITY:**

By: Brian Jones  
Signature

**SUBSCRIBER:**

Ernesto J. Torres

Subscriber: Signature by Authorized Officer Title of Person Signing

Ernesto J. Torres, District Manager

Print Name of Subscriber

Subscriber's Email Address: etorres@gmsnf.com

Tax ID or EIN

The undersigned personally guarantees Subscriber's performance of this agreement and agrees to be bound by all terms as a party herein.

Ernesto J. Torres

Signature (Name Must Be Printed Below) SS#

Ernesto J. Torres, District Manager

Print Name

Residence Address

**ALPHA DOG AUDIO VIDEO SECURITY, LLC**  
**120 Cumberland Park Dr Suite 406**  
**Saint Augustine FL 32259**  
**(904) 257-4295**

**ADDITIONAL EQUIPMENT, SYSTEMS AND SERVICE DISCLAIMER NOTICE**

The undersigned acknowledges that a representative of ALPHA DOG SECURITY, LLC (hereinafter referred to as "ADS" or "Alarm Company") has explained additional equipment, systems and protection that may be available from ADS, for additional charges, and the undersigned has had sufficient opportunity to consider the additional services that may be available, and has decided not to request or contract for such additional equipment, systems or protection. The additional equipment, systems and protection discussed included but was not limited to the following:

- hard wire systems
- wireless systems
- additional contacts
- motion detectors
- audio surveillance
- video surveillance
- guard response
- stationary guards
- UL, ETL or other nationally recognized testing lab approved installation
- UL, ETL or other nationally recognized testing lab approved monitoring
- sprinkler / fire alarm
- electrical surge protection
- data storage and retrieval
- access control
- fire, smoke, carbon monoxide, water, heat, temperature
- roof, attic walls, exterior
- independent secondary systems
- video monitoring
- cellular/ radio backup
- latest technology
- dedicated telephone line communication

The undersigned acknowledges that:

- Not all of the above services are available or offered by ADS but the services and equipment were brought to the undersigned's attention and the undersigned declined such services or the opportunity to obtain the services from other security companies.
- That ADS explained the difference between VOIP and standard telephone line service and that ADS recommends use of standard telephone line service and communication since VOIP [voice over internet service] may be less reliable and not compatible with the alarm system. The undersigned acknowledges that if VOIP is used it is at the undersigned's sole risk.
- That ADS is not responsible for the security or privacy of any wireless network system or router and that wireless systems can be accessed by others and it is the Subscriber's responsibility to secure access to the system with pass codes and lock outs.
- That ADS has advised undersigned of any permits required for the alarm system and monitoring, and undersigned acknowledges that it is undersigned's responsibility to obtain and maintain all required permits and pay any false alarm or other fines related to the alarm systems or service, and
- That smoke detectors and other battery operated devices must be checked monthly and batteries replaced at least annually and that the undersigned is responsible to check and replace batteries.

If ADS is taking over this system installed by anyone other than ADS:

- Subscriber declines inspection of existing system installed by others and assumes all risk and conditions of the system and has only requested ADS to reprogram communication and monitor existing system with no repair obligation. ADS has inspected the security and or fire alarm system, reported non-operational components, and:
- Subscriber declines to authorize repairs and assumes all risk for existing system.
- Subscriber authorizes and agrees to pay for repairs which shall be detailed in the Sale or Service Agreement.

DEFICIENCIES (continue on additional page, if needed):

\_\_\_\_\_

No Deficiencies at time of install of system

\_\_\_\_\_

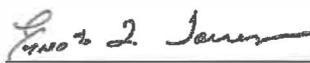
\_\_\_\_\_

\_\_\_\_\_

ADDITIONAL COMMENTS: \_\_\_\_\_

\_\_\_\_\_

Date: 7/31/2019

  
\_\_\_\_\_  
Subscriber's Signature

\_\_\_\_\_  
Subscriber's Signature

Ernesto J. Torres, District Manager  
\_\_\_\_\_  
Subscriber Print Name

\_\_\_\_\_  
Subscriber Print Name



**ALPHA DOG AUDIO VIDEO SECURITY**  
**120 Cumberland Park Drive, Suite 406**  
**Saint Augustine, FL 32095**  
**(904) 257-4295**

**RIDER FOR ALARM.COM PRODUCTS AND SERVICES**

This Rider supplements the Agreement between the parties for alarm/security services and governs Subscriber's relationship with Alarm.com. This Rider is for services and products furnished by Alarm.com, including the following:

**CHECK BOX FOR APPROPRIATE SERVICES:**

**SERVICES AND CHARGES: Only services selected are included:**

**Alarm.Com**

- Alarm.com Interactive Security  Alarm.com Video Monitoring
- Standard Storage  Additional Storage  Cancellation Option\*
- Alarm.com Access  Lights  Locks  Remote Control  Automation & Triggers
- Energy Management  Thermostat
- Home Automation  Seamless Integration
- Wellness  Smart Device Apps

\*Subscriber acknowledges that if the Cancellation Option is used, by clicking the Cancellation Option the alarm signal will be cancelled and the Monitoring Center will not notify first responders. If the Monitoring Center has already notified first responders, it may not withdraw the notice even if you have clicked on the cancellation option.

Other: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Annexed hereto and made a part hereof are the Alarm.com terms and conditions. By accepting Alarm.com products and services you accept these terms and conditions which govern your relationship with Alarm.com. The Alarm.com terms and conditions may change from time to time and you accept all such changes which terms and conditions can be found at [www.alarm.com](http://www.alarm.com). Your relationship with ALPHA DOG AUDIO VIDEO SECURITY is governed by your contract with ALPHA DOG AUDIO VIDEO SECURITY.

By checking this box you agree to the Alarm.com terms and conditions found at: [www.alarm.com](http://www.alarm.com).

  
Subscriber's Signature

Dated: August 7, 2019

### **Terms & Conditions**

Alarm.com provides user interfaces for monitoring and controlling security systems. This document sets forth the Terms and Conditions under which you may use the Service. The Service includes this web site, voice site, and mobile site (the "User Interfaces") and the corresponding email and phone notifications known as the Alarm.com Network (the "Alarm.com Network"). Please read this page carefully. By accessing, browsing or using the Services or downloading any content from the Services, you acknowledge that you have read, understood and agree to be bound by these terms and to comply with all applicable laws and regulations. If you do not agree to these terms, do not access, browse or use the Services or download any content from the Services. We may revise these Terms and Conditions at any time by updating this posting. You should visit this page periodically to review the Terms and Conditions, because they are binding on you. If you violate any of these Terms or Conditions, your permission to use the Service automatically terminates.

### **Scope of Use**

Alarm.com grants you a limited license to access and make personal, non-commercial use of the Services but not to download (other than page caching) or modify it or any portion of it without the express written consent of Alarm.com. This license does not include: any resale or commercial use of the Services or any content on the Services; any collection or use of any product listings, descriptions or prices; any derivative use of the Services or any content in the Services; any downloading or copying of these Services or any content in these services for the benefit of another person or entity; or any use of data mining, robots or similar data gathering or extraction tools. This Services and the content these Services may not be reproduced, duplicated, copied, sold, resold, visited or otherwise exploited for any commercial purpose without the express written consent of Alarm.com. You may not frame or utilize framing techniques to enclose any trademark, logo or other proprietary information (including, without limitation, images, text, page layouts or forms) of Alarm.com or its affiliates, vendors, contractors, agents or content providers without the express written consent of Alarm.com. You may not use any meta tags or any other "hidden text" utilizing Alarm.com or any of its affiliates' names or trademarks without the express written consent of Alarm.com. Any unauthorized use or use in excess of one's authorized use terminates the limited license granted by Alarm.com. In addition, Alarm.com may revoke your limited license at any time at its sole and absolute discretion.

### **Limitation of Liability, Warranty, Dealer Independence**

Your dealer's service is provided by the Alarm.com Providers without warranty and subject to the following limitations of liability: EXCEPT AS LIMITED BY LAW, THE LIABILITY OF THE ALARM.COM PROVIDERS FOR ANY LOSS OR DAMAGE ARISING OUT OF MISTAKES, OMISSIONS, INTERRUPTIONS, DELAYS, ERRORS, OR DEFECTS IN YOUR DEALER'S SERVICE OR TRANSMISSION OF YOUR DEALER'S SERVICE OR FOR LOSSES OR DAMAGES ARISING OUT OF THE FAILURE OF THE ALARM.COM PROVIDERS TO MAINTAIN PROPER STANDARDS OF MAINTENANCE AND OPERATIONS SHALL NOT EXCEED THE GREATER OF THE AMOUNT PAID BY THE SUBSCRIBER FOR YOUR DEALER'S SERVICE OR \$250.00. NONE OF THE ALARM.COM PROVIDERS SHALL HAVE ANY LIABILITY FOR ANY MISTAKE, OMISSION, INTERRUPTION OR DEFECT THAT DOES NOT LAST FOR AT LEAST 24 HOURS. NONE OF THE ALARM.COM PROVIDERS SHALL BE LIABLE FOR ANY MISTAKE, OMISSION, INTERRUPTION, OR DEFECT IN YOUR DEALER'S SERVICE CAUSED BY THE NEGLIGENCE OR WILLFUL ACT OF THE DEALER, SUBSCRIBER, PARTIES OTHER THAN THE ALARM.COM PROVIDERS, OR WHEN CAUSED BY ACTS OF GOD, FIRE, WAR, RIOTS, GOVERNMENT AUTHORITIES, DEFAULT OF SUPPLIER, OR OTHER CAUSES BEYOND THE CONTROL OF THE ALARM.COM PROVIDERS, INCLUDING WITHOUT LIMITATION DEFECT IN OR FAILURE OF EQUIPMENT PROVIDED BY YOUR DEALER OR ANY PARTY OTHER THAN THE ALARM.COM PROVIDERS.

**Trademarks**

ALARM.COM® is a registered service mark of Alarm.com. Unauthorized use of any Alarm.com trademark or logo may be a violation of federal and state trademark laws.

**Copyright**

The Service is protected by U.S. and international copyright laws. Except for your informational, personal, non-commercial use as authorized above, you may not modify, reproduce or distribute the content, design or layout of the Service, or individual sections of the content, design or layout of the Service or Alarm.com logos without our express written permission.

**Modifications**

Alarm.com reserves the right to modify the Service, and the rules and regulations governing its use, at any time. Modifications will be posted on the Web Site, and users are deemed to be apprised of and bound by any changes to the Service. Alarm.com may make changes in the products and/or services described on the Service at any time.

**Links**

From time to time, we may post links that will allow you to leave the User Interfaces and, in the future, we may offer links that will allow you to leave the Services. The linked sites are not under the control of Alarm.com, and the content available on the sites linked to the Service do not necessarily reflect the opinion of Alarm.com. Alarm.com is providing these links as a convenience to you, and access to any other sites linked to the Service is at your own risk. Alarm.com assumes no responsibility for the content of such linked sites. The inclusion of any link does not imply a recommendation or endorsement by Alarm.com of the linked site.

**Security**

You are responsible for maintaining the confidentiality of your login and password, and you are responsible for all uses of your login, password, and PINS, and any and all related charges, whether or not authorized by you.

**Content**

The content accessed through the Service is intended to be a general information resource for the subject matter covered, but is provided solely on an "AS IS" and "AS AVAILABLE" basis as noted herein. You are encouraged to confirm the information contained herein with other sources. Alarm.com is not engaged in rendering medical, investment, financial, tax, accounting, legal, engineering, or other professional services or advice. If you desire or need such services or advice, you should consult a professional. You should not construe Alarm.com publication of this content as an endorsement by Alarm.com of the views expressed herein, or any warranty or guarantee of any of these views, opinions or recommendations.

**Purchases**

Your commercial dealings with advertisers and/or vendors found on or through the Service (each, a "Vendor"), including payment and delivery of goods or services, and any other terms, conditions, warranties or representations associated with such dealings, are solely between you and such Vendor. You agree that Alarm.com shall not be responsible or liable for any loss or damage of any sort incurred as the result of any such dealings or as the result of the presence of such Vendors on the Service.

**Location**

The Service is operated by Alarm.com from its offices in the United States. Alarm.com makes no representation that the information located on the Service is appropriate or available for use in other locations, and access to the Service from territories where the content of the Service may be illegal is prohibited. Those who choose to access the Service from other locations do so on their own initiative and are responsible for compliance with applicable local laws. Any claims relating to the information available on the Service will be governed by the laws of the Commonwealth of Virginia, U.S.A., excluding the application of its conflicts of law rules.

**Violations and Additional Policies**

Alarm.com reserves the right to seek all remedies available at law and in equity for violations of these Terms and Conditions, including the right to block access from a particular Internet address or phone number to the Service. Alarm.com may terminate this Agreement and/or your access to the Service at any time for any reason or no reason.



# ALARM SYSTEM CERTIFICATE-No. AS50- 0183

Name: Deer Run Community Development District

Address: 400 Grand Reserves Drive

City, State, Zip: Bunnell, FL 32110

Date of Installation: 7/31/2019

## The following Protection is provided by the Security Equipment:

- |   |   |   |
|---|---|---|
| <input checked="" type="checkbox"/> Burglary Protection       | <input type="checkbox"/> Medical Emergency Protection | <input checked="" type="checkbox"/> Fire Protection |
| <input checked="" type="checkbox"/> AFD Glassbreak Protection | <input type="checkbox"/> Low Temperature Protection   | <input type="checkbox"/> Carbon Monoxide Protection |
| <input type="checkbox"/> Panic/Holdup Protection              | <input type="checkbox"/> Flood/High Water Protection  | <input type="checkbox"/> LP Gas Leak Protection     |

Additional Protection:  \_\_\_\_\_  \_\_\_\_\_  \_\_\_\_\_

## The following Special Monitoring Services are provided:

- |   |  |   |  |
|---|--|---|--|
| <input checked="" type="checkbox"/> GSM Cellular Backup       | <input checked="" type="checkbox"/> IP/Internet Monitoring | <input type="checkbox"/> Video Protection | <input type="checkbox"/> Elevator Monitoring |
| <input type="checkbox"/> Maintenance Repair Service Agreement | <input type="checkbox"/> Yes <input type="checkbox"/> No   | Expiration Date: _____                    |  |

Additional Monitoring Services:  \_\_\_\_\_  \_\_\_\_\_  \_\_\_\_\_

## Alarm Installation Company:

Company Name: Alpha Dog Security, LLC

Address: 120 Cumberland Park Suite 406

City, State, Zip: Saint Augustine, FL 32095

Name: Brian Jones

Authorized Signature: *Brian Jones*

Title: Owner Date: \_\_\_\_\_



**ALPHADOG**

AUDIO | VIDEO | SECURITY

## **Company Contact Info**

**Company Main Phone**

**904-257-4295**

**[www.alphadogavs.com](http://www.alphadogavs.com)**

**Company Email**

**[Info@alphadogavs.com](mailto:Info@alphadogavs.com)**

## **Important Phone Numbers For Your Security System Alpha Dog Security Phone Numbers**

Billing and Service 1-904-Alpha95 (257-4295)

**Monitoring Station 1-833-728-9607**

Alpha Dog Security Monitoring Account Number

**Account Passcode**

# SECTION D

**ALPHA DOG AUDIO VIDEO SECURITY**  
**120 Cumberland Park Drive, Suite 406**  
**Saint Augustine, FL 32095**  
**(904) 257-4295**

**CONSUMER DISCLOSURE AND CONSENT TO ELECTRONIC COMMUNICATIONS**

- 1. Disclosure.** Federal law [Electronic Signatures in Global and National Commerce Act, 15 U.S.C. § § 7001-7031] permits you to agree to the receipt and access of certain documents and communications in electronic form, notwithstanding any requirement for written copies. Pursuant to this Consumer Disclosure and Consent to Electronic Communications you consent to receive and to be provided with electronic copies of all documents and communications as defined below. Please save or print a copy of this document for your records.
- 2. Consent to Electronic Delivery.** You agree to receive all documents and communications including but not limited to agreements, terms and conditions, bills for services, statutory notices, correspondence and disclosures required by law to be in writing, ("Documents and Communications") from ALPHA DOG AUDIO VIDEO SECURITY (hereinafter referred to as "ALPHA" or "COMPANY") in an electronic format, ("Electronic Communications"). You acknowledge that you are able to receive and retain such Electronic Communications by printing, downloading or saving them to your electronic device. You accept any Electronic Communications provided by ALPHA as reasonable and proper notice in full satisfaction of any law or regulation requiring that such Documents and Communications be provided to you in writing, or in a form that you have the ability to retain. You agree that you are solely responsible for notifying ALPHA of any changes to your email address, and agree to keep it up to date by writing to ALPHA at Brian@alphadogavs.com or to: ALPHA DOG AUDIO VIDEO SECURITY, 120 Cumberland Park Drive, Suite 406, Saint Augustine, FL 32095.
- 3. Paper Copies of Electronic Communications.** You agree that ALPHA does not need to provide you with additional paper (non-electronic) copies of any Electronic Communications unless you specifically request to receive paper copies. You may request a paper copy of any Electronic Communications provided by ALPHA. You acknowledge ALPHA reserves the right to charge you a reasonable fee for the production and mailing of any paper copy of Electronic Communications. To submit a request to receive a paper copy of all Electronic Communications contact ALPHA by mail: ALPHA DOG AUDIO VIDEO SECURITY, 120 Cumberland Park Drive, Suite 406, Saint Augustine, FL 32095.
- 4. Revocation of Consent to Electronic Communications.** You have the right to withdraw your consent to receive Electronic Communications from ALPHA at any time. You acknowledge that ALPHA reserves the right to restrict or terminate your access to its website, web portal or web application if you withdraw your consent to receive Electronic Communications. To withdraw your consent to receive Electronic Communications contact ALPHA by mail: ALPHA DOG AUDIO VIDEO SECURITY, 120 Cumberland Park Drive, Suite 406, Saint Augustine, FL 32095.

5. **System Requirements.** In order to receive Electronic Communications from ALPHA you must have a system that meets the following requirements:

Operating Systems:	Windows2000? or WindowsXP?
Browsers (for SENDERS):	Internet Explorer 6.0? or above
Browsers (for SIGNERS):	Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above)
Email:	Access to a valid email account
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	<ul style="list-style-type: none"> <li>• Allow per session cookies</li> <li>• Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection</li> </ul>

To the extent required by law, ALPHA shall notify you of any change made in the hardware or software requirements needed to access or participate in any electronic communication with ALPHA, and you agree to re-consent electronically in any manner that reasonably demonstrates your ability to access Electronic Communications.

6. **Right to Modify Terms.** ALPHA reserves the right, in its sole discretion, to modify the terms and conditions of this Consumer Disclosure and Consent to Electronic Signatures and Communications. If required by law ALPHA shall notify you of any modification to the Consumer Disclosure and Consent to Electronic Communications or the termination of its relationship with you.

**To obtain Documents and Communications from ALPHA electronically, indicate your consent to the above terms and conditions by providing at least two of three personal identifiers as requested below, typing your full name in the space provided, and clicking the "I Accept" checkbox below.**

**Personal Identifiers: (Provide two of three)**

June 9, 1969  
(Date of Birth)

2808  
(Last 4 digits of Social Security Number)

Ada Perez  
(Mother's Maiden Name)

**"I hereby accept the terms and conditions as outlined in the above agreement and understand that by confirming I am submitting my electronic consent to receive all document(s) and communication(s) electronically."**

**Type Full Name:**

Ernesto J. Torres, District Manager  
(Print Name)



**ALPHA DOG AUDIO VIDEO SECURITY**  
**120 Cumberland Park Drive, Suite 406**  
**Saint Augustine, FL 32095**  
**(904) 257-4295**

**STANDARD FIRE ALARM AGREEMENT**

Subscriber's Name: Deer Run CDD Telephone No.: \_\_\_\_\_  
Address: 501 Grand Reserve Dr Bunnell FL 32110 Email: \_\_\_\_\_ Cell Phone No.: \_\_\_\_\_

**SALE AND INSTALLATION**

ALPHA DOG AUDIO VIDEO SECURITY (hereinafter referred to as "ALPHA" or "ALARM COMPANY") agrees to sell, install, and instruct Subscriber in the proper use of the Fire Alarm Equipment or System, at Subscriber's premises, and Subscriber agrees to buy, such system in accordance with this agreement, consisting of the following equipment: See attached Schedule of Equipment and Services for included equipment, sale and installation charges. Passcode to software remains the property of ALPHA. Software programmed by ALPHA is the intellectual property of ALPHA and any unauthorized use of same, including derivative works, is strictly prohibited and may violate Federal Copyright Laws, Title 17 of the United States Code, and may subject violator to civil and criminal penalties. ALPHA's signs and decals remain the property of ALPHA and must be removed upon termination of this agreement.

Check if Communication System, consisting of software, radio, cellular or communication connective devices, remains the property of ALPHA.  
The agreed value of the Communication System is \$1800.00.

Check if Fire Alarm System to Code:  
Initial here \_\_\_\_\_ if fire alarm system is to be installed pursuant to filed plans and specifications filed by \_\_\_\_\_  
filed with and approved by Authority Having Jurisdiction (AHJ).

All fire alarm systems required by State Fire Marshal's rules shall be installed, serviced, tested, repaired, inspected and improved in compliance with the provisions of the applicable standards of the National Fire Protection Association (NFPA) or other testing laboratory approved by AHJ. Subscriber shall be provided with Test Certificate in form approved by AHJ when the fire alarm system is installed, serviced, tested, repaired, inspected or improved.

Check if system includes Area of Refuge two way communication system. If this service is included ALPHA will install, pursuant to filed and approved plans and specification with the Building Department, AHJ requirements for a two-way communication system which shall have a timed automatic telephone dial-out capability to a monitoring location or 911. The two-way communication system shall include both audible and visible signals unless otherwise directed by the AHJ. All references to the fire alarm system in this agreement shall include the Area of Refuge system.

Check if system includes In-Building Wireless Communications Systems for Emergency Responders, Signal Boosters and Bi-Directional Amplifiers (BDA), which systems require testing and service. See Schedule of Equipment and Services to determine if this service includes wireless system design, surveys, radio equipment installation, testing, coordination and permits with AHJ. All references to the fire alarm system in this agreement shall include the In-Building Wireless Communications Systems for Emergency Responders.

**NOTICE:** Unless a Fire Alarm System to Code is selected to be installed, ALPHA makes no representation that the fire alarm detection equipment meets local code, fire department or any Authority Having Jurisdiction (AHJ) requirements, and it is not ALPHA's responsibility to apply for any permits or fees in connection with such equipment. The law requires and ALPHA recommends that Subscriber install a Fire Alarm System to code with plans and specifications filed with AHJ, properly permitted, inspected and approved by AHJ. Subscriber represents that existing fire alarm system is approved by AHJ and that any repairs or replacement parts installed by ALPHA are not additional equipment which would require AHJ approval. ALPHA may in its sole discretion notify AHJ if ALPHA's services are to be terminated or have terminated or that the fire alarm system is not functioning and ALPHA is unable to provide monitoring or the fire alarm system is otherwise non-compliant with applicable fire codes.

**CHECK BOX FOR APPROPRIATE SERVICES:** Only services selected are included:  
**SERVICES AND RECURRING CHARGES:** All charges are billed in advance and are plus tax, if applicable [select one option]:  
Billing shall be:  Monthly  Quarter Annually  Semi-Annually  Annually

**1. MONITORING CHARGES:**  
Subscriber agrees to pay ALPHA the sum of \$ 50.00 per month for the monitoring of the FIRE ALARM system for the term of this agreement

**2. SERVICE CHARGES: (Select a orb)**  
 (a) Subscriber agrees to pay ALPHA on a percall basis. If this agreement provides for service on a per call basis, Subscriber agrees to pay ALPHA for all parts and labor at the time of service. Subscriber to initial for per call service option: 300

(b) Subscriber agrees to pay ALPHA the sum of \$ 25.00 per month, for the term of this agreement for labor and material to service the fire alarm system for damage caused by ordinary wear and tear. Batteries, electrical surges, lightning damage, water, insects, vermin, software upgrades and repairs, communication devices no longer supported by communication pathways, obsolete components and components exceeding manufacturer's useful life are not included in service and will be repaired or replaced at Subscriber's expense payable at time of service.

**3. INSPECTIONS: SYSTEMS TO BE INSPECTED:**  Fire Alarm  Area of Refuge  In-Building Wireless Communication. Subscriber agrees to pay ALPHA the sum of \$ 75.00 per month for the term of this agreement, for inspection service. If this option is selected ALPHA will make 1 inspection(s) of the fire alarm system per year. Any additional inspections required by Authority Having Jurisdiction (AHJ) will be charged at \$125.00 per hour which Subscriber agrees to pay. Unless otherwise noted in the Schedule of Equipment and Services inspection will be performed to meet the minimum requirements of the applicable code or AHJ. ALPHA will notify Subscriber 3 days in advance of inspection date, and it is Subscriber's responsibility to reschedule or permit access. Testing at inspection insures only that accessible components are in proper working order at time of inspection unless otherwise reported to Subscriber at time of inspection. Inspection does not include repair. If sprinkler alarm or other device monitoring water flow is inspected, the inspection does not include inspection or testing of sufficiency of water supply, for which ALPHA has no responsibility or liability.

**4. MONITORING CENTER CERTIFICATE:** Subscriber agrees to pay ALPHA the sum of \$ \_\_\_\_\_ per month for the term of this agreement, for an Underwriters Laboratories Inc. (UL) Fire Alarm Certificate service. If this option is selected ALPHA will issue a UL Certificate for the fire alarm system. Subscriber acknowledges that UL is a separate AHJ that may want to inspect the fire alarm system. UL or the Local AHJ can require changes to the fire alarm system to keep the Certificate in force. Subscriber agrees to pay ALPHA for any inspections or required changes at ALPHA's then prevailing rates.

**5. RUNNER SERVICE:** Subscriber agrees to pay ALPHA the sum of \$ 50.00 per month for the term of this agreement, for UL Runner Response Service for up to 4 Runs per year. If this option is selected ALPHA's Runner upon notification from Monitoring Center of any alarm, supervisory or trouble signals, to the best of ALPHA's ability will respond to Subscriber's location within 1 hour for alarm and supervisory signals and 4 hours for trouble signals. Subscriber agrees to issue ALPHA 2 sets of all keys necessary for ALPHA to enter into all locked areas of Subscriber's location. Subscriber agrees to pay ALPHA for any additional Runs at ALPHA's then prevailing labor rate. Subscriber acknowledges that Runner Service is for response only and does not cover any work or repairs once ALPHA is on site.

**IN LIEU OF SEPARATE RECURRING CHARGES IN PARAGRAPHS 1-5 ABOVE, SUBSCRIBER SHALL PAY \$ \_\_\_\_\_ PER MONTH WHICH INCLUDES ALL THE CHECKED SERVICES IN PARAGRAPHS 1-5.**

**6. MONITORING SERVICES PROVIDED:** Upon receipt of a fire alarm signal from Subscriber's fire alarm system, ALPHA or its designee Monitoring Center shall make every reasonable effort to notify Subscriber and the appropriate municipal fire department and comply with AHJ dispatch procedures. Only Subscriber will be notified of fire trouble, fire supervisory or other off normal signals as soon as may be practical. Subscriber acknowledges that signals transmitted from Subscriber's premises directly to fire departments are not monitored by personnel of ALPHA or its Monitoring Center and ALPHA does not assume any responsibility for the manner in which such signals are monitored or the response, if any, to such signals. Subscriber acknowledges that signals which are transmitted over telephone lines, wire, air waves, internet, Managed Facilities Voice Networks, VOIP, or other modes of communication pass through communication networks wholly beyond the control of ALPHA and are not maintained by ALPHA except ALPHA may own the radio network and ALPHA shall not be responsible for any failure which prevents transmission signals or data from reaching the Monitoring Center or damages arising therefrom, or for data corruption, theft or viruses to Subscriber's computers if connected to the communication equipment. The fire alarm system and communication pathway may not function during a power failure or not maintain functionality for a 24 hour period as required by NFPA-72 for fire alarm systems and Subscriber is responsible for verifying operation of the communication pathway with the communications pathway provider. Subscriber agrees to furnish ALPHA with a written Call List of names and telephone numbers of persons Subscriber wishes to receive notification of fire alarm signals. Unless otherwise provided in the Call List ALPHA will make a reasonable effort to contact the first person reached or notified on the list either via telephone call, text or email message. No more than one call to the list shall be required and any form of notification provided for herein, including leaving a message on an answering machine, shall be deemed reasonable compliance with ALPHA's notification obligation. All changes and revisions to the account information shall be supplied to ALPHA in writing. Subscriber authorizes ALPHA to access the control panel and/or communicator to input or delete data and programming. If Subscriber requests ALPHA to reprogram system functions remotely, Subscriber

shall pay ALPHA \$120.00 for each such service, and any change in programming requires a full physical test of all fire alarm components pursuant to NFPA 72 and AHJ requirements which testing shall be at Subscriber's expense at ALPHA's customary charges. ALPHA may, without prior notice, suspend or terminate its services in event of Subscriber's default in performance of this agreement or in event Monitoring Center's facility or communication network is nonoperational or Subscriber's system is sending excessive false alarms. Monitoring Center is authorized to record and maintain all date, voice and alarm communications and shall be the exclusive owner of such property. If AHJ requires a technician to be sent to Subscriber's premises after a fire alarm is dispatched, or if Runner service exceeds maximum Runs per year, Subscriber agrees to pay \$225.00 per call.

**7. TERM OF AGREEMENT / RENEWALS:** The term of this agreement shall be for a period of ten years. This agreement shall renew month to month thereafter under the same terms and conditions, unless either party gives written notice to the other by certified mail, return receipt requested, of their intention not to renew the agreement at least 30 days prior to the expiration of any term. Termination shall comply with local law. Unless otherwise specified herein, all recurring charges for 1-5 services shall commence on the first day of the month next succeeding the date hereof, all payments being due on the first day of the month.

**8. INCREASES OF MONTHLY CHARGE:** After the expiration of one year from the date hereof ALPHA shall be permitted from time to time to increase the monthly charges by an amount not to exceed nine percent each year and Subscriber agrees to pay such increase as invoiced.

**9. ALARM EQUIPMENT REMAINS PERSONAL PROPERTY:** All equipment and material installed by ALPHA shall remain Subscriber's personal property and shall not be considered or deemed a fixture, or an addition to, alteration, conversion, improvement, modernization, remodeling, repair or replacement of any part of the realty, and Subscriber shall not permit the attachment thereto of any apparatus not furnished by ALPHA.

**10. EQUIPMENT LIMITED WARRANTY:** In the event that any part of the equipment becomes defective, ALPHA agrees to make all repairs and replacement of parts without costs to the Subscriber for a period of one (1) year from the date of installation. ALPHA reserves the option to either replace or repair the equipment, and reserves the right to substitute materials of equal quality at time of replacement, or to use reconditioned parts in fulfillment of this warranty. ALPHA's warranty does not include damage caused by electric, plumbing or construction, nor damage by lightning, electrical surge, or misuse. ALPHA is not the manufacturer of the equipment and other than ALPHA's limited warranty Subscriber agrees to look exclusively to the manufacturer of the equipment for repairs under its warranty coverage if any. Except as set forth in this agreement, ALPHA makes no express warranties as to any matter whatsoever, including but not limited to, unless prohibited by law, the condition of the equipment, its merchantability, or its fitness for any particular purpose, and ALPHA shall not be liable for consequential damages. ALPHA does not represent or warrant that the equipment may not be compromised or circumvented, or that the system will prevent any loss by fire, smoke or water or otherwise; or that the system will in all cases provide the protection for which it is installed. ALPHA expressly disclaims any implied warranties, including implied warranties of merchantability or fitness for a particular purpose. The Warranty does not cover any damage to material or equipment caused by accident, misuse, attempted or unauthorized repair service, modification, or improper installation by anyone other than ALPHA. ALPHA shall not be liable for consequential damages. Subscriber acknowledges that any affirmation of fact or promise made by ALPHA shall not be deemed to create an express warranty unless included in this agreement in writing; that Subscriber is not relying on ALPHA's skill or judgment in selecting or furnishing a system suitable for any particular purpose and that there are no warranties which extend beyond those on the face of this agreement, and that ALPHA has offered additional and more sophisticated equipment for an additional charge which Subscriber has declined. Subscriber's exclusive remedy for ALPHA's breach of this agreement or negligence to any degree under this agreement is to require ALPHA to repair or replace, at ALPHA's option, any equipment which is non-operational. Some states do not allow the exclusion or limitation of consequential or incidental damages, or a limitation on the duration of implied warranties, so the above limitations or exclusions may not apply to you. The warranty gives you specific legal rights and you may also have other rights which may vary from state to state. Fire Alarms are required to be approved by AHJ and may require plans and specifications designed, signed and submitted by a licensed architect or professional engineer, which must be engaged by Subscriber. If ALPHA is installing a Fire Alarm System to code installation must be approved by the AHJ. This Limited Warranty is independent of and in addition to repair service contracted under paragraph 2b of this agreement. In accordance with Florida Law 633.348, all equipment supplied shall be approved by NFPA or other nationally recognized testing laboratory approved by AHJ and installed pursuant to standards approved by said testing laboratory. ALPHA will furnish subscriber with appropriate documentation required by testing laboratory standards, operating instructions for all equipment together with diagram of final installation.

**11. DELAY IN DELIVERY / INSTALLATION / RISK OF LOSS OF MATERIAL:** ALPHA shall not be liable for any damage or loss sustained by Subscriber as a result of delay in delivery and/or installation of equipment, equipment failure, or for interruption of service due to electric failure, strikes, walk-outs, war, acts of God, or other causes, including ALPHA's negligence or failure to perform any obligation. The estimated date work is to be substantially completed is not a definite completion date and time is not of the essence. In the event the work is delayed through no fault of ALPHA, ALPHA shall have such additional time for performance as may be reasonably necessary under the circumstances. Subscriber agrees to pay ALPHA the sum of \$1,000 per day for each business day the work is re-scheduled or delayed by Subscriber or others engaged by Subscriber through no fault of ALPHA on less than 24 hour notice to ALPHA. If installation is delayed for more than one year from date hereof through no fault of ALPHA, Subscriber agrees to pay an additional 5% of the contract Purchase Price upon installation. Subscriber assumes all risk of loss of material once delivered to the job site. ALPHA is authorized to make preparations such as drilling holes, driving nails, making attachments or doing any other thing necessary in ALPHA's sole discretion for the installation and service of the equipment, and ALPHA shall not be responsible for any condition created thereby as a result of such installation, service, or removal of the equipment, and Subscriber represents that the owner of the premises, if other than Subscriber, authorizes the installation of the equipment under the terms of this agreement.

**12. REPAIR SERVICE:** The parties agree that the equipment, once installed, is in the exclusive possession and control of the Subscriber, and it is Subscriber's sole responsibility to notify ALPHA if any equipment is in need of repair. ALPHA shall not be required to service the equipment unless it has received notice from Subscriber, and upon such notice, ALPHA shall, during the warranty period or if service has been contracted under paragraph 2b of this agreement, service the equipment to the best of its ability within 36 hours, exclusive of Saturday, Sunday and legal holidays, during the business hours of 9 a.m. and 5 p.m.

**13. SUBSCRIBER'S DUTY TO SUPPLY ELECTRIC AND TELEPHONE SERVICE:** Subscriber agrees to furnish, at Subscriber's expense, all 110 Volt AC power, electrical outlet, circuit breaker and dedicated electrical feed, internet connection, high speed broadband cable or DSL and IP Address, telephone hook-ups, RJ31x Block or equivalent, as deemed necessary by ALPHA.

**14. SUBSCRIBER RESPONSIBLE FOR FALSE ALARMS / PERMIT FEES / NON-SOLICITATION / ADDITIONAL COSTS / OTHER LICENSED TRADES / CO AND ECB VIOLATIONS / AND EXPERT WITNESS FEES:** Subscriber is responsible for all alarm permits and permit fees, agrees to file for and maintain any permits required by applicable law and AHJ and indemnify or reimburse ALPHA for any fees or fines relating to permits, code compliance or false alarms. ALPHA shall have no liability for permit fees, false alarms, false alarm fines, fire response, any damage to personal or real property or personal injury caused by fire department response to alarm, whether false alarm or otherwise, or the refusal of the fire department to respond. In the event of termination of fire response by the fire department this agreement shall nevertheless remain in full force and Subscriber shall remain liable for all payments provided for herein. Should ALPHA be required by existing or hereafter enacted law to perform any service or furnish any material not specifically covered by the terms of this agreement Subscriber agrees to pay ALPHA for such service or material. Subscriber agrees that it will not solicit for employment for itself, or any other entity, or employ, in any capacity any employee of ALPHA assigned by ALPHA to perform any service for or on behalf of Subscriber for a period of two years after ALPHA has completed providing service to Subscriber. In the event of Subscriber's violation of this provision, in addition to injunctive relief, ALPHA shall recover from Subscriber an amount equal to such employee's salary based upon the average three months preceding employee's termination of employment with ALPHA, times twelve, together with ALPHA's counsel and expert witness fees. Subscriber is responsible for engaging licensed trades to perform any work which ALPHA is not licensed to perform interconnecting the fire alarm to HVAC, elevators, appliances and other electronic and mechanical systems. It is Subscriber's responsibility to obtain a Certificate of Occupancy for the Intended use of the premises affected by the fire alarm or obtain a Letter of No Objection from the AHJ if a Certificate of Occupancy is not available. It is Subscriber's sole responsibility to cure any building or Environmental Control Board violations. In the event Subscriber or any third party subpoenas or summons ALPHA requiring any services or appearances, Subscriber agrees to pay ALPHA \$150 per hour for such services and appearances. Subscriber shall reimburse ALPHA for any Monitoring Center charges for excessive signals.

**15. INDEMNITY / WAIVER OF SUBROGATION RIGHTS / ASSIGNMENTS:** Subscriber agrees to and shall defend, advance expenses for litigation and arbitration, including investigation, legal and expert witness fees, indemnify and hold harmless ALPHA, its employees, agents and subcontractors, from and against all claims, lawsuits, including those brought by third parties or Subscriber, including reasonable attorneys' fees and losses asserted against and alleged to be caused by ALPHA's performance, negligent performance, or failure to perform any obligation under or in furtherance of this agreement. Parties agree that there are no third-party beneficiaries of this agreement. Subscriber on its behalf and any insurance carrier waives any right of subrogation Subscriber's insurance carrier may otherwise have against ALPHA or ALPHA's subcontractors arising out of this agreement or the relation of the parties hereto. Subscriber shall not be permitted to assign this agreement without written consent of ALPHA, which shall not unreasonably be withheld. ALPHA shall have the right to assign this agreement to a company licensed to perform the services and shall be relieved of any obligations created herein upon such assignment.

**16. EXCULPATORY CLAUSE:** ALPHA and Subscriber agree that ALPHA is not an insurer and no insurance coverage is offered herein. The fire alarm and ALPHA's services are designed to detect and reduce certain risks of loss, though ALPHA does not guarantee that no loss or damage will occur. ALPHA is not assuming liability, and, therefore, shall not be liable to Subscriber or any other third party for any loss, economic or non-economic, in contract or tort, data corruption or inability to retrieve data, personal injury or property damage sustained by Subscriber as a result of equipment failure, human error, fire, smoke, water or any other cause whatsoever, regardless of whether or not such loss or damage was caused by or contributed to by ALPHA's breach of contract, negligent performance to any degree in furtherance of this agreement, any extra contractual or legal duty, strict products liability, or negligent failure to perform any obligation pursuant to this agreement or any other legal duty, except for intentional willful misconduct. Subscriber releases ALPHA from any claims for contribution, indemnity or subrogation.

**17. INSURANCE / ALLOCATION OF RISK:** Subscriber shall maintain a policy of Comprehensive General Liability and Property Insurance for liability, casualty, fire, theft, and property damage under which Subscriber is named as insured and ALPHA is named as additional insured and which shall cover any loss or damage ALPHA's services are intended to detect to one hundred percent of the insurable value or potential risk. The parties intend that the Subscriber assume all potential risk and damage that may arise by reason of failure of the equipment, system or ALPHA's services and that Subscriber will look to its own insurance carrier for any loss or assume the risk of loss. ALPHA shall not be responsible for any portion of any loss or damage which is recovered or recoverable by Subscriber from insurance covering such loss or damage or for such loss or damage against which Subscriber is indemnified or insured. Subscriber and all those claiming rights under Subscriber waive all rights against ALPHA and its subcontractors for loss or damages caused by perils intended to be detected by ALPHA's services or covered by insurance to be obtained by Subscriber, except such rights as Subscriber or others may have to the proceeds of insurance.

**18. LIMITATION OF LIABILITY:** SUBSCRIBER AGREES THAT SHOULD THERE ARISE ANY LIABILITY ON THE PART OF ALPHA AS A RESULT OF ALPHA'S BREACH OF CONTRACT, NEGLIGENCE PERFORMANCE TO ANY DEGREE OR NEGLIGENCE FAILURE TO PERFORM ANY OF ALPHA'S OBLIGATIONS PURSUANT TO THIS AGREEMENT OR ANY OTHER LEGAL DUTY, EQUIPMENT FAILURE, HUMAN ERROR, OR STRICT PRODUCTS LIABILITY, WHETHER ECONOMIC OR NON-ECONOMIC, IN CONTRACT OR IN TORT, THAT ALPHA'S LIABILITY SHALL BE LIMITED TO THE SUM OF \$250,000 OR 6 TIMES THE MONTHLY PAYMENT FOR SERVICES BEING PROVIDED AT TIME OF LOSS, WHICHEVER IS GREATER. IF SUBSCRIBER WISHES TO INCREASE ALPHA'S AMOUNT OF LIMITATION OF LIABILITY, SUBSCRIBER MAY, AS A MATTER OF RIGHT, AT ANY TIME, BY ENTERING INTO A SUPPLEMENTAL AGREEMENT, OBTAIN A HIGHER LIMIT BY PAYING AN ANNUAL PAYMENT CONSONANT WITH ALPHA'S INCREASED LIABILITY. THIS SHALL NOT BE CONSTRUED AS INSURANCE COVERAGE.

SUBSCRIBER ACKNOWLEDGES THAT THIS AGREEMENT CONTAINS EXCULPATORY CLAUSE, INDEMNITY, INSURANCE, ALLOCATION OF RISK AND LIMITATION OF LIABILITY PROVISIONS.

**19. LEGAL ACTION / ARBITRATION / SECURITY INTEREST / BREACH / LIQUIDATED DAMAGES / AGREEMENT TO BINDING ARBITRATION:** The parties agree that due to the nature of the services to be provided by ALPHA, the payments to be made by the Subscriber for the term of this agreement form an integral part of ALPHA's anticipated profits; that in the event of Subscriber's default it would be difficult if not impossible to fix ALPHA's actual damages. Therefore, in the event Subscriber defaults in any payment or charges to be paid to ALPHA, Subscriber shall be immediately liable for any unpaid installation and invoiced charges plus 80% of the balance of all payments for the entire term of this agreement as LIQUIDATED DAMAGES.

SUBSCRIBER ACKNOWLEDGES THAT THIS AGREEMENT CONTAINS A LIQUIDATED DAMAGE CLAUSE.

Additionally, in the event ALPHA retained ownership of the communication system and Subscriber breaches this agreement ALPHA may, at its option, either remove its Communication System or deem same sold to Subscriber for 80% the amount specified as the agreed value of the communication system. ALPHA may, without prior notice, suspend or terminate its services in event of Subscriber's default in performance of this agreement and shall be permitted to terminate all its services under this agreement and deactivate the System without relieving Subscriber of any obligation herein and may notify AHJ of termination. All actions or proceedings by either party must be based on the provisions of this agreement. Any other action that Subscriber may have or bring against ALPHA in respect to services rendered in connection with this agreement shall be deemed to have merged in and be restricted to the terms and conditions of this agreement. In order to secure all indebtedness or liability of Subscriber to ALPHA, Subscriber hereby grants ALPHA a security interest in all of Subscriber's equipment, inventory and proceeds thereof, accounts receivables and cash on hand and ALPHA may execute and file UCC-1 statement. The prevailing party in any litigation or arbitration is entitled to recover its reasonable legal fees from the other party. The parties waive trial by jury in any action between them unless prohibited by law. In any action commenced by ALPHA against Subscriber, Subscriber shall not be permitted to interpose any counterclaim. SUBSCRIBER AGREES THAT SUBSCRIBER MAY BRING CLAIMS AGAINST ALPHA ONLY IN SUBSCRIBER'S INDIVIDUAL CAPACITY, AND NOT AS A CLASS ACTION PLAINTIFF OR CLASS ACTION MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING. ANY DISPUTE BETWEEN THE PARTIES OR ARISING OUT OF THIS AGREEMENT, INCLUDING ISSUES OF ARBITRABILITY, SHALL, AT THE OPTION OF ANY PARTY, BE DETERMINED BY BINDING AND FINAL ARBITRATION BEFORE A SINGLE ARBITRATOR ADMINISTERED BY ARBITRATION SERVICES INC., ITS SUCCESSORS OR ASSIGNS, UNDER ITS ARBITRATION RULES AT [WWW.ARBITRATIONSERVICESINC.COM](http://WWW.ARBITRATIONSERVICESINC.COM) AND THE FEDERAL ARBITRATION ACT, EXCEPT THAT NO PUNITIVE OR CONSEQUENTIAL DAMAGES MAY BE AWARDED. The arbitrator shall be bound by the terms of this agreement and is authorized to conduct proceedings by telephone, video, submission of papers or in-person hearing. By agreeing to this arbitration provision you are waiving your right to a trial before a judge or jury, waiving your right to appeal the arbitration award and waiving your right to participate in a class action. Any action between the parties must be commenced within one year of the accrual of the cause of action or shall be barred. Service of process or papers in any legal proceeding or arbitration between the parties may be made by First-Class Mail delivered by the U.S. Postal Service addressed to the party's address in this agreement or another address provided by the party in writing to the party making service. The parties submit to the jurisdiction and laws of Florida, except for arbitration which is governed by the FAA and agree that any litigation or arbitration between the parties may be commenced and maintained in the county where ALPHA's principal place of business is located or Nassau County, New York.

SUBSCRIBER ACKNOWLEDGES THAT THIS AGREEMENT CONTAINS AN AGREEMENT TO ARBITRATE DISPUTES AND THAT ARBITRATION IS BINDING AND FINAL AND THAT SUBSCRIBER IS WAIVING SUBSCRIBER'S RIGHT TO TRIAL IN A COURT OF LAW AND OTHER RIGHTS.

20. **ALPHA'S RIGHT TO SUBCONTRACT SPECIAL SERVICES:** Subscriber agrees that ALPHA is authorized and permitted to subcontract any services to be provided by ALPHA to third parties who may be independent of ALPHA, and that ALPHA shall not be liable for any loss or damage sustained by Subscriber by reason of fire or any other cause whatsoever caused by the negligence of third parties and that Subscriber appoints ALPHA to act as Subscriber's agent with respect to such third parties, except that ALPHA shall not obligate Subscriber to make any payments to such third parties. Subscriber acknowledges that this agreement, and particularly those paragraphs relating to ALPHA's disclaimer of warranties, exemption from liability, even for its negligence, limitation of liability and indemnification, inure to the benefit of and are applicable to any assignees, subcontractors, manufacturers, vendors and Monitoring Center of ALPHA.

21. **MOLD, OBSTACLES AND HAZARDOUS CONDITIONS / FIRE STOP BREACH:** Subscriber shall notify ALPHA in writing of any undisclosed, concealed or hidden conditions in any area where installation is planned, and Subscriber shall be responsible for removal of such conditions. In the event ALPHA discovers the presence of suspected asbestos or other hazardous material ALPHA shall stop all work immediately and notify Subscriber. It shall be Subscriber's sole obligation to remove such conditions from the premises, and if the work is delayed due to the discovery of suspected asbestos or other hazardous material or conditions then an extension of time to perform the work shall be allowed and Subscriber agrees to compensate ALPHA for any additional expenses caused by the delay but not less than \$1000.00 per day until work can resume. If ALPHA, in its sole discretion, determines that continuing the work poses a risk to ALPHA or its employees or agents, ALPHA may elect to terminate this agreement on 3-day notice to Subscriber and Subscriber shall compensate ALPHA for all services rendered and material provided to date of termination. ALPHA shall be entitled to remove all its equipment and uninstalled equipment and material from the job site. Under no circumstances shall ALPHA be liable to Subscriber for any damage caused by mold or hazardous conditions or remediation thereof. ALPHA shall have no liability for any breach of fire stops or for inspection or certification of integrity of fire stops in the premises.

22. **FULL AGREEMENT / SEVERABILITY:** This agreement along with the Schedule of Equipment and Services constitutes the full understanding of the parties and may not be amended, modified or canceled, except in writing signed by both parties. Subscriber acknowledges and represents that Subscriber has not relied on any representation, assertion, guarantee, warranty, collateral agreement or other assurance, except those set forth in this Agreement. Subscriber hereby waives all rights and remedies, at law or in equity, arising, or which may arise, as the result of Subscriber's reliance on such representation, assertion, guarantee, warranty, collateral agreement or other assurance. To the extent this agreement is inconsistent with any other document or agreement, whether executed prior to, concurrently with or subsequent to this agreement the terms of this agreement shall govern. This agreement shall run concurrently with and shall not terminate or supersede any existing agreement between the parties unless specified herein. Should any provision of this agreement be deemed void, the remaining parts shall be enforceable.

**SUBSCRIBER ACKNOWLEDGES RECEIVING A FULLY EXECUTED COPY OF THIS AGREEMENT AND SCHEDULE OF EQUIPMENT AND SERVICES AT TIME OF EXECUTION. READ THEM BEFORE YOU SIGN THIS AGREEMENT.**

**ALPHA DOG AUDIO VIDEO SECURITY:**

**SUBSCRIBER:**

By: Brian Jones

Ernesto J. Torres Ernesto J. Torres, District Manager  
Subscriber: Signature by Authorized Officer Print Name

Dated: \_\_\_\_\_

475 West Town Place, Suite 114  
TaxID or EIN Address

**The undersigned personally guarantees Subscriber's performance of this agreement and agrees to be bound by all terms as a party herein.**

\_\_\_\_\_  
Signature (Name must be printed below) Social Security Number Residence Address

**ALPHA DOG AUDIO VIDEO SECURITY**  
**120 Cumberland Park Drive, Suite 406**  
**Saint Augustine, FL 32095**  
**(904) 257-4295**

**SCHEDULE OF EQUIPMENT AND SERVICES**

Purchase Price: \$ 199.99

Taxes: \$ 13

Total: \$ 212.99

Down Payment: \$ \_\_\_\_\_

Approximate date work to begin: \_\_\_\_\_

Estimated date work to be substantially completed: \_\_\_\_\_

Balance due upon completion of installation: \$ 212.99

In accordance with the agreement between ALARM COMPANY N ALPHA DOG AUDIO VIDEO SECURITY (hereinafter referred to as "ALPHA" or "ALARM COMPANY") and Subscriber, which this Schedule supplements, the following equipment will be installed. Should additional devices be required by code or the AHJ then the additional devices and labor to install the additional devices will be charged at ALPHA's cost plus 30% and labor at \$135 per hour per man, (or \$\_\_\_\_\_ per device, including installation) and Subscriber agrees to pay such charges at time of installation. All provisions of the agreement govern the installation and nothing contained herein is intended to modify or terminate the agreement or any provision contained therein.

_____	Control Panel	_____	Elevator Recall
_____	Annunciator	_____	Voice Evacuation System
_____	Smoke Sensor	_____	Hood Supervisor
_____	Heat Sensor	_____	Sprinkler System Supervision
_____	Duct Mounted	_____	HVAC Shutdown
_____	Pull Stations	_____	Sprinkler Alarm
_____	Magnetic Door Holders	_____	Strobes
<u>199.99</u>	Communicator	_____	Speaker Strobes
_____		_____	Horn Strobes
_____		_____	

In the event of any changes to installation schedule required by AHJ or subscriber, unless otherwise agreed upon, Subscriber agrees to pay ALPHA the following schedule of charges for such extra work and material:

Labor: \$\_\_\_\_\_ per hour per employee

Material: ALPHA's cost plus 50%

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\* Subscriber has requested ALPHA to increase its limitation of liability and in consideration thereof Subscriber has agreed to pay an additional \$\_\_\_\_\_ per month. ALPHA's maximum liability shall be \$\_\_\_\_\_.

**ALPHA DOG AUDIO VIDEO SECURITY:**

**SUBSCRIBER:**

By: Brian Jones  
Signature

Ernesto J. Torres  
Signature by Authorized Officer (Name Must be printed below)

Ernesto J. Torres, District Manager  
Print Name

August 7, 2019  
Date

\*omit if inapplicable

Subscriber's Email address: etorres@gmsnf.com



1. Subscriber agrees that the System is to be kept in good working order by Subscriber. Subscriber further agrees that Company has no responsibility for the operation or non-operation of the System or the transmission of signals to Company's Central Station receiving equipment.

2. Subscriber agrees that this Agreement shall continue, without action by either party, extend and renew itself under the same terms and on the conditions precedent that Dealer prepay for central station monitoring services to be rendered by Company to Subscriber, and that Dealer not be in breach or default under Company's contract with Dealer. Subscriber agrees that Dealer's failure to prepay Company as alessor or Dealer's breach or default under Company's contract with Dealer shall permit Company, upon five (5) days written notice to Subscriber, to terminate this Agreement, and Subscriber hereby releases Company for all general, special, incidental and consequential expense, loss and damage to Subscriber, whether due to the sole, joint or several negligence of Company, its agents, servants, employees, suppliers or subcontractors. Subscriber further agrees that Dealer is an independent contractor and not an agent of Company for any purpose whatsoever, including, but not limited to, payment for monitoring services. Therefore, Subscriber hereby waives any right to equitable relief against Company. Notwithstanding the above provision, should Subscriber obtain equitable relief against Company, Subscriber agrees to pay Company all monies claimed by Company to be due and owing to Company by Dealer for past services to Subscriber, all monies for future services to be rendered Subscriber, as well as Company's reasonable attorneys' fees and expenses in defending any action by Subscriber seeking equitable relief.

3. SUBSCRIBER AGREES AND UNDERSTANDS: THAT COMPANY IS NOT AN INSURER AND THAT INSURANCE COVERING PERSONAL INJURY, INCLUDING DEATH, AND REAL OR PERSONAL PROPERTY LOSS OR DAMAGE IN, ABOUT OR TO THE PREMISES SHALL BE OBTAINED BY THE SUBSCRIBER; THAT COMPANY MAKES NO GUARANTEED REPRESENTATION OR WARRANTY INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PURPOSE; THAT THE EQUIPMENT AND SERVICES ARE DESIGNED TO REDUCE, BUT NOT ELIMINATE, CERTAIN RISKS OF LOSS AND THAT THE AMOUNTS BEING CHARGED BY COMPANY ARE NOT SUFFICIENT TO WARRANT OR GUARANTEE THAT EITHER NO LOSS OR DAMAGE WILL OCCUR OR INCREASED LOSS OR DAMAGE WILL NOT OCCUR; THAT COMPANY IS NOT LIABLE FOR ANY LOSS OR DAMAGE WHICH MAY OCCUR PRIOR TO, CONTEMPORANEOUS WITH, OR SUBSEQUENT TO THE EXECUTION OF THIS AGREEMENT EVEN IF DUE TO THE ACTIVE OR PASSIVE SOLE, JOINT OR SEVERAL NEGLIGENCE OF COMPANY OR ITS AGENTS, SERVANTS, EMPLOYEES, SUPPLIERS OR SUBCONTRACTORS, OR TO THE IMPROPER PERFORMANCE OF AND/OR FAILURE TO PERFORM OF THE EQUIPMENT OR BREACH OF CONTRACT, EXPRESS OR IMPLIED, OR BREACH OF WARRANTY, EXPRESS OR IMPLIED, OR BY LOSS OR DAMAGE TO FACILITIES NECESSARY TO OPERATE THE SYSTEM OR ANY CENTRAL STATION; THAT SHOULD THERE ARISE ANY LIABILITY ON THE PART OF THE COMPANY FOR PERSONAL INJURY AND/OR PROPERTY DAMAGE, REAL OR PERSONAL, INCLUDING CLAIMS BROUGHT IN PRODUCT OF OR FROM, OR ARISING FROM THE PROMISES OR FROM THE OPERATION OF ANY EQUIPMENT OR SYSTEM OR THE DISUSE OF ANY BUILDINGS, PREMISES, AND/OR THE FAILURE OR FAULTY OPERATION OF THE SYSTEM, EQUIPMENT OR CENTRAL STATION FACILITIES, AND/OR THE ACTIVE OR PASSIVE SOLE, JOINT OR SEVERAL NEGLIGENCE (INCLUDING GROSS NEGLIGENCE) OF COMPANY AND/OR ITS AGENTS, SERVANTS, EMPLOYEES, SUPPLIERS OR SUBCONTRACTORS INCLUDING, WITHOUT LIMITATION, ACTS, ERRORS OR OMISSIONS WHICH OCCUR PRIOR TO, CONTEMPORANEOUS WITH, OR SUBSEQUENT TO THE EXECUTION OF THIS AGREEMENT, SUCH LIABILITY SHALL BE LIMITED TO THE MAXIMUM AMOUNT OF SUCH LIMITED LIABILITY, SUBSCRIBER MAY AS A MATTER OF RIGHT, OBTAIN FROM COMPANY HIGHER LIMIT BY PAYING AN ADDITIONAL AMOUNT FOR THE INCREASE IN SUCH LIMIT OF LIABILITY, BUT THIS HIGHER LIMITATION SHALL IN NO WAY BE INTERPRETED TO HOLD COMPANY AS AN INSURER.

4. Subscriber understands that transmission of signals from the devices with which the System is equipped ("devices") and/or the System may be via radio telemetry, satellite transmission, cable or wire (telephone circuit) and that alternative or additional protection can be installed at Subscriber's request and expense. Subscriber further understands that for equipment which transmits signals via the telephone circuit there are various types of telephone line services, including direct wire, MacCulloch Loop, Multiplex, etc., and the devices are not in all cases and Subscriber specifically acknowledges that the System may be used for the transmission of signals from the devices or the System via satellite transmission, radio telemetry, cable or telephone line service may be interrupted, circumvented or compromised. In addition, Subscriber understands that a digital central station communicator is a non-supervised monitoring device which requires the telephone equipment, connection to the telephone network and the telephone line ("Telephone Equipment") to be compatible and operative with the System for a signal to be transmitted by the System and/or received by the central station; if the Telephone Equipment is not compatible or operative there is no indication of this fact at the central station, but the signal may be received by the Telephone Equipment. Subscriber further understands that satellite transmissions, radio telemetry and radio frequency transmissions may be impaired or interrupted by ground interference and/or atmospheric conditions, including, without limitation, sun spots, electrical storms, power failures or other conditions and events beyond the control of Company and that if satellite or radio transmissions are interrupted there is no indication of this fact at the central station and no signal can be received by the central station while the interruption continues.

5. Subscriber understands that all parties claiming under him/her shall release and discharge Company from and against all hazards covered by insurance or bond, including all deductibles and retained limits as well as loss or damage in excess of policy limits. It is expressly understood and agreed that no insurance company, insurer, or bonding company or their successors or assigns shall have any rights created by a Loan Agreement, Loan Receipt, or other like document or procedure, or any right of subrogation against Company.

6. Subscriber agrees to indemnify, defend and hold harmless Company from and against all claims, demands, liabilities, damages, losses, expenses, including attorneys fees and lawsuits which may be asserted against or incurred by Company by or due to any person not a party to this Agreement, including a subscriber's insurer or bonding company, for any expense, loss or damage including, but not limited to, tortious or non-tortious personal injury, death and/or property damage, real or personal, arising out of the design, sale, lease, installation, repair, service, dispatch, maintenance, monitoring, recording of communications, operation or non-operation of the equipment, System or central station facilities, whether due to the sole, joint or several negligence (including gross negligence) of Company or its agents, servants, employees, suppliers, or subcontractors, breach of contract, express or implied, breach of warranty, express or implied, product or strict liability, and/or any claim for contribution or indemnification, whether in contract, tort or equity.

7. Upon termination of any service for any reason, Subscriber agrees to receive "run away" Systems which excessively signal the Company's Central Station without apparent reason or Premises or Systems not under contract with Company. Subscriber empowers and authorizes Company to refrain from monitoring the System and/or to render the equipment incapable of communicating with its Central Station by direct or remote programming the removal or deletion of data necessary for the operation of the System or through any other means render inoperable the microprocessor or other communication device, without any liability to Subscriber, and Subscriber hereby releases Company for all general, special, incidental, exemplary, punitive and consequential expense, loss or damage to Subscriber, whether due to the sole, joint or several negligence (including gross negligence) of Company, its agents, servants, employees, suppliers or subcontractors. If Company is prohibited to remote program or to render inoperable the microprocessor or other communication device, or if, after written notice to Subscriber, Subscriber fails to disconnect the System or prevent the System from communicating with the Central Station, Subscriber agrees to pay to Company the sum of Fifty (\$50.00) Dollars for each signal from the Premises received by the Central station, as liquidated damages and not as a penalty. Further, Subscriber agrees to pay to Company all costs actually incurred by Company in any claim, suit or arbitration ("Claim") including, without limitation, actual attorneys' fees and court costs incurred by Company in connection with, arising out of or from or resulting from any claim, suit or arbitration, whether in contract, tort or equity, arising out of this Agreement.

8. It is the sole responsibility of the Subscriber to (i) confirm that the Telephone Equipment is compatible with the System, especially when there are changes to the Telephone Equipment or services rendered to Subscriber by the telephone company, i.e., call waiting, Centrex telephone system, answering machines, etc., and (ii) test the equipment periodically, at least monthly and whenever changes are made to telephone service for the Premises. Any claimed inadequacy or failure of the equipment shall be immediately reported to Dealer.

9. In the event the System is activated for any reason whatsoever, the Subscriber agrees to pay without recourse or reimbursement to Company for any fines, fees, costs, expenses, and penalties assessed against Subscriber and/or Company by any court or local, state or federal government or agency as a result thereof. Subscriber further agrees that Company, at its sole option, shall be permitted, upon five (5) days written notice to Subscriber, to terminate this Agreement if, in Company's sole opinion, Subscriber misuses or abuses the System, or the System is activated without apparent cause.

10. This Agreement becomes binding upon Company only when signed by an authorized representative of Company, who must be a Corporate Officer if any of the printed terms and conditions have been altered or amended by handwriting. This Agreement is binding on the heirs, executors, administrators, successors and assigns of the parties, and shall be governed by and construed according to the laws of the state set forth in Company's address.

11. This Agreement is not assignable by Subscriber except upon the written consent of Company, which shall be at Company's sole option. This Agreement or any portion thereof is assignable by Company at its sole option.

12. If Company shall waive any breach by Subscriber, it shall not be construed as a waiver of any subsequent breach, and Company's failure to exercise any rights hereunder shall not be construed as a waiver of any breach unless specifically waived by Company in writing. Company's rights hereunder shall be cumulative, and any rights hereunder may be exercised concurrently or consecutively and shall include all remedies available under law and equity even though not expressly referred to herein.

13. (a) Non-U.L. Central Station monitoring service consists solely of the calling by telephone of third party professional agencies or the telephone number supplied by Subscriber in writing upon receipt of signals transmitted from equipment at the Premises. Subscriber agrees that Company shall have no liability for any loss, damage or expense to Subscriber including, without limitation, any general, special, incidental, exemplary, punitive or consequential damages arising out of remote programming of the equipment or System.

(b) U.L. Central Station monitoring service consists solely of the obligations set forth in Section 13(a) hereof and responding to the Premises upon receipt of a signal from the Premises pursuant to the U.L. standards for the U.L. certification issued as of the date of commencement of monitoring service.

14. Subscriber agrees that Company's obligations hereunder are waived and released automatically without notice and without liability to Company for any general, special, incidental, exemplary, punitive or consequential expense, loss or damage to Subscriber, in case the Central Station, telephone network equipment, or facilities necessary to operate the System or Central Station are destroyed or become inoperable for any reason, for the duration of the interruption of service.

15. Subscriber agrees that Company has no responsibility for the condition or operation of any equipment, system, device, or property of any sort of Subscriber, Dealer, the telephone company or others. If the System transmits signals by wire (telephone circuit), Subscriber acknowledges that (a) the communication between the System at the Premises and Company's central stations via the telephone lines, (b) the telephone lines may not transmit the communication from the System, and lines may not transmit the communication from the System, and (c) Company's sole obligation under such circumstances is to notify the telephone company that the telephone line is not operating when Company receives information advising it of said problem. If the System or its devices transmit signals by radio telemetry, Subscriber understands that a radio telemetry system is a non-supervised reporting device that Company, at its sole option, shall be permitted, upon five (5) days written notice to Subscriber, to terminate this Agreement if, in Company's sole opinion, Subscriber misuses or abuses the System, or the System is activated without apparent cause.

16. All claims, actions or proceedings, legal or equitable, against Company must be commenced in court within one (1) year after the cause of action has accrued or the act, omission or event occurred from which the claim, action or proceeding arises, whichever is earlier, without judicial extension of time, or said claim, action or proceeding is barred, time being of the essence of this paragraph.

17. This instrument contains the entire Agreement between the parties hereto with respect to the transactions described herein and supersedes all previous and contemporaneous negotiations, commitments, contracts, express or implied, warranties, express or implied, statements and representations, whether written or oral, pertaining thereto, all of which shall be deemed merged into this Agreement. Neither party has authority to make or claim any representation, term, promise, condition, statement, warranty, or inducement which is not expressed herein. Should any provision hereof (or portion thereof), or its application to any circumstances, be held illegal, invalid or unenforceable in any extent, the validity and enforceability of the remainder of the provision and of such provisions as applied to any other circumstances, shall not be affected thereby, and shall continue in full force and effect as valid, binding and subsisting. All changes or amendments to this Agreement must be in writing and signed by the parties to be binding on the parties.

18. The acceptance of this Agreement in writing or by course of conduct or payment by Subscriber to Dealer waives all terms and conditions contained in any purchase order, acknowledgment or contract submitted by Subscriber and Subscriber agrees that no other terms or conditions contained in any Subscriber document, unless signed by an authorized officer of Company, whether those terms or conditions be additional to, different from, or conflicting with the terms and conditions hereof, shall be deemed included herein or agreed to by Company. Neither the failure of Company to object to any communication from Subscriber, nor any performance by Company shall be deemed an acceptance of any terms or conditions which are additional to, different from, or conflicting with the terms and conditions contained herein.

19. If, at any time after the date hereof, additional services are authorized by Subscriber, all services supplied by Company shall be subject to the terms of this Agreement only, except that additional charges shall be made for such additional services.

20. Company reserves the right to subcontract for the provision of services under this Agreement. Subscriber agrees and acknowledges that the provisions of this Agreement inure to the benefit of and are applicable to any subcontractors engaged by Company to provide its services set forth herein to Subscriber, and that Subscriber to said subcontractor(s) with the same force and effect as they bind Subscriber to Company. Subscriber specifically agrees to defend, indemnify and hold harmless Company from and against all claims by any subcontractor engaged by Company.

21. Subscriber acknowledges that Company may record wire and oral communications and hereby consents and authorizes Company to so record all such communications between Company, Subscriber and/or Subscriber's agents, servants, employees and/or representatives.

22. Subscriber agrees to pay without recourse or to reimburse Company for all charges, fees, expenses, permits, etc., by any utility or local, state or federal government or agency, relating to the services provided under this Agreement.

23. Subscriber agrees that System monitoring information, notification information, and all other information used by Company to perform services under this Agreement shall be in writing only. All changes or modifications of information shall be in writing only. No oral communication shall be binding on Company.

24. If the System is Remote Programmable, Subscriber agrees that all Subscriber requests, or if not, shall be recorded by Company and Subscriber hereby consents to such recording pursuant to Paragraph 21 hereof. Further, Subscriber agrees that all Remote Programmable changes or additions to service provided by the Company shall automatically be subject to the terms and conditions of this Agreement only, except that all additional charges, if any, shall be paid by Subscriber to Dealer upon receipt of invoice for same.

25. Subscriber agrees that Company shall have no responsibility for the monitoring of medical alert signals except to the extent and as defined in the Medical Alert Rider to this Agreement which must be executed by Subscriber as a condition precedent to the monitoring of medical alert signals by Company. Subscriber agrees that unless a Medical Alert Rider is executed by Subscriber, Company's liability in connection with any act or omission of or liability in connection with, arising out of or from, or resulting from receipt of any medical alert signal(s) from Subscriber or Subscriber's premises, if Subscriber executes a Medical Alert Rider, Company's liability shall be subject to paragraph three (3) hereof.

26. Subscriber acknowledges and agrees that it is Subscriber's specific intent that all medical alert signals shall be deemed by the parties to be general emergency signals (herein after "General Emergency Signals") and NOT signals denoting any medical emergency requiring Company to contact or dispatch any medical, hospital, ambulance, or other like entity, person or service (hereinafter "Specific Emergency Signals"). Subscriber agrees that it shall be Subscriber's sole responsibility to (i) contact or dispatch any medical emergency, and (ii) contact or dispatch, and/or make other arrangements to contact or dispatch, Medical Assistance if and when necessary by means other than through Company.

27. SUBSCRIBER ACKNOWLEDGES AND AGREES THAT COMPANY'S SOLE RESPONSIBILITY UPON RECEIPT OF A GENERAL EMERGENCY SIGNAL TRANSMITTED FROM EQUIPMENT AT THE PREMISES IS TO CALL BY TELEPHONE THE LOCAL POLICE DEPARTMENT OR PUBLIC EMERGENCY RESPONSE AGENCY RESPONSIBLE FOR THE JURISDICTION IN WHICH THE PREMISES IS LOCATED. SUBSCRIBER UNDERSTANDS AND AGREES THAT COMPANY SHALL NOT UNDER ANY CIRCUMSTANCES CONTACT OR DISPATCH MEDICAL ASSISTANCE FOR SUBSCRIBER OR THE PREMISES AND COMPANY IS HEREBY RELEASED FROM ANY AND ALL CLAIMS, SUITS, ACTIONS AND DEMANDS WHATSOEVER IN LAW OR EQUITY WHICH SUBSCRIBER, OR ANYONE CLAIMING THROUGH SUBSCRIBER, IN ANY WAY MIGHT OR COULD CLAIM AGAINST COMPANY BASED UPON OR IN ANY WAY ARISING OUT OF COMPANY'S FAILURE TO CONTACT OR DISPATCH MEDICAL ASSISTANCE.]

# ALARM SYSTEM CERTIFICATE-No. AS50- 0181

Name: Deer Run CDD

Address: 501 Grand Reserve Dr

City, State, Zip: Bunnell FL 32110

Date of Installation: 7/31/2019

### The following Protection is provided by the Security Equipment:

- |  |   |   |
|--|---|---|
| <input type="checkbox"/> Burglary Protection       | <input type="checkbox"/> Medical Emergency Protection | <input checked="" type="checkbox"/> Fire Protection |
| <input type="checkbox"/> AFD Glassbreak Protection | <input type="checkbox"/> Low Temperature Protection   | <input type="checkbox"/> Carbon Monoxide Protection |
| <input type="checkbox"/> Panic/Holdup Protection   | <input type="checkbox"/> Flood/High Water Protection  | <input type="checkbox"/> LP Gas Leak Protection     |
| Additional Protection:                             | <input type="checkbox"/> _____                        | <input type="checkbox"/> _____                      |

### The following Special Monitoring Services are provided:

- |   |  |   |  |
|---|--|---|--|
| <input checked="" type="checkbox"/> GSM Cellular Backup       | <input type="checkbox"/> IP/Internet Monitoring          | <input type="checkbox"/> Video Protection | <input type="checkbox"/> Elevator Monitoring |
| <input type="checkbox"/> Maintenance Repair Service Agreement | <input type="checkbox"/> Yes <input type="checkbox"/> No | Expiration Date: _____                    |  |
| Additional Monitoring Services:                               | <input type="checkbox"/> _____                           | <input type="checkbox"/> _____            |  |

### Alarm Installation Company:

Company Name: Alpha Dog Security, LLC

Address: 120 Cumberland Park Suite 406

City, State, Zip: Saint Augustine, FL 32095

Name: Brian Jones

Authorized Signature: *Brian Jones*

Title: Owner Date: \_\_\_\_\_



**ALPHADOG**

AUDIO | VIDEO | SECURITY

## **Company Contact Info**

**Company Main Phone**

**904-257-4295**

**[www.alphadogavs.com](http://www.alphadogavs.com)**

**Company Email**

**[Info@alphadogavs.com](mailto:Info@alphadogavs.com)**

## **Important Phone Numbers For Your Security System Alpha Dog Security Phone Numbers**

Billing and Service 1-904-Alpha95 (257-4295)

**Monitoring Station 1-833-728-9607**

Alpha Dog Security Monitoring Account Number

**Account Passcode**

# SECTION E



Florida<sup>™</sup>  
Insurance  
Alliance

### Coverage Agreement Endorsement

**Endorsement No.:** 1

**Effective Date:** 08/16/2019

**Member:** Deer Run Community Development District

**Agreement No.:** 100118132

**Coverage Period:** October 1, 2018 to October 1, 2019

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In consideration of **an additional premium of \$3,458.00**, the coverage agreement is amended as follows:

Property

Added:

As Per Schedule Attached

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**Subject otherwise to the terms, conditions and exclusions of the coverage agreement.**

Issued: August 14, 2019

Authorized by: 



Property Schedule

Schedule Items Effective As of: 10/01/2018

**Deer Run Community Development District**

Policy No.: 100118132  
 Agent: Egis Insurance Advisors LLC (Boca Raton, FL)

Unit #	Description		Year Built	Eff. Date	Building Value		Total Insured Value		
	Address				Const Type	Term Date		Contents Value	Roof Yr Bit
	Roof Shape	Roof Pitch							
1	Irrigation Pump Station		2010	10/01/2018	\$25,000		\$25,000		
	Within district boundaries Bunnell FL 32110		Non combustible	10/01/2019					
2	Entrance Monument		2010	10/01/2018	\$75,000		\$75,000		
	US Hwy 1 Bunnell FL 32110		Masonry non combustible	10/01/2019					
3	Entrance Monument		2010	10/01/2018	\$75,000		\$75,000		
	State Road 100 Bunnell FL 32110		Masonry non combustible	10/01/2019					
4	Clubhouse		2019	08/16/2019	\$2,150,000		\$2,285,400		
	501 Grand Reserve Dr. Bunnell FL 32110		Masonry non combustible	10/01/2019	\$135,400				
	Pyramid hip				Asphalt shingles				
5	Pool		2019	08/16/2019	\$625,000		\$625,000		
	501 Grand Reserve Dr. Bunnell FL 32110		Below ground liquid storage tank / pool	10/01/2019					
6	Pickleball Fence and Lights		2019	08/16/2019	\$45,000		\$45,000		
	501 Grand Reserve Dr. Bunnell FL 32110		Non combustible	10/01/2019					
7	Pool Fence		2019	08/16/2019	\$26,500		\$26,500		
	501 Grand Reserve Dr. Bunnell FL 32110		Non combustible	10/01/2019					



**Florida Insurance Alliance™**

Property Schedule

Schedule Items Effective As of: 10/01/2018

**Deer Run Community Development District**

Policy No.: 100118132  
 Agent: Egis Insurance Advisors LLC (Boca Raton, FL)

Unit #	Description		Year Built	Eff. Date	Building Value		Total Insured Value		
	Address				Const Type	Term Date		Contents Value	
	Roof Shape	Roof Pitch						Roof Covering	Covering Replaced
8	Furniture at Pool		2019	08/16/2019	\$18,500		\$18,500		
	501 Grand Reserve Dr. Bunnell FL 32110		Property in the Open	10/01/2019					
Unit #	Description		Year Built	Eff. Date	Building Value		Total Insured Value		
	Address				Const Type	Term Date		Contents Value	
	Roof Shape	Roof Pitch						Roof Covering	Covering Replaced
9	Canopies		2019	08/16/2019	\$82,000		\$82,000		
	501 Grand Reserve Dr. Bunnell FL 32110		Property in the Open	10/01/2019					
Unit #	Description		Year Built	Eff. Date	Building Value		Total Insured Value		
	Address				Const Type	Term Date		Contents Value	
	Roof Shape	Roof Pitch						Roof Covering	Covering Replaced
10	Dock		2019	08/16/2019	\$35,000		\$35,000		
	501 Grand Reserve Dr. Bunnell FL 32110		Bridges	10/01/2019					
<b>Total:</b>			Building Value	Contents Value	Insured Value				
			\$3,157,000	\$135,400	\$3,292,400				



**Florida  
Insurance  
Alliance™**

Inland Marine Schedule

Schedule Items Effective As of: 10/01/2018

***Deer Run Community Development District***

**Policy No.:** 100118132

**Agent:** Egis Insurance Advisors LLC (Boca Raton, FL)

Item #	Department Description	Serial Number	Classification Code	Eff. Date	Value	Deductible
				Term Date		
1	Parking Lot Lights		Other inland marine	08/16/2019	\$25,000	\$1,000
				10/01/2019		
2	Lake Fountain		Other inland marine	08/16/2019	\$15,000	\$1,000
				10/01/2019		
<b>Total</b>					<b>\$40,000</b>	

# SECTION F

**DEER RUN COMMUNITY DEVELOPMENT DISTRICT  
(CITY OF BUNNELL, FLORIDA)  
SPECIAL ASSESSMENT REVENUE AND REFUNDING BONDS,  
SERIES 2018**

The undersigned, a Responsible Officer of Deer Run 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 Regions Bank, as trustee (the "Trustee"), dated as of May 1, 2008 (the "Master Indenture") as supplemented by that certain Second Supplemental Trust indenture as of August 1, 2018 (collectively, the "Indenture"), (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture):

- (A) Requisition Number: 5
- (B) Name of Payee: Micamy Design Studio
- (C) Amount Payable: \$111,844.45
- (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): Invoice 18-038.1-01 – 75% Deposit for Amenity Center Furniture
- (E) Fund or Account from which disbursement to be made: Series 2018 Construction
- (F) Indicate if this requisition is for Deferred Obligations and, if so, the amount:

The undersigned hereby certifies that:

1. Obligations in the stated amount set forth above have been incurred by the District,  
or  
this requisition is for Costs of Issuance payable from the Series 2018 Costs of Issuance Subaccount within the Series 2018 Acquisition and Construction Fund that have not previously been paid;
2. each disbursement set forth above is a proper charge against the Series 2018 Acquisition and Construction Fund;
3. each disbursement set forth above was incurred in connection with the acquisition and/or construction of the Project
4. each represents a Cost of the Project, and 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.

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.

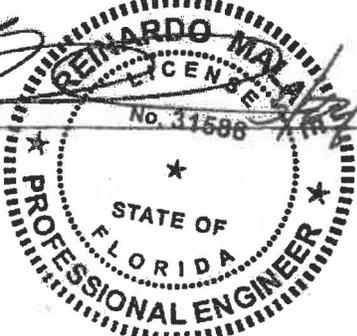
**DEER RUN COMMUNITY DEVELOPMENT  
DISTRICT**

By: *RSP*  
Responsible Officer

**CONSULTING ENGINEER'S APPROVAL FOR  
NON-COST OF ISSUANCE REQUESTS ONLY**

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

*[Signature]*  
Consulting Engineer



REINARDO MALAVE  
LICENSE  
No. 31586  
STATE OF  
FLORIDA  
PROFESSIONAL ENGINEER

*1/19*



**MICAMY**  
DESIGN STUDIO

**Micamy Design Studio**  
2619 Rolac Road  
Jacksonville, FL 32207 US  
Acct@MicamyDesign.com

**BILL TO**  
Deer Run Community  
Development District  
135 W Central Blvd, Suite 320  
Orlando, Florida 32081

**SHIP TO**  
Grand Reserve Amenity  
Bunnell, FL

Invoice 18-038.1-01

DATE 02/28/2019 TERMS Net 10

DUE DATE 03/10/2019

**TRACKING NO.**  
18-038.1

**P.O. NUMBER**  
18-038.1

ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT
Furniture Fee	Furniture Fee	0.75	124,892.11	93,669.08
Freight	Freight	0.7500003	18,733.82	14,050.37
Delivery and	Delivery and Set-Up	0.75	5,500.00	4,125.00

This invoice reflects 75% of total project and is due upon receipt.

TOTAL DUE

\$111,844.45

*OK*  
*RM*  
*5/22/19*

**DEER RUN COMMUNITY DEVELOPMENT DISTRICT  
(CITY OF BUNNELL, FLORIDA)  
SPECIAL ASSESSMENT REVENUE AND REFUNDING BONDS,  
SERIES 2018**

The undersigned, a Responsible Officer of the Deer Run 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 Regions Bank, as trustee (the "Trustee"), dated as of May 1, 2008, as supplemented by that certain Second Supplemental Trust Indenture dated as of August 1, 2018 (collectively, the "Indenture"), (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture):

- (A) Requisition Number: 6
- (B) Name of Payee: K & G Construction
- (C) Amount Payable: \$465,399.36
- (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): Pay Application 6 - Amenity Center Design and Construction Costs
- (D) Fund or Account from which disbursement to be made: Construction Fund
- (E) Indicate if this requisition is for Deferred Obligations and, if so, the amount:

The undersigned hereby certifies that:

- 1.  obligations in the stated amount set forth above have been incurred by the District;
- or
- this requisition is for Costs of Issuance payable from the Series 2018 Costs of Issuance Subaccount within the Series 2018 Acquisition and Construction Fund that have not previously been paid;
- 2. each disbursement set forth above is a proper charge against the Series 2018 Acquisition and Construction Fund;
- 3. each disbursement set forth above was incurred in connection with the acquisition and/or construction of the Project;
- 4. each disbursement represents a Cost of the Project which 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.

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

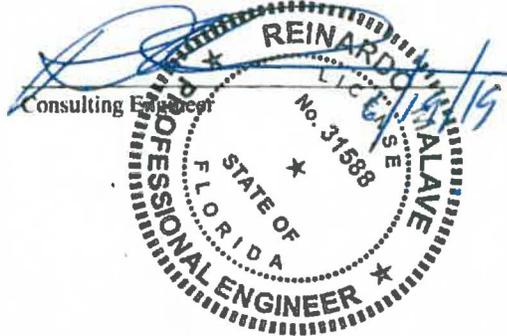
DEER RUN COMMUNITY  
DEVELOPMENT DISTRICT

By:

  
Responsible Officer

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

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



**APPLICATION AND CERTIFICATION FOR PAYMENT**

To (Owner):  
DR Horton

Project:  
Grand Reserve PO #200031 OF  
Sub#/ BU ID #: / 33742 / 9000  
Via Architect:

Application No: 6  
Application Date: 05/30/2019  
Period to: 05/30/2019  
Start date:  
Architect:  
Project No.  
Contract Date:

Distribution to:  
Owner  
Architect:  
Contractor:

From (Contractor)  
K & G Construction

Contract For: General Construction Services / Design Build

**Contractor's Application for Payment**

Change Order Summary			
C.O. Authorized	Date Approved	Description	Additions
Authorization 1	Date Approved	#1	\$222,056.00
Authorization 2	Date Approved	#2 - Ext Stairs	\$13,993.00
Authorization 3	Date Approved	#3- Install Water, Fire, Security & Alarm, per revisions per drawings dated	\$15,502.24
Authorization 4	Date Approved	CO 1 perimeter heaters window glass / rad chimney conduit, TV DOC	\$46,876.00
Authorization 5	Date Approved		
Authorization 6	Date Approved		
Authorization 7	Date Approved		
Authorization 8	Date Approved		
Totals			
Net change by Change Orders		Total Change Order amount ==>>	\$300,428.24

The undersigned Contractor certifies that to the best of the Contractor's knowledge information and the belief he Work covered by this application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous certificates for Payment were issued and payments received from the Owner, that current payment shown herein is now due.

Contractor:

*[Signature]*

By: Aaron Galley / Kimberly Schlosser

Date: 05/30/2019

**ARCHITECT'S CERTIFICATE FOR PAYMENT**

In accordance with the Contract Documents, based on on-site observation and the data comprising the above application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED

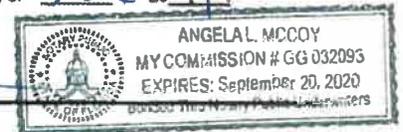
Application is made for Payment, as shown below, in connection with the Contract Continuation sheet AIA Document G703 is attached.

1. Original Contract Sum	\$3,203,924.10
2. Net Change by Change orders	\$300,428.24
3. Contract Sum to date	\$3,504,352.34
4. Total Complete & Stored to date	\$3,207,480.13
Column G on G703	
5. Retainage:	
a 10 %	\$3,207,480.13
10 % of completed work (Column D&E on G703)	320,748.01
b 10 %	50.00
10 % of Stored Material (Column F on G703)	
Total Retainage (line 5a + 5b or Total in Column I of G703)	\$320,748.01
6. Total Earned Less Retainage	\$2,886,732.12
(Line 4 less Line 5 total)	
7. Less Previous Certificates for	
Payments (line 6 from Prior Certificate)	\$2,421,332.76
8. Current Payment Due	\$465,399.36
9. Balance to Finish, Plus Retainage	\$617,820.22
(Line 3 less Line 6)	

State of FL County of Duval  
Subscribed and sworn to before me this 10<sup>th</sup> Day of June 2019.

Notary Public:  
My Commission expires:

*[Signature]*



Amount Certified  
(Attached explanation if amount is certified differs from the amount applied for.)

Architect:  
By: \_\_\_\_\_ Date: \_\_\_\_\_

This certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the owner or Contractor under this Contract.

# Schedule of Values

Contractor		K & G Contractors			APPLICATION DATE:		April 30, 2019		
Customer		DR Horton							
PROJECT NAME:		Grand Reserve PO #200031 OF							
A	B	C	D	E	F	G	H	I	
Line No.	DESCRIPTION OF WORK	SCHEDULED VALUE	WORK FROM PREVIOUS APPLICATION (D+E)	COMPLETED THIS PERIOD	MATERIAL PRESENTLY STORED (NOT IN D OR E)	TOTAL COMPLETED AND STORED TO DATE (D+E+F+)	PERCENT (G / C)	BALANCE TO FINISH (C-G)	Retainer amounts
1	General	\$553,362.94	\$426,089.47	\$71,937.18		\$498,026.65	90.00%	\$55,336.29	\$49,802.67
2	Site	\$828,940.21	\$760,784.99	\$68,155.22		\$828,940.21	100.00%	\$0.00	\$82,894.02
3	Concrete	\$48,568.50	\$48,568.50			\$48,568.50	100.00%		\$4,856.65
4	Masonry	\$24,000.00	\$24,000.00			\$24,000.00	100.00%		\$2,400.00
6	Wood & Plastic	\$205,318.10	\$188,892.68	\$16,425.44		\$205,318.10	100.00%	\$0.00	\$20,531.81
7	Thermal & Moisture Protection	\$18,959.90	\$15,603.11	\$1,356.79		\$18,959.90	100.00%		\$1,895.99
8	Doors & Windows	\$146,321.25	\$146,321.25			\$146,321.25	100.00%	\$0.01	\$14,632.12
9	Finishes	\$153,235.00	\$41,373.45	\$88,878.30		\$130,249.75	85.00%	\$22,985.25	\$13,024.98
10	Specialties	\$753,442.20	\$527,409.54	\$188,360.55		\$715,770.09	95.00%	\$37,672.11	\$71,577.01
11	Equipment	\$7,500.00	\$6,900.00	\$600.00		\$7,500.00	100.00%		\$750.00
15	Mechanical	\$240,053.00	\$220,848.76	\$14,403.18		\$235,251.94	98.00%	\$4,801.06	\$23,525.19
18	Electrical	\$228,225.00	\$209,967.00	\$13,893.50		\$223,860.50	98.00%	\$4,664.50	\$22,366.05
16									
17									
18									
19									
18									
	<b>Total Original Contract sum</b>	<b>\$3,203,924.10</b>	<b>\$2,618,756.73</b>	<b>\$481,808.16</b>		<b>3,078,564.89</b>	<b>96.09%</b>	<b>125,359.21</b>	<b>\$307,856.49</b>
	Change order #1	\$222,055.00	\$66,616.50			\$66,616.50	30.00%	\$155,438.50	\$6,661.65
	Change order #2 (Ext Stairs)	\$13,993.00	\$6,996.50	\$6,996.50		\$13,993.00	100.00%		\$1,399.30
	Change order #3 (Water, Fire, Sanitary, Storm - revisions per engineer dated 12/20/16)	\$15,502.24		\$15,502.24		\$15,502.24	100.00%		\$1,550.22
	Change Order #4	\$48,878.00		\$32,803.50		\$32,803.50	67.11%	\$16,074.50	\$3,280.35
	<b>Change order amount total</b>	<b>\$300,428.24</b>						<b>\$300,428.24</b>	
	<b>Grand Totals</b>	<b>\$3,504,352.34</b>	<b>\$2,690,369.73</b>	<b>\$517,110.40</b>		<b>\$3,207,480.13</b>	<b>91.53%</b>	<b>\$296,872.21</b>	<b>\$320,748.01</b>



Exhibit B-6

CONDITIONAL WAIVER AND RELEASE OF LIEN UPON PROGRESS PAYMENT

The undersigned lienor, in consideration of the sum of \$ 465,399.36, and conditioned upon receipt of payment, hereby waives and releases its lien and right to claim a lien for labor, services, or materials furnished through 05/31/2019 (insert date), to Grand Reserve Amenity Center (insert customer's name) on the job of D R Horton (insert owner's name), to the following described property:

Grand Reserve Amenity Center
501 Grand Reserve Dr., Bunnell, FL 32110

K&G Project # 18006

Dated on 06/05, 20 19.

Lienor's Name: K&G Construction, Inc.
Address: 542 Edgewood Ave S
Jacksonville, FL 32205
By: [Signature]
Printed Name: Aaron Galley

STATE OF Florida, COUNTY OF Duval

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS 6th DAY OF June, 20 19, BY Aaron Galley ( ) WHO IS PERSONALLY KNOWN TO ME OR WHO HAS PRODUCED AS IDENTIFICATION AND ( ) WHO DID ( ) DID NOT TAKE AN OATH.

[Signature]
NOTARY PUBLIC

GG032093
COMMISSION NO.

Angela McCoy
NOTARY NAME TYPED OR PRINTED



# SECTION IX

# SECTION C

# SECTION 1

# Deer Run Community Development District

## Summary of Check Register

May 16, 2019 to August 20, 2019

Fund	Date	Check No.'s	Amount
General Fund	5/20/19	979	\$ 10,591.95
	5/31/19	980-981	\$ 695.00
	6/5/19	982-985	\$ 2,237.99
	6/13/19	986-988	\$ 6,819.75
	6/19/19	989-993	\$ 8,950.08
	6/25/19	994-995	\$ 165,816.47
	6/26/19	996-997	\$ 6,612.50
	7/3/19	998-1000	\$ 4,849.25
	7/18/19	1001-1006	\$ 14,775.24
	7/23/19	1007-1008	\$ 9,138.63
	8/1/19	1009-1012	\$ 2,383.19
	8/6/19	1013	\$ -
	8/14/19	1014-1017	\$ 9,454.85
			\$ 242,324.90
Payroll	<u>June 2019</u>		
	James Teagle	50077	\$ 184.70
	Jan Doan	50078	\$ 184.70
	Mark Dearing	50079	\$ 184.70
	Robert Porter	50080	\$ 184.70
		\$ 738.80	
			\$ 243,063.70

CHECK DATE	VEND#	INVOICE DATE	INVOICE	YRMO	DPT	ACCT#	SUB	SUBCLASS	VENDOR NAME	STATUS	AMOUNT	CHECK AMOUNT	CHECK #
5/20/19	00035	5/20/19	052019	201905	300	20700	10100		DEER RUN CDD C/O REGIONS BANK	*	10,591.95	10,591.95	000979
5/31/19	00043	5/21/19	1683900	201904	310	51300	31100		DEWBERRY ENGINEERS INC.	*	195.00	195.00	000980
5/31/19	00054	5/22/19	1	201905	310	51300	49000		DISCLOSURE SERVICES	*	500.00	500.00	000981
6/05/19	00051	5/31/19	177770	201905	320	53800	47000		APPLIED AQUATIC MANAGEMENT, INC.	*	110.00	1,280.00	000982
		5/31/19	177771	201905	320	53800	47000			*	1,170.00		
6/05/19	00007	5/29/19	01-0060-	201904	320	53800	43100		CITY OF BUNNELL	*	106.16	220.69	000983
		5/29/19	01-0060-	201905	320	53800	43100			*	54.69		
		5/29/19	01-0061-	201904	320	53800	43100			*	39.49		
		5/29/19	01-0061-	201905	320	53800	43100			*	20.35		
6/05/19	00003	5/16/19	2328956	201905	310	51300	48000		DAYTONA NEWS-JOURNAL	*	183.88	183.88	000984
6/05/19	00004	5/31/19	107658	201904	310	51300	31500		HOPPING GREEN & SAMS	*	553.42	553.42	000985
6/13/19	00002	5/28/19	6-565-37	201905	310	51300	42000		FEDEX	*	31.92	31.92	000986
6/13/19	00027	5/06/19	13496-61	201905	320	53800	43000			*	178.42		
		5/06/19	32999-54	201905	320	53800	43000			*	1,236.06		
		5/06/19	49885-97	201905	320	53800	43000			*	1,101.53		

DRUN DEER RUN KCOSTA

\*\*\* CHECK DATES 05/16/2019 - 08/20/2019 \*\*\*

DEER RUN CDD - GENERAL FUND  
BANK A DEER RUN CDD

CHECK DATE	VEND#	INVOICE DATE	INVOICE	YRMO	DPT ACCT#	SUB	SUBCLASS	VENDOR NAME	STATUS	AMOUNT	CHECK AMOUNT	CHECK #
		5/06/19	68588-21	201905	320-53800		43000		*	101.46		
			100 GRAND RESERVE DR					FLORIDA POWER & LIGHT COMPANY			2,617.47	000987
6/13/19	00001	6/01/19	234	201906	310-51300		34000	MANAGEMENT FEE JUN19	*	2,500.00		
		6/01/19	234	201906	310-51300		35100	INFO TECH JUN19	*	83.33		
		6/01/19	234	201906	310-51300		51000	DISSEMINATION JUN19	*	208.33		
		6/01/19	234	201906	310-51300		42000	OFFICE SUPPLIES	*	15.24		
		6/01/19	234	201906	310-51300		42500	POSTAGE	*	62.76		
		6/01/19	234	201906	310-51300		41000	COPIES	*	50.70		
		6/01/19	235	201906	320-53800		12000	FIELD MANAGEMENT JUN19	*	1,250.00		
								GOVERNMENTAL MANAGEMENT SERVICES			4,170.36	000988
6/19/19	00036	6/18/19	3440-06-	201906	310-51300		31200	ARBITRAGE-SER. 2008 FY19	*	450.00		
								AMTEC			450.00	000989
6/19/19	00003	5/15/19	I0232895	201905	310-51300		48000	NOT OF MTG 5/23/19	*	183.88		
								DAYTONA NEWS-JOURNAL			183.88	000990
6/19/19	00027	6/01/19	18001889	201906	320-53800		43000	STREET LIGHTING JUN19	*	902.00		
								FLORIDA POWER & LIGHT COMPANY			902.00	000991
6/19/19	00048	5/28/19	05282019	201905	310-51300		42600	MEETING MILEAGE-5/23/19	*	66.34		
								JAN DOAN			66.34	000992
6/19/19	00042	6/15/19	PC 28411	201906	320-53800		46000	MTHLY LANDSCAPE JUN19	*	7,347.86		
								YELLOWSTONE LANDSCAPE			7,347.86	000993
6/25/19	00035	6/24/19	06242019	201906	300-20700		10100	FY19 DEBT SERVICE ASSESS	*	4,601.30		
								DEER RUN CDD C/O REGIONS BANK			4,601.30	000994
6/25/19	00035	6/24/19	06242019	201906	300-20700		10100	FY19 DIRECT-DR HORTON	*	161,215.17		
								DEER RUN CDD C/O REGIONS BANK			161,215.17	000995

DRUN DEER RUN KCOSTA

\*\*\* CHECK DATES 05/16/2019 - 08/20/2019 \*\*\*

DEER RUN CDD - GENERAL FUND  
BANK A DEER RUN CDD

CHECK DATE	VEND#	INVOICE DATE	INVOICE	EXPENSED YRMO	TO... DPT ACCT#	SUB	SUBCLASS	VENDOR NAME	STATUS	AMOUNT	CHECK AMOUNT	CHECK #
6/26/19	00043	6/14/19	1695906	201906	310-51300-31100			ENGINEERS REPORT DEWBERRY ENGINEERS INC.	*	1,305.00	1,305.00	000996
6/26/19	00042	5/31/19	PC 24875	201905	320-53800-46200			IRRIG INSTALL/REPAIRS YELLOWSTONE LANDSCAPE	*	5,307.50	5,307.50	000997
7/03/19	00027	6/24/19	60613-58	201906	320-53800-43000			22 SAND WEDGE LN #TS FLORIDA POWER & LIGHT COMPANY	*	29.63	29.63	000998
7/03/19	00004	6/30/19	108270	201905	310-51300-31500			IRRIGATION/MTG/NEWSLETTER HOPPING GREEN & SAMS	*	3,997.62	3,997.62	000999
7/03/19	00042	6/30/19	PC 32279	201906	320-53800-46200			PUMP SERVICE & REPAIR YELLOWSTONE LANDSCAPE	*	822.00	822.00	001000
7/18/19	00051	6/30/19	178449	201906	320-53800-47000			LAKE MAINTENANCE JUN19 6/30/19 178450 201906 320-53800-47000 LAKE MAINTENANCE JUN19 APPLIED AQUATIC MANAGEMENT, INC.	*	110.00	1,280.00	001001
7/18/19	00046	7/01/19	346144	201906	310-51300-32200			AUDIT FISCAL YEAR 2018 BERGER, TOOMBS, ELAM, GAINES & FRANK	*	3,270.00	3,270.00	001002
7/18/19	00007	6/27/19	01006001	201905	320-53800-43100			100 GRAND RESERVE PKWY 6/27/19 01006001 201906 320-53800-43100 100 GRAND RESERVE PKWY 6/27/19 01006100 201905 320-53800-43100 GRAND RESERVE & US1 FOUNT 6/27/19 01006100 201906 320-53800-43100 GRAND RESERVE & US1 FOUNT CITY OF BUNNELL	*	613.98	2,269.95	001003
7/18/19	00044	6/21/19	062119	201906	300-20700-10200			COMMISSIONS DUE JUN19 FLAGLER COUNTY TAX COLLECTOR	*	58.33	58.33	001004
7/18/19	00027	7/01/19	18001915	201907	320-53800-43000			STREET LIGHTING JUL19	*	902.00		

DRUN DEER RUN KCOSTA

CHECK DATE	VEND#	INVOICE DATE	INVOICE	EXPENSED YRMO	TO DPT ACCT#	SUB	SUBCLASS	VENDOR NAME	STATUS	AMOUNT	CHECK AMOUNT	CHECK #
		7/05/19	13496-61	201906	320-53800-43000				*	155.19		
								99 GRAND RESERVE DR ENTR				
		7/05/19	32999-54	201906	320-53800-43000				*	1,236.06		
								DECORATIVE LGHTNG OAK				
		7/05/19	49885-91	201906	320-53800-43000				*	1,367.90		
								410 GRAND RESERVE DR B				
		7/05/19	68588-21	201906	320-53800-43000				*	99.64		
								100 GRAND RESERVE DR ENT				
FLORIDA POWER & LIGHT COMPANY											3,760.79	001005
7/18/19	00001	7/01/19	236	201907	310-51300-34000				*	2,500.00		
								MANAGEMENT FEES JUL19				
		7/01/19	236	201907	310-51300-35100				*	83.33		
								INFO TECHNOLOGY JUL19				
		7/01/19	236	201907	310-51300-31300				*	208.33		
								DISSEMINATION SERV JUL19				
		7/01/19	236	201907	310-51300-51000				*	1.14		
								OFFICE SUPPLIES				
		7/01/19	236	201907	310-51300-42000				*	20.00		
								POSTAGE				
		7/01/19	236	201907	310-51300-42500				*	60.15		
								COPIES				
		7/01/19	236	201907	310-51300-41000				*	13.22		
								TELEPHONE				
		7/01/19	237	201907	320-53800-12000				*	1,250.00		
								FIELD MANAGEMENT JUL19				
GOVERNMENTAL MANAGEMENT SERVICES											4,136.17	001006
7/23/19	00044	7/17/19	07172019	201907	310-51300-42000				*	35.77		
								POSTAGE 2018 TAX BILLS				
FLAGLER COUNTY TAX COLLECTOR											35.77	001007
7/23/19	00042	6/30/19	PC 34493	201906	320-53800-46200				*	380.00		
								IRRIGATION REPAIRS				
		7/15/19	PC36945	201907	320-53800-46000				*	8,722.86		
								LANDSCAPE MAINT - JUL19				
YELLOWSTONE LANDSCAPE											9,102.86	001008
8/01/19	00003	7/22/19	I0233471	201907	310-51300-48000				*	241.04		
								RQST FOR AUDT PROP 07/19				
DAYTONA NEWS--JOURNAL											241.04	001009
8/01/19	00027	7/24/19	60613-58	201907	320-53800-43000				*	12.15		
								22 SAND WEDGE LN				
FLORIDA POWER & LIGHT COMPANY											12.15	001010

CHECK DATE	VEND#	INVOICE DATE	INVOICE	EXPENSED TO YRMO	DPT ACCT#	SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	CHECK AMOUNT	CHECK #
8/01/19	00004	7/26/19	108825	201906	310-51300-31500		AMENITIES/FY17-18/RESRCH	*	1,375.00		
HOPPING GREEN & SAMS										1,375.00	001011
8/01/19	00042	7/31/19	PC 39990	201907	320-53800-46200		IRRIGATION REPAIRS CURB	*	755.00		
YELLOWSTONE LANDSCAPE										755.00	001012
8/06/19	00007	7/30/19	01-0060-	201907	320-53800-43100		100 GRAND RESERVE PKWY	*	181.07		
		7/30/19	01-0060-	201907	320-53800-43100		GRAND RSRV & US1 FOUNTAIN	*	21.61		
		7/30/19	01-0060-	201906	320-53800-43100		100 GRAND RESERVE PKWY	*	578.04		
		7/30/19	01-0061-	201906	320-53800-43100		GRAND RESV & US1 FOUNTAIN	*	206.35		
		7/30/19	01-0060-	201907	320-53800-43100		100 GRAND RESERVE PKWY	V	181.07-		
		7/30/19	01-0060-	201907	320-53800-43100		GRAND RSRV & US1 FOUNTAIN	V	21.61-		
		7/30/19	01-0060-	201906	320-53800-43100		100 GRAND RESERVE PKWY	V	578.04-		
		7/30/19	01-0061-	201906	320-53800-43100		GRAND RESV & US1 FOUNTAIN	V	206.35-		
CITY OF BUNNELL										.00	001013
8/14/19	00051	7/31/19	179092	201907	320-53800-47000		ENTRANCE POND MAINT JUL19	*	110.00		
		7/31/19	179093	201907	320-53800-47000		17 PONDS MAINT JUL19	*	1,170.00		
APPLIED AQUATIC MANAGEMENT, INC.										1,280.00	001014
8/14/19	00055	7/31/19	29551999	201908	320-53800-41000		INTERNET/PHONE AUG19	*	164.01		
AT&T										164.01	001015
8/14/19	00027	8/01/19	18001940	201907	320-53800-43000		STREET LIGHTS JUL19	*	902.00		
		8/05/19	13496-61	201907	320-53800-43000		99 GRAND RESERVE DR ENTR	*	144.50		
		8/05/19	32999-54	201907	320-53800-43000		DECORATVE LGTNG OAK BRNCH	*	1,226.37		
		8/05/19	49885-91	201907	320-53800-43000		410 GRAND RESERVE DR B	*	1,379.64		
		8/05/19	68588-21	201907	320-53800-43000		100 GRAND RESERVE DR ENT	*	101.69		
FLORIDA POWER & LIGHT COMPANY										3,754.20	001016

\*\*\* CHECK DATES 05/16/2019 - 08/20/2019 \*\*\*

DEER RUN CDD - GENERAL FUND

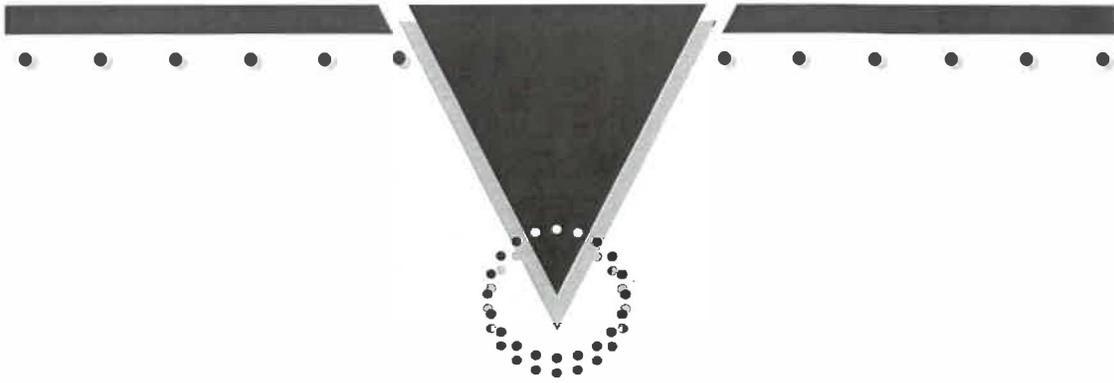
BANK A DEER RUN CDD

CHECK DATE	VEND#	INVOICE DATE	INVOICE	EXPENSED TO... YRMO	ACCT#	SUB	SUBCLASS	VENDOR NAME	STATUS	AMOUNT	CHECK AMOUNT	CHECK #
8/14/19	00001	8/01/19	238	201908	310-51300-34000			MANAGEMENT FEES AUG19	*	2,500.00		
		8/01/19	238	201908	310-51300-35100			TECHNOLOGY FEES AUG19	*	83.33		
		8/01/19	238	201908	310-51300-31300			DISSEMINATION SRVCS AUG19	*	208.33		
		8/01/19	238	201908	310-51300-51000			OFFICE SUPPLIES	*	.09		
		8/01/19	238	201908	310-51300-42000			POSTAGE	*	24.14		
		8/01/19	238	201908	310-51300-42500			COPIES	*	90.75		
		8/01/19	239	201908	320-53800-12000			FIELD MANAGEMENT AUG19	*	1,250.00		
		8/01/19	239	201908	310-51300-49000			PHONE INITIATION FEE	*	100.00		
-----												
GOVERNMENTAL MANAGEMENT SERVICES											4,256.64	001017
-----												
TOTAL FOR BANK A										242,324.90		
TOTAL FOR REGISTER										242,324.90		

DRUN DEER RUN

KCOSTA

## SECTION 2



# Deer Run Community Development District

Unaudited Financial Reporting  
July 31, 2019



# Table of Contents

<b>1</b>	<b><u>Balance Sheet</u></b>
<b>2</b>	<b><u>General Fund</u></b>
<b>3</b>	<b><u>Settlement Monitoring Fund</u></b>
<b>4</b>	<b><u>Debt Service Fund - Series 2008</u></b>
<b>5</b>	<b><u>Debt Service Fund - Series 2018</u></b>
<b>6</b>	<b><u>Capital Projects Fund - Series 2008</u></b>
<b>7</b>	<b><u>Capital Projects Fund - Series 2018</u></b>
<b>8</b>	<b><u>Month to Month</u></b>
<b>9</b>	<b><u>Long-Term Debt</u></b>
<b>10</b>	<b><u>Assessment Receipt Schedule</u></b>
<b>11</b>	<b><u>Series 2019 Construction Schedule</u></b>

**DEER RUN**  
**COMMUNITY DEVELOPMENT DISTRICT**  
**COMBINED BALANCE SHEET**  
For The Period Ending July 31, 2019

ASSETS	<u>GOVERNMENTAL FUND</u>				<u>TOTALS</u>
	<u>GENERAL</u>	<u>SETTLEMENT MONITORING</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	(memorandum only) <u>2018</u>
CASH	\$65,828	\$13,400	-----	-----	\$79,228
INVESTMENTS					
<u>SERIES 2008</u>					
RESERVE	-----	-----	\$56	-----	\$56
REVENUE	-----	-----	\$553	-----	\$553
CONSTRUCTION	-----	-----	-----	\$0	\$0
<u>SERIES 2018</u>					
RESERVE	-----	-----	\$409,962	-----	\$409,962
REVENUE	-----	-----	\$301,808	-----	\$301,808
INTEREST	-----	-----	\$19	-----	\$19
PREPAYMENT	-----	-----	\$2,684	-----	\$2,684
SINKING FUND	-----	-----	\$12	-----	\$12
CONSTRUCTION	-----	-----	-----	\$27,654	\$27,654
COST OF ISSUANCE	-----	-----	-----	\$19,155	\$19,155
DUE FROM GENERAL FUND	-----	-----	\$1,994	-----	\$1,994
DUE FROM GOLF COURSE	\$2,010	-----	-----	-----	\$2,010
DUE FROM CAPITAL	\$6,510	-----	-----	-----	\$6,510
<b>TOTAL ASSETS</b>	<b>\$74,348</b>	<b>\$13,400</b>	<b>\$717,088</b>	<b>\$46,810</b>	<b>\$851,646</b>
<b>LIABILITIES</b>					
ACCOUNTS PAYABLE	\$7,417	\$2,350	-----	-----	\$9,767
UNEARNED REVENUE	-----	\$21,450	-----	-----	\$21,450
DUE TO DEBT SERVICE	\$1,994	-----	-----	-----	\$1,994
DUE TO GENERAL FUND	-----	-----	-----	\$6,510	\$6,510
DUE TO OTHER	\$135	-----	-----	-----	\$135
<b>FUND EQUITY</b>					
FUND BALANCES					
UNASSIGNED	\$64,802	(\$10,400)	-----	-----	\$54,402
RESERVED FOR DEBT SERVICE 2008	-----	-----	\$610	-----	\$610
RESERVED FOR DEBT SERVICE 2018	-----	-----	\$716,479	-----	\$716,479
RESERVED FOR CAPITAL PROJECTS 2008	-----	-----	-----	\$0	\$0
RESERVED FOR CAPITAL PROJECTS 2018	-----	-----	-----	\$40,299	\$40,299
<b>TOTAL LIABILITIES &amp; FUND EQUITY</b>	<b>\$74,348</b>	<b>\$13,400</b>	<b>\$717,088</b>	<b>\$46,810</b>	<b>\$851,646</b>

# Deer Run

## COMMUNITY DEVELOPMENT DISTRICT

### GENERAL FUND

#### Statement of Revenues & Expenditures

For The Period Ending July 31, 2019

	BUDGET	PRORATED BUDGET Thru 07/31/19	ACTUAL Thru 07/31/19	VARIANCE
<b>REVENUES:</b>				
ASSESSMENTS - TAX ROLL	\$70,470	\$70,470	\$69,850	(\$619)
ASSESSMENTS - DIRECT	\$207,365	\$207,365	\$207,365	\$0
GOLF COURSE LAKE MAINTENANCE CONTRIBUTIONS	\$4,800	\$3,600	\$3,015	(\$585)
DEVELOPER CONTRIBUTIONS	\$0	\$0	\$32,532	\$32,532
<b>TOTAL REVENUES</b>	<b>\$282,634</b>	<b>\$281,434</b>	<b>\$312,762</b>	<b>\$31,328</b>
<b>EXPENDITURES:</b>				
<b>ADMINISTRATIVE</b>				
SUPERVISOR FEES	\$4,000	\$1,000	\$1,800	(\$800)
FICA EXPENSE	\$306	\$122	\$122	\$0
ENGINEERING	\$3,550	\$2,958	\$1,970	\$988
DISSEMINATION	\$2,500	\$2,500	\$2,083	\$417
ATTORNEY	\$20,000	\$16,667	\$12,892	\$3,775
ANNUAL AUDIT	\$3,270	\$3,270	\$3,270	\$0
TRUSTEE FEES	\$3,500	\$0	\$0	\$0
ARBITRAGE	\$450	\$450	\$450	\$0
ASSESSMENT ROLL	\$2,500	\$2,500	\$2,500	\$0
MANAGEMENT FEES	\$30,000	\$25,000	\$25,000	\$0
INFORMATION TECHNOLOGY	\$1,000	\$833	\$833	\$0
TELEPHONE	\$100	\$83	\$64	\$19
POSTAGE	\$600	\$500	\$174	\$326
INSURANCE	\$8,200	\$8,200	\$5,880	\$2,320
PRINTING & BINDING	\$800	\$667	\$255	\$411
TRAVEL PER DIEM	\$600	\$500	\$66	\$434
LEGAL ADVERTISING	\$500	\$417	\$1,193	(\$777)
OTHER CURRENT CHARGES	\$800	\$667	\$870	(\$203)
OFFICE SUPPLIES	\$100	\$83	\$21	\$63
DUES, LICENSE, & SUBSCRIPTIONS	\$175	\$175	\$175	\$0
<b>TOTAL ADMINISTRATIVE</b>	<b>\$82,951</b>	<b>\$66,592</b>	<b>\$59,619</b>	<b>\$6,973</b>
<b>MAINTENANCE</b>				
FIELD MANAGEMENT	\$15,000	\$12,500	\$12,500	\$0
PROPERTY INSURANCE	\$0	\$0	\$1,521	(\$1,521)
ELECTRIC	\$31,384	\$26,153	\$31,809	(\$5,656)
WATER & SEWER	\$7,800	\$6,500	\$7,196	(\$696)
LANDSCAPE MAINTENANCE	\$100,000	\$83,333	\$74,854	\$8,479
LANDSCAPE CONTINGENCY	\$6,000	\$5,000	\$4,332	\$668
LAKE MAINTENANCE	\$17,000	\$14,167	\$12,800	\$1,367
WATER FEATURE MAINTENANCE	\$12,500	\$10,417	\$3,477	\$6,940
IRRIGATION REPAIRS	\$10,000	\$8,333	\$21,574	(\$13,241)
CONTINGENCY	\$0	\$0	\$105	(\$105)
<b>TOTAL MAINTENANCE</b>	<b>\$199,683</b>	<b>\$166,403</b>	<b>\$170,168</b>	<b>(\$3,765)</b>
<b>TOTAL EXPENDITURES</b>	<b>\$282,634</b>	<b>\$232,995</b>	<b>\$229,787</b>	<b>\$3,208</b>
<b>EXCESS REVENUES (EXPENDITURES)</b>	<b>\$0</b>		<b>\$82,975</b>	
<b>FUND BALANCE - BEGINNING</b>	<b>\$0</b>		<b>(\$18,173)</b>	
<b>FUND BALANCE - ENDING</b>	<b>\$0</b>		<b>\$64,802</b>	

**DEER RUN  
COMMUNITY DEVELOPMENT DISTRICT**

**SETTLEMENT MONITORING FUND  
Statement of Revenues & Expenditures  
For The Period Ending July 31, 2019**

	SETTLEMENT MONITORING BUDGET	PRORATED BUDGET Thru 07/31/19	ACTUAL Thru 07/31/19	VARIANCE
<b><u>REVENUES:</u></b>				
ENVIRONMENTAL MITIGATION CREDIT	\$0	\$0	\$0	\$0
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>EXPENDITURES:</u></b>				
PERMIT MONITORING	\$0	\$0	\$6,950	(\$6,950)
<b>TOTAL EXPENDITURES:</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,950</b>	<b>(\$6,950)</b>
<b>EXCESS REVENUES (EXPENDITURES)</b>	<b>\$0</b>		<b>(\$6,950)</b>	
<b>FUND BALANCE - BEGINNING</b>	<b>\$18,000</b>		<b>(\$3,450)</b>	
<b>FUND BALANCE - ENDING</b>	<b>\$18,000</b>		<b>(\$10,400)</b>	

**DEER RUN  
COMMUNITY DEVELOPMENT DISTRICT**

**DEBT SERVICE FUND  
SERIES 2008**

Statement of Revenues & Expenditures  
For The Period Ending July 31, 2019

	DEBT SERVICE BUDGET	PRORATED BUDGET Thru 07/31/19	ACTUAL Thru 07/31/19	VARIANCE
<b><u>REVENUES:</u></b>				
ASSESSMENTS - TAX COLLECTOR	\$0	\$0	\$0	\$0
INTEREST	\$0	\$0	\$10	\$10
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10</b>	<b>\$10</b>
<b><u>EXPENDITURES:</u></b>				
INTEREST EXPENSE 11/01	\$0	\$0	\$0	\$0
PRINCIPAL EXPENSE 05/01	\$0	\$0	\$0	\$0
INTEREST EXPENSE 05/01	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXCESS REVENUES (EXPENDITURES)</b>	<b>\$0</b>		<b>\$10</b>	
<b>FUND BALANCE - BEGINNING</b>	<b>\$0</b>		<b>\$600</b>	
<b>FUND BALANCE - ENDING</b>	<b>\$0</b>		<b>\$610</b>	

**DEER RUN  
COMMUNITY DEVELOPMENT DISTRICT**

**DEBT SERVICE FUND  
SERIES 2018**

Statement of Revenues & Expenditures  
For The Period Ending July 31, 2019

	DEBT SERVICE BUDGET	PRORATED BUDGET Thru 07/31/19	ACTUAL Thru 07/31/19	VARIANCE
<b>REVENUES:</b>				
ASSESSMENTS - TAX ROLL	\$161,719	\$161,719	\$161,160	(\$559)
ASSESSMENTS - DIRECT	\$644,861	\$644,861	\$644,861	\$0
PREPAYMENTS	\$0	\$0	\$431,452	\$431,452
INTEREST	\$0	\$0	\$11,231	\$11,231
<b>TOTAL REVENUES</b>	<b>\$806,580</b>	<b>\$806,580</b>	<b>\$1,248,704</b>	<b>\$442,124</b>
<b>EXPENDITURES:</b>				
INTEREST EXPENSE 11/01	\$112,956	\$112,956	\$112,956	\$0
PRINCIPAL EXPENSE 05/01	\$205,000	\$205,000	\$205,000	\$0
INTEREST EXPENSE 05/01	\$303,465	\$303,465	\$303,465	\$0
SPECIAL CALL 05/01	\$0	\$0	\$430,000	(\$430,000)
<b>TOTAL EXPENDITURES</b>	<b>\$621,421</b>	<b>\$621,421</b>	<b>\$1,051,421</b>	<b>(\$430,000)</b>
<b>EXCESS REVENUES (EXPENDITURES)</b>	<b>\$185,159</b>		<b>\$197,282</b>	
<b>FUND BALANCE - BEGINNING</b>	<b>\$112,956</b>		<b>\$519,197</b>	
<b>FUND BALANCE - ENDING</b>	<b>\$298,115</b>		<b>\$716,479</b>	

**DEER RUN  
COMMUNITY DEVELOPMENT DISTRICT**

**CAPITAL PROJECTS FUND  
SERIES 2008  
Statement of Revenues & Expenditures  
For The Period Ending July 31, 2019**

	CONSTRUCTION FUND BUDGET	PRORATED BUDGET Thru 07/31/19	ACTUAL Thru 07/31/19	VARIANCE
<b><u>REVENUES:</u></b>				
INTEREST	\$0	\$0	\$0	\$0
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>EXPENDITURES:</u></b>				
CAPITAL OUTLAY	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXCESS REVENUES (EXPENDITURES)</b>	<b>\$0</b>		<b>\$0</b>	
<b>FUND BALANCE - BEGINNING</b>	<b>\$0</b>		<b>\$0</b>	
<b>FUND BALANCE - ENDING</b>	<b>\$0</b>		<b>\$0</b>	

**DEER RUN  
COMMUNITY DEVELOPMENT DISTRICT**

**CAPITAL PROJECTS FUND  
SERIES 2018  
Statement of Revenues & Expenditures  
For The Period Ending July 31, 2019**

	CONSTRUCTION FUND BUDGET	PRORATED BUDGET Thru 07/31/19	ACTUAL Thru 07/31/19	VARIANCE
<b><u>REVENUES:</u></b>				
INTEREST	\$0	\$0	\$29,068	\$29,068
TRANSFER IN	\$0	\$0	\$0	\$0
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$29,068</b>	<b>\$29,068</b>
<b><u>EXPENDITURES:</u></b>				
CAPITAL OUTLAY	\$0	\$0	\$2,687,260	(\$2,687,260)
CAPITAL OUTLAY - COST OF ISSUANCE	\$0	\$0	\$1,885	(\$1,885)
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,689,145</b>	<b>(\$2,689,145)</b>
<b>EXCESS REVENUES (EXPENDITURES)</b>	<b>\$0</b>		<b>(\$2,660,077)</b>	
<b>FUNDBALANCE - BEGINNING</b>	<b>\$0</b>		<b>\$2,700,376</b>	
<b>FUNDBALANCE - ENDING</b>	<b>\$0</b>		<b>\$40,299</b>	

**Deer Run  
Community Development District**

	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	TOTAL
<b>REVENUES:</b>													
ASSESSMENTS - TAX ROLL	\$0	\$0	\$60,957	\$476	\$0	\$4,657	\$901	\$476	\$2,382	\$0	\$0	\$0	\$69,850
ASSESSMENTS - DIRECT	\$0	\$0	\$0	\$103,682	\$0	\$51,841	\$0	\$0	\$51,841	\$0	\$0	\$0	\$207,365
GOLF COURSE LAKE MAINTENANCE CONTRIBUTION	\$0	\$0	\$1,005	\$0	\$0	\$1,005	\$0	\$0	\$1,005	\$0	\$0	\$0	\$3,015
DEVELOPER CONTRIBUTIONS	\$0	\$27,224	\$0	\$0	\$0	\$5,308	\$0	\$0	\$0	\$0	\$0	\$0	\$32,532
MISCELLANEOUS INCOME	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$27,224</b>	<b>\$61,962</b>	<b>\$104,159</b>	<b>\$0</b>	<b>\$62,811</b>	<b>\$901</b>	<b>\$476</b>	<b>\$55,228</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$312,762</b>
<b>EXPENDITURES:</b>													
<b>ADMINISTRATIVE</b>													
SUPERVISOR FEES	\$0	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0	\$800	\$0	\$0	\$0	\$1,800
FICA EXPENSE	\$0	\$0	\$61	\$0	\$0	\$0	\$0	\$0	\$61	\$0	\$0	\$0	\$122
ENGINEERING	\$0	\$470	\$0	\$0	\$0	\$0	\$195	\$0	\$1,305	\$0	\$0	\$0	\$1,970
DISSEMINATION	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$0	\$0	\$2,083
ATTORNEY	\$469	\$1,823	\$1,117	\$981	\$1,483	\$1,094	\$553	\$3,998	\$1,375	\$0	\$0	\$0	\$12,892
ANNUAL AUDIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,270	\$0	\$0	\$0	\$3,270
TRUSTEE FEES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ARBITRAGE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$450	\$0	\$0	\$0	\$450
ASSESSMENT ROLL	\$2,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,500
MANAGEMENT FEES	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$0	\$0	\$25,000
COMPUTER TIME	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$0	\$0	\$833
TELEPHONE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$51	\$13	\$0	\$0	\$64
POSTAGE	\$34	\$4	\$2	\$23	\$3	\$5	\$0	\$32	\$15	\$56	\$0	\$0	\$174
INSURANCE	\$5,880	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,880
PRINTING & BINDING	\$17	\$5	\$75	\$0	\$3	\$0	\$24	\$9	\$63	\$60	\$0	\$0	\$255
TRAVEL PER DIEM	\$0	\$0	\$0	\$0	\$0	\$66	\$0	\$0	\$0	\$0	\$0	\$0	\$66
LEGAL ADVERTISING	\$584	\$0	\$0	\$0	\$0	\$0	\$0	\$368	\$0	\$241	\$0	\$0	\$1,193
OTHER CURRENT CHARGES	\$40	\$38	\$40	\$102	\$0	\$30	\$32	\$531	\$32	\$24	\$0	\$0	\$870
OFFICE SUPPLIES	\$1	\$0	\$18	\$1	\$0	\$0	\$0	\$0	\$0	\$1	\$0	\$0	\$21
DUES, LICENSES & SUBSCRIPTIONS	\$175	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$175
<b>TOTAL ADMINISTRATIVE</b>	<b>\$12,492</b>	<b>\$5,131</b>	<b>\$5,104</b>	<b>\$3,898</b>	<b>\$4,281</b>	<b>\$3,987</b>	<b>\$3,597</b>	<b>\$7,729</b>	<b>\$10,213</b>	<b>\$3,187</b>	<b>\$0</b>	<b>\$0</b>	<b>\$59,619</b>
<b>MAINTENANCE</b>													
FIELD MANAGEMENT	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$0	\$0	\$12,500
PROPERTY INSURANCE	\$1,521	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,521
ELECTRIC	\$2,557	\$2,012	\$1,427	\$5,124	\$2,992	\$3,070	\$2,649	\$3,519	\$3,790	\$4,668	\$0	\$0	\$31,809
WATER & SEWER	\$760	\$695	\$598	\$864	\$673	\$809	\$453	\$1,815	\$530	\$0	\$0	\$0	\$7,196
LANDSCAPE MAINTENANCE	\$7,348	\$7,348	\$7,348	\$7,348	\$7,348	\$7,348	\$7,348	\$7,348	\$7,348	\$8,723	\$0	\$0	\$74,854
LANDSCAPE CONTINGENCY	\$0	\$4,332	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,332
LAKE MAINTENANCE	\$1,280	\$1,280	\$1,280	\$1,280	\$1,280	\$1,280	\$1,280	\$1,280	\$1,280	\$1,280	\$0	\$0	\$12,800
WATER FEATURE MAINTENANCE	\$0	\$0	\$0	\$0	\$0	\$3,477	\$0	\$0	\$0	\$0	\$0	\$0	\$3,477
IRRIGATION REPAIRS	\$9,529	\$0	\$0	\$0	\$925	\$3,855	\$0	\$5,308	\$1,202	\$755	\$0	\$0	\$21,574
CONTINGENCY	\$0	\$61	\$0	\$0	\$0	\$43	\$0	\$0	\$0	\$0	\$0	\$0	\$105
<b>TOTAL MAINTENANCE</b>	<b>\$24,245</b>	<b>\$16,979</b>	<b>\$11,902</b>	<b>\$15,866</b>	<b>\$14,468</b>	<b>\$21,132</b>	<b>\$12,979</b>	<b>\$20,520</b>	<b>\$15,400</b>	<b>\$16,676</b>	<b>\$0</b>	<b>\$0</b>	<b>\$170,168</b>
<b>TOTAL EXPENDITURES</b>	<b>\$36,737</b>	<b>\$22,110</b>	<b>\$17,007</b>	<b>\$19,764</b>	<b>\$18,749</b>	<b>\$25,118</b>	<b>\$16,576</b>	<b>\$28,250</b>	<b>\$25,613</b>	<b>\$19,863</b>	<b>\$0</b>	<b>\$0</b>	<b>\$229,787</b>
<b>EXCESS REVENUES (EXPENDITURES)</b>	<b>(\$36,737)</b>	<b>\$5,114</b>	<b>\$44,956</b>	<b>\$84,394</b>	<b>(\$18,749)</b>	<b>\$37,693</b>	<b>(\$15,675)</b>	<b>(\$27,773)</b>	<b>\$29,615</b>	<b>(\$19,863)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$82,975</b>

**Deer Run**  
**Community Development District**  
**LONG TERM DEBT REPORT**

<b>SERIES 2018, SPECIALASSESSMENT REVENUE AND REFUNDING BONDS</b>	
INTEREST RATE:	5.40%, 5.50%
MATURITY DATE:	5/1/2044
RESERVE FUND DEFINITION	50% OF MAXIMUM ANNUAL DEBT SERVICE
RESERVE FUND REQUIREMENT	\$403,290
RESERVE FUND BALANCE	\$409,962
BONDS OUTSTANDING - 08/02/18	\$11,175,000
LESS: PRINCIPAL PAYMENT - 05/01/19	(\$205,000)
LESS: SPECIAL CALL - 05/01/19	(\$430,000)
<b>CURRENT BONDS OUTSTANDING</b>	<b>\$10,540,000</b>

**DEER RUN**  
**COMMUNITY DEVELOPMENT DISTRICT**  
**SPECIAL ASSESSMENT RECEIPTS - FY2019**

**TAX COLLECTOR**

Date Received	Check#	Gross Assessments Received	Discounts/ Penalties	Commissions Paid	Interest Income	Net Amount Received	2018		Total 100%
							General Fund 30.24%	Debt Svc Fund 69.76%	
							Gross Assessments \$ 244,414	\$ 73,903	\$ 170,511
							Net Assessments \$ 229,749	\$ 69,469	\$ 160,280
12/6/18	57241	\$ 16,203.86	\$ -	\$ 324.08	\$ -	\$ 15,879.78	\$ 4,801.55	\$ 11,078.23	\$ 15,879.78
12/10/18	57508	\$ 189,510.34	\$ -	\$ 3,790.21	\$ -	\$ 185,720.13	\$ 56,155.94	\$ 129,564.19	\$ 185,720.13
1/23/19	57549	\$ 1,607.21	\$ -	\$ 32.14	\$ -	\$ 1,575.07	\$ 476.25	\$ 1,098.82	\$ 1,575.07
3/6/19	57844	\$ 3,264.66	\$ -	\$ 65.29	\$ -	\$ 3,199.37	\$ 967.39	\$ 2,231.98	\$ 3,199.37
3/18/19	57914	\$ 12,451.60	\$ -	\$ 249.03	\$ -	\$ 12,202.57	\$ 3,689.67	\$ 8,512.90	\$ 12,202.57
4/19/19	58003	\$ 3,040.97	\$ -	\$ 60.82	\$ -	\$ 2,980.15	\$ 901.10	\$ 2,079.05	\$ 2,980.15
5/10/19	58106	\$ 1,607.21	\$ -	\$ 32.14	\$ -	\$ 1,575.07	\$ 476.25	\$ 1,098.82	\$ 1,575.07
6/7/19	58125	\$ 5,122.99	\$ -	\$ 102.46	\$ -	\$ 5,020.53	\$ 1,518.05	\$ 3,502.48	\$ 5,020.53
6/28/19	58346	\$ 2,916.57	\$ -	\$ 58.33	\$ -	\$ 2,858.24	\$ 864.24	\$ 1,994.00	\$ 2,858.24
						\$ -	\$ -	\$ -	\$ -
						\$ -	\$ -	\$ -	\$ -
<b>Totals</b>		\$ 235,725.41	\$ -	\$ 4,714.50	\$ -	\$ 231,010.91	\$ 69,850.45	\$ 161,160.46	\$ 231,010.91

**DIRECT ASSESMENTS**

DR HORTON INC - JACKSONVILLE			\$ 852,225.45		\$ 207,364.77	\$ 644,860.68		
DATE RECEIVED	DATE DUE	Check Num	NET AMOUNT ASSESSED	NET AMOUNT RECEIVED	GENERAL FUND	SERIES 2018	Total	
12/12/18	12/1/18	845957	\$ 426,112.73	\$ 426,112.73	\$ 103,682.39	\$ 322,430.34	\$ 426,112.73	
3/6/19	2/1/19	875269	\$ 213,056.36	\$ 213,056.36	\$ 51,841.19	\$ 161,215.17	\$ 213,056.36	
5/6/19	5/1/19	915301	\$ 213,056.36	\$ 213,056.36	\$ 51,841.19	\$ 161,215.17	\$ 213,056.36	
			\$ 852,225.45	\$ 852,225.45	\$ 207,364.77	\$ 644,860.68	\$ 852,225.45	
<b>TOTAL ASSESSMENTS</b>					\$ 277,215.22	\$ 806,021.14	\$ 1,083,236.36	

**Deer Run  
Community Development District  
Special Assessment Revenue & Refunding Bonds, Series 2018**

Date	Requisition #	Contractor	Description	Requisition
<b>Fiscal Year 2018</b>				
<b>TOTAL</b>				<b>\$ -</b>
<b>Fiscal Year 2018</b>				
9/4/18		Interest		\$ 1,096.88
<b>TOTAL</b>				<b>\$ 1,096.88</b>
<b>Acquisition/Construction Fund at 08/24/18</b>				<b>\$ 3,183,794.07</b>
<b>Interest Eamed thru 09/30/18</b>				<b>\$ 1,096.88</b>
<b>Requisitions Paid thru 09/30/18</b>				<b>\$ -</b>
<b>Remaining Acquisition/Construction Fund</b>				<b>\$ 3,184,890.95</b>

Date	Requisition #	Contractor	Description	Requisition
<b>Fiscal Year 2019</b>				
12/28/18	1	D.R. Horton, Inc.	Amenity Center Design & Construction Reimbursement	\$ 1,535,268.22
2/12/19	2	K & G Contractors	Pay Application 4	\$ 697,546.61
4/26/19	3	K & G Contractors	Pay Application 5	\$ 375,338.81
4/26/19	4	Micamy Design Studio	Invoice: 18-037.0-03 - Construction administration submittias - Millwork	\$ 375.00
5/24/19	5	Micamy Design Studio	Invoice: 18-038.1-01 - 75% Deposit for Amenity Furniture	\$ 111,844.45
6/28/19	6	K & G Contractors	Pay Application 6	\$ 465,399.36
<b>TOTAL</b>				<b>\$ 3,185,772.45</b>
<b>Fiscal Year 2019</b>				
10/1/18		Interest		\$ 4,248.73
11/1/18		Interest		\$ 4,821.88
12/1/18		Interest		\$ 4,824.53
1/1/19		Interest		\$ 4,879.06
2/1/19		Interest		\$ 2,870.86
3/1/19		Interest		\$ 1,946.25
4/1/19		Interest		\$ 1,696.13
5/1/19		Interest		\$ 1,546.55
6/1/19		Interest		\$ 992.78
7/1/19		Interest		\$ 709.12
<b>TOTAL</b>				<b>\$ 28,535.89</b>
<b>Acquisition/Construction Fund at 09/30/18</b>				<b>\$ 3,184,890.95</b>
<b>Interest Eamed thru 07/31/19</b>				<b>\$ 28,535.89</b>
<b>Requisitions Paid thru 07/31/19</b>				<b>\$ (3,185,772.45)</b>
<b>Remaining Acquisition/Construction Fund</b>				<b>\$ 27,654.39</b>

# SECTION 3

**REBATE REPORT**  
**\$8,165,000**  
**Deer Run Community  
Development District**  
**(City of Bunnell, Florida)**  
**Special Assessment Bonds, Series 2008**

**Dated: May 1, 2008**  
**Delivered: May 1, 2008**

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**Rebate Report to the Final Computation Date**  
**August 24, 2018**  
**Reflecting Activity To**  
**August 24, 2018**



## TABLE OF CONTENTS

AMTEC Opinion	3
Summary of Rebate Computations / Summary of Yield Restriction Computations	4
Summary of Computational Information and Definitions	5
Methodology	7
Sources and Uses	8
Proof of Arbitrage Yield	9
Bond Debt Service	11
Arbitrage Rebate Calculation Detail Report – Project Acquisition & Construction Account	13
Arbitrage Rebate Calculation Detail Report – Capitalized Interest Account	14
Arbitrage Rebate Calculation Detail Report – Costs of Issuance Account	15
Arbitrage Rebate Calculation Detail Report – Debt Service Reserve Account	16
Arbitrage Rebate Calculation Detail Report – Rebate Computation Credits	19
Yield Restriction Calculation Detail Report – Project Acquisition & Construction Account	20



# AMTEC

American Municipal Tax-Exempt Compliance

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June 18, 2019

Deer Run Community Development District  
c/o Ms. Teresa Viscarra  
Governmental Management Services-CF, LLC  
1412S Narcoossee Road  
St. Cloud, FL 34771

Re: \$8,165,000 Deer Run Community Development District, (City of Bunnell, Florida), Special Assessment Bonds, Series 2008

Dear Ms. Viscarra:

AMTEC has prepared certain computations relating to the above referenced bond issue (the "Bonds") at the request of Deer Run Community Development District (the "District").

The scope of our engagement consisted of preparing the computations shown in the attached schedules to determine the Rebtable Arbitrage as described in Section 103 of the Internal Revenue Code of 1954, Section 148(f) of the Internal Revenue Code of 1986 (the "Code"), as amended, and all applicable Regulations issued thereunder. The methodology used is consistent with current tax law and regulations and may be relied upon in determining the rebate liability. Certain computational methods used in the preparation of the schedules are described in the Summary of Computational Information and Definitions.

Our engagement was limited to the computation of Rebtable Arbitrage based upon the information furnished to us by the District. In accordance with the terms of our engagement, we did not audit the information provided to us, and we express no opinion as to the completeness, accuracy or suitability of such information for purposes of calculating the Rebtable Arbitrage.

This is our final Report since the Bonds were retired. Thank you and should you have any questions, please do not hesitate to contact us.

Very truly yours,

Michael J. Scarfo  
Senior Vice President

Caitlyn C. McGovern  
Analyst

## SUMMARY OF REBATE COMPUTATIONS

Our computations, contained in the attached schedules, are summarized as follows:

For the August 24, 2018 Final Computation Date  
Reflecting Activity from May 1, 2008 through August 24, 2018

Fund Description	Taxable Inv Yield	Net Income	Rebatable Arbitrage
Project Acquisition and Construction Account	2.419846%	16,553.23	(75,237.03)
Capitalized Interest	1.619160%	14,800.20	(111,480.24)
Costs of Issuance	2.391596%	166.02	(765.61)
Debt Service Reserve Account	0.615964%	13,439.20	(284,031.05)
<b>Totals</b>	<b>1.193657%</b>	<b>\$44,958.65</b>	<b>\$(471,513.93)</b>
<b>Bond Yield</b>	<b>7.625000%</b>		
Rebate Computation Credits			(26,567.23)
<b>Net Rebatable Arbitrage</b>			<b>\$(498,081.16)</b>

## SUMMARY OF YIELD RESTRICTION COMPUTATIONS

Our computations, contained in the attached schedules, are summarized as follows:

For the August 24, 2018 Final Computation Date  
Reflecting Activity from May 1, 2011 through August 24, 2018

Fund Description	Taxable Inv Yield	Yield Reduction Liability
Project Acquisition and Construction Account	0.190290%	(76.97)
<b>Totals</b>	<b>0.190290%</b>	<b>\$(76.97)</b>
<b>Bond Yield (+0.125%) *</b>	<b>7.750000%</b>	

\* Pursuant to the Treasury Regulations Section 1.148-2(d)(2), for yield restriction purposes, the Bond Yield is adjusted upwardly by 0.125% for funds not held in a refunding escrow or allocable to replacement proceeds.

**Based upon our computations, no rebate or yield reduction liability has accrued.**

# **SUMMARY OF COMPUTATIONAL INFORMATION AND DEFINITIONS**

## **COMPUTATIONAL INFORMATION**

1. For purposes of computing Rebateable Arbitrage and Yield Reduction Liability, investment activity is reflected from May 1, 2008, the date of the closing, through August 24, 2018, the Final Computation Date. All nonpurpose payments and receipts are future valued to the Final Computation Date of August 24, 2018.
2. Computations of yield are based on a 360-day year and semiannual compounding on the last day of each compounding interval. Compounding intervals end on a day in the calendar year corresponding to Bond maturity dates or six months prior.
3. For investment cash flow, debt service and yield computation purposes, all payments and receipts are assumed to be paid or received respectively, as shown on the attached schedules.
4. Purchase prices on investments are assumed to be at fair market value, representing an arm's length transaction.
5. During the period between May 1, 2008 and August 24, 2018, the District made periodic payments into the Interest and Revenue Accounts that were used, along with the interest earned, to provide the required debt service payments.

Under Section 148(f)(4)(A), the rebate requirement does not apply to amounts in certain bona fide debt service funds. The Regulations define a bona fide debt service fund as one that is used primarily to achieve a proper matching of revenues with principal and interest payments within each bond year. The fund must be depleted at least once each bond year, except for a reasonable carryover amount not to exceed the greater of the earnings on the fund for the immediately preceding bond year or 1/12<sup>th</sup> of the principal and interest payments on the issue for the immediately preceding bond year.

We have reviewed the Interest and Revenue Accounts and have determined that the funds deposited have functioned as a bona fide debt service fund and are not subject to the rebate requirement.

## **DEFINITIONS**

### **6. Final Computation Date**

August 24, 2018.

### **7. Computation Period**

The period beginning on May 1, 2008, the date of the closing, and ending on August 24, 2018, the Final Computation Date.

### **8. Temporary Period**

The period ending three years from the date of the closing during which time arbitrage profits and losses may be blended.

### **9. Yield Reduction Period**

The period subsequent to the Temporary Period that proceeds are yield restricted to the yield on the Bonds, plus 0.125%.

### **10. Bond Year**

Each one-year period (or shorter period from the date of issue) that ends at the close of business on the day in the calendar year that is selected by the Issuer. If no day is selected by the Issuer before the earlier of the final maturity date of the issue or the date that is five years after the date of issue, each bond year ends at the close of business on the anniversary date of the issuance.

### **11. Bond Yield**

The discount rate that, when used in computing the present value of all the unconditionally payable payments of principal and interest with respect to the Bonds, produces an amount equal to the present value of the issue price of the Bonds. Present value is computed as of the date of issue of the Bonds.

### **12. Taxable Investment Yield**

The discount rate that, when used in computing the present value of all receipts of principal and interest to be received on an investment during the Computation Period, produces an amount equal to the fair market value of the investment at the time it became a nonpurpose investment.

### **13. Issue Price**

The price determined on the basis of the initial offering price to the public at which price a substantial amount of the Bonds was sold.

### **14. Rebatable Arbitrage**

The Code defines the required rebate as the excess of the amount earned on all nonpurpose investments over the amount that would have been earned if such nonpurpose investments were invested at the Bond Yield, plus any income attributable to the excess. Accordingly, the Regulations require that this amount be computed as the excess of the future value of all the nonpurpose receipts over the future value of all the nonpurpose payments. The future value is computed as of the Final Computation Date using the Bond Yield.

### **15. Yield Reduction Liability**

The Rebatable Arbitrage accumulated after the Temporary Period, at the bond yield plus 0.125%.

## 16. Funds and Accounts

The Funds and Accounts activity used in the compilation of this Report was received from Deer Run Community Development District and Regions Bank, Trustee, as follows:

Account Name	Account Number
Project Acquisition & Construction	3280000960
Interest	3280000988
Capitalized Interest	3280000997
Debt Service Reserve	3280001013
Revenue	3280002003
Costs of Issuance	3280000979

## METHODOLOGY

### Bond Yield

The methodology used to calculate the bond yield was to determine the discount rate that produces the present value of all payments of principal and interest through the maturity date of the Bonds.

### Investment Yield and Rebate Amount

The methodology used to calculate the Rebateable Arbitrage and Yield Reduction Liability, as of August 24, 2018, was to calculate the future value of the disbursements from all funds, subject to rebate, and the value of the remaining bond proceeds, at the yield on the Bonds, to August 24, 2018. This figure was then compared to the future value of the deposit of bond proceeds into the various investment accounts at the same yield. The difference between the future values of the two cash flows, on August 24, 2018, is the Rebateable Arbitrage and Yield Reduction Liability.

**\$8,165,000**  
**Deer Run Community Development District**  
**(City of Bunnell, Florida)**  
**Special Assessment Bonds, Series 2008**  
**Delivered: May 1, 2008**

<b>Sources of Funds</b>	
-------------------------	--

<b>Par Amount</b>	<b>\$8,165,000.00</b>
<b>Underwriter's Discount</b>	<b>-122,475.00</b>
<b>Total</b>	<b>\$8,042,525.00</b>

<b>Uses of Funds</b>	
----------------------	--

<b>Project Acquisition &amp; Construction Account</b>	<b>\$6,291,597.45</b>
<b>Capitalized Interest Account</b>	<b>904,624.42</b>
<b>Cost of Issuance Account</b>	<b>151,000.00</b>
<b>Debt Service Reserve Account</b>	<b>695,303.13</b>
<b>Total</b>	<b>\$8,042,525.00</b>

PROOF OF ARBITRAGE YIELD

\$8,165,000  
 Deer Run Community Development District  
 (City of Bunnell, Florida)  
 Special Assessment Bonds, Series 2008

Date	Debt Service	Present Value to 05/01/2008 @ 7.6250000%
11/01/2008	311,290.63	299,858.52
05/01/2009	311,290.63	288,846.26
11/01/2009	311,290.63	278,238.42
05/01/2010	386,290.63	332,594.89
11/01/2010	308,431.25	255,805.65
05/01/2011	388,431.25	310,324.64
11/01/2011	305,381.25	235,014.59
05/01/2012	390,381.25	289,395.49
11/01/2012	302,140.63	215,755.70
05/01/2013	392,140.63	269,739.99
11/01/2013	298,709.38	197,925.94
05/01/2014	398,709.38	254,484.10
11/01/2014	294,896.88	181,311.24
05/01/2015	399,896.88	236,838.83
11/01/2015	290,893.75	165,954.73
05/01/2016	405,893.75	223,058.08
11/01/2016	286,509.38	151,668.29
05/01/2017	411,509.38	209,838.92
11/01/2017	281,743.75	138,391.99
05/01/2018	416,743.75	197,186.01
11/01/2018	276,596.88	126,067.93
05/01/2019	421,596.88	185,099.43
11/01/2019	271,068.75	114,640.35
05/01/2020	426,068.75	173,575.36
11/01/2020	265,159.38	104,055.67
05/01/2021	435,159.38	164,496.80
11/01/2021	258,678.13	94,193.12
05/01/2022	443,678.13	155,624.45
11/01/2022	251,625.00	85,018.60
05/01/2023	446,625.00	145,362.89
11/01/2023	244,190.63	76,557.87
05/01/2024	459,190.63	138,676.93
11/01/2024	235,993.75	68,653.40
05/01/2025	465,993.75	130,584.61
11/01/2025	227,225.00	61,336.41
05/01/2026	477,225.00	124,089.72
11/01/2026	217,693.75	54,526.66
05/01/2027	482,693.75	116,462.20
11/01/2027	207,590.63	48,247.12
05/01/2028	497,590.63	111,400.26
11/01/2028	196,534.38	42,384.09
05/01/2029	506,534.38	105,226.14
11/01/2029	184,715.63	36,963.13
05/01/2030	519,715.63	100,180.04
11/01/2030	171,943.75	31,926.56
05/01/2031	536,943.75	96,038.40
11/01/2031	158,028.13	27,227.07
05/01/2032	548,028.13	90,953.55
11/01/2032	143,159.38	22,886.90
05/01/2033	563,159.38	86,725.90
11/01/2033	127,146.88	18,861.38
05/01/2034	582,146.88	83,186.10
11/01/2034	109,800.00	15,113.70
05/01/2035	599,800.00	79,528.97
11/01/2035	91,118.75	11,637.96
05/01/2036	621,118.75	76,417.75
11/01/2036	70,912.50	8,404.13

PROOF OF ARBITRAGE YIELD

\$8,165,000  
 Deer Run Community Development District  
 (City of Bunnell, Florida)  
 Special Assessment Bonds, Series 2008

Date	Debt Service	Present Value to 05/01/2008 @ 7.6250000%
05/01/2037	645,912.50	73,738.45
11/01/2037	48,990.63	5,387.45
05/01/2038	668,990.63	70,866.51
11/01/2038	25,353.13	2,587.04
05/01/2039	690,353.13	67,856.74
	21,714,625.00	8,165,000.00

Proceeds Summary

Delivery date	05/01/2008
Par Value	8,165,000.00
Target for yield calculation	8,165,000.00

BOND DEBT SERVICE

\$8,165,000  
 Deer Run Community Development District  
 (City of Bunnell, Florida)  
 Special Assessment Bonds, Series 2008

Dated Date 05/01/2008  
 Delivery Date 05/01/2008

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/01/2008			311,290.63	311,290.63	
05/01/2009			311,290.63	311,290.63	622,581.25
11/01/2009			311,290.63	311,290.63	
05/01/2010	75,000	7.625%	311,290.63	386,290.63	697,581.25
11/01/2010			308,431.25	308,431.25	
05/01/2011	80,000	7.625%	308,431.25	388,431.25	696,862.50
11/01/2011			305,381.25	305,381.25	
05/01/2012	85,000	7.625%	305,381.25	390,381.25	695,762.50
11/01/2012			302,140.63	302,140.63	
05/01/2013	90,000	7.625%	302,140.63	392,140.63	694,281.25
11/01/2013			298,709.38	298,709.38	
05/01/2014	100,000	7.625%	298,709.38	398,709.38	697,418.75
11/01/2014			294,896.88	294,896.88	
05/01/2015	105,000	7.625%	294,896.88	399,896.88	694,793.75
11/01/2015			290,893.75	290,893.75	
05/01/2016	115,000	7.625%	290,893.75	405,893.75	696,787.50
11/01/2016			286,509.38	286,509.38	
05/01/2017	125,000	7.625%	286,509.38	411,509.38	698,018.75
11/01/2017			281,743.75	281,743.75	
05/01/2018	135,000	7.625%	281,743.75	416,743.75	698,487.50
11/01/2018			276,596.88	276,596.88	
05/01/2019	145,000	7.625%	276,596.88	421,596.88	698,193.75
11/01/2019			271,068.75	271,068.75	
05/01/2020	155,000	7.625%	271,068.75	426,068.75	697,137.50
11/01/2020			265,159.38	265,159.38	
05/01/2021	170,000	7.625%	265,159.38	435,159.38	700,318.75
11/01/2021			258,678.13	258,678.13	
05/01/2022	185,000	7.625%	258,678.13	443,678.13	702,356.25
11/01/2022			251,625.00	251,625.00	
05/01/2023	195,000	7.625%	251,625.00	446,625.00	698,250.00
11/01/2023			244,190.63	244,190.63	
05/01/2024	215,000	7.625%	244,190.63	459,190.63	703,381.25
11/01/2024			235,993.75	235,993.75	
05/01/2025	230,000	7.625%	235,993.75	465,993.75	701,987.50
11/01/2025			227,225.00	227,225.00	
05/01/2026	250,000	7.625%	227,225.00	477,225.00	704,450.00
11/01/2026			217,693.75	217,693.75	
05/01/2027	265,000	7.625%	217,693.75	482,693.75	700,387.50
11/01/2027			207,590.63	207,590.63	
05/01/2028	290,000	7.625%	207,590.63	497,590.63	705,181.25
11/01/2028			196,534.38	196,534.38	
05/01/2029	310,000	7.625%	196,534.38	506,534.38	703,068.75
11/01/2029			184,715.63	184,715.63	
05/01/2030	335,000	7.625%	184,715.63	519,715.63	704,431.25
11/01/2030			171,943.75	171,943.75	
05/01/2031	365,000	7.625%	171,943.75	536,943.75	708,887.50
11/01/2031			158,028.13	158,028.13	
05/01/2032	390,000	7.625%	158,028.13	548,028.13	706,056.25
11/01/2032			143,159.38	143,159.38	
05/01/2033	420,000	7.625%	143,159.38	563,159.38	706,318.75
11/01/2033			127,146.88	127,146.88	
05/01/2034	455,000	7.625%	127,146.88	582,146.88	709,293.75
11/01/2034			109,800.00	109,800.00	
05/01/2035	490,000	7.625%	109,800.00	599,800.00	709,600.00

BOND DEBT SERVICE

S8,165,000  
 Deer Run Community Development District  
 (City of Bunnell, Florida)  
 Special Assessment Bonds, Series 2008

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/01/2035			91,118.75	91,118.75	
05/01/2036	530,000	7.625%	91,118.75	621,118.75	712,237.50
11/01/2036			70,912.50	70,912.50	
05/01/2037	575,000	7.625%	70,912.50	645,912.50	716,825.00
11/01/2037			48,990.63	48,990.63	
05/01/2038	620,000	7.625%	48,990.63	668,990.63	717,981.25
11/01/2038			25,353.13	25,353.13	
05/01/2039	665,000	7.625%	25,353.13	690,353.13	715,706.25
	8,165,000		13,549,625.00	21,714,625.00	21,714,625.00

\$8,165,000  
Deer Run Community Development District  
(City of Bunnell, Florida)  
Special Assessment Bonds, Series 2008  
Project Acquisition and Construction Account

ARBITRAGE REBATE CALCULATION  
DETAIL REPORT

DATE	DESCRIPTION	RECEIPTS (PAYMENTS)	FUTURE VALUE @ BOND YIELD OF (7.625000%)
05/01/08	Beg Bal	-6,291,597.45	-13,613,039.12
05/28/08		47,658.99	102,541.95
05/29/08		3,622,111.88	7,791,629.66
06/26/08		-29,876.33	-63,908.15
06/26/08		2,664,009.98	5,698,556.28
07/01/08		-52.27	-111.69
07/02/08		4,296.95	9,180.10
11/06/09		-6.02	-11.63
12/02/09		-5.72	-10.99
01/05/10		-5.91	-11.28
02/02/10		-5.91	-11.22
03/02/10		-5.33	-10.05
04/05/10		-5.91	-11.07
05/04/10		-5.72	-10.65
06/02/10		-5.91	-10.94
07/02/10		-5.72	-10.52
08/03/10		-6.42	-11.73
09/02/10		-5.91	-10.74
10/04/10		-5.72	-10.32
11/02/10		-5.91	-10.60
12/02/10		-3.18	-5.67
01/04/11		-3.29	-5.83
02/02/11		-3.29	-5.79
03/02/11		-2.97	-5.20
04/04/11		-3.29	-5.72
05/03/11		-3.17	-5.48
06/02/11		-2.64	-4.53
07/05/11		-0.79	-1.35
08/02/11		-0.81	-1.37
09/02/11		-0.80	-1.35
10/04/11		-0.77	-1.29
11/02/11		-0.77	-1.28
12/02/11		-0.74	-1.22
01/04/12		-0.71	-1.17
02/02/12		-0.64	-1.05
03/02/12		-0.59	-0.96
04/03/12		-0.63	-1.02
05/02/12		-0.59	-0.95
06/04/12		-0.60	-0.96
08/24/18	Bal	107.75	107.75
08/24/18	Acc	0.11	0.11
-----			
08/24/18	TOTALS:	16,553.23	-75,237.03
-----			

ISSUE DATE:	05/01/08	REBATABLE ARBITRAGE:	-75,237.03
COMP DATE:	08/24/18	NET INCOME:	16,553.23
BOND YIELD:	7.625000%	TAX INV YIELD:	2.419846%

\$8,165,000  
Deer Run Community Development District  
(City of Bunnell, Florida)  
Special Assessment Bonds, Series 2008  
Capitalized Interest

ARBITRAGE REBATE CALCULATION  
DETAIL REPORT

DATE	DESCRIPTION	RECEIPTS (PAYMENTS)	FUTURE VALUE @ BOND YIELD OF (7.625000%)
05/01/08	Beg Bal	-904,624.42	-1,957,322.88
06/04/08		-1,440.76	-3,096.04
07/02/08		-1,300.72	-2,778.89
08/04/08		-1,365.84	-2,898.67
09/03/08		-1,381.49	-2,914.26
10/02/08		-1,381.37	-2,896.49
10/31/08		311,290.63	648,934.46
11/04/08		-1,520.18	-3,166.42
12/02/08		-1,240.91	-2,569.72
01/05/09		-973.70	-2,002.59
02/03/09		-731.88	-1,496.51
03/03/09		-426.56	-866.78
04/02/09		-359.48	-726.09
05/01/09		311,226.27	624,843.29
05/04/09		-278.09	-557.97
06/02/09		-234.15	-467.08
07/02/09		-169.65	-336.31
08/04/09		-111.15	-218.88
09/02/09		-44.71	-87.53
10/02/09		-17.10	-33.27
11/02/09		309,885.38	599,178.23
05/03/10		0.08	0.15
-----			
08/24/18	TOTALS:	14,800.20	-111,480.24
-----			

ISSUE DATE:	05/01/08	REBATABLE ARBITRAGE:	-111,480.24
COMP DATE:	08/24/18	NET INCOME:	14,800.20
BOND YIELD:	7.625000%	TAX INV YIELD:	1.619160%

\$8,165,000  
Deer Run Community Development District  
(City of Bunnell, Florida)  
Special Assessment Bonds, Series 2008  
Costs of Issuance

ARBITRAGE REBATE CALCULATION  
DETAIL REPORT

DATE	DESCRIPTION	RECEIPTS (PAYMENTS)	FUTURE VALUE @ BOND YIELD OF (7.625000%)
05/01/08	Beg Bal	-151,000.00	-326,716.53
05/01/08		5,000.00	10,818.43
05/01/08		5,000.00	10,818.43
05/01/08		12,500.00	27,046.07
05/01/08		15,000.00	32,455.28
05/01/08		17,304.00	37,440.42
05/08/08		53,000.00	114,508.60
05/31/08		5,077.27	10,919.59
06/04/08		4,551.73	9,781.19
06/23/08		3,804.42	8,143.07
06/26/08		29,876.33	63,908.15
07/01/08		52.27	111.69
-----			
08/24/18	TOTALS:	166.02	-765.61
-----			

ISSUE DATE:	05/01/08	REBATABLE ARBITRAGE:	-765.61
COMP DATE:	08/24/18	NET INCOME:	166.02
BOND YIELD:	7.625000%	TAX INV YIELD:	2.391596%

\$8,165,000  
Deer Run Community Development District  
(City of Bunnell, Florida)  
Special Assessment Bonds, Series 2008  
Debt Service Reserve Account

ARBITRAGE REBATE CALCULATION  
DETAIL REPORT

DATE	DESCRIPTION	RECEIPTS (PAYMENTS)	FUTURE VALUE @ BOND YIELD OF (7.625000%)
05/01/08	Beg Bal	-695,303.13	-1,504,417.41
06/04/08		1,440.76	3,096.04
07/02/08		1,300.72	2,778.89
08/04/08		1,365.84	2,898.67
09/03/08		1,381.49	2,914.26
10/02/08		1,381.37	2,896.49
11/04/08		1,520.18	3,166.42
12/02/08		1,240.91	2,569.72
01/05/09		973.70	2,002.59
02/03/09		731.88	1,496.51
03/03/09		426.56	866.78
04/02/09		359.48	726.09
05/04/09		278.09	557.97
06/02/09		234.15	467.08
06/02/09		44.71	89.19
07/02/09		169.95	336.91
08/04/09		111.15	218.88
09/02/09		44.71	87.53
10/01/09		17.10	33.28
11/04/09		6.02	11.64
12/02/09		5.72	10.99
01/05/10		5.91	11.28
02/02/10		5.91	11.22
03/02/10		5.33	10.05
04/05/10		5.91	11.07
05/04/10		5.72	10.65
06/02/10		5.91	10.94
07/02/10		5.72	10.52
08/03/10		6.42	11.73
09/02/10		5.91	10.74
10/04/10		5.72	10.32
11/01/10		308,429.35	553,479.60
11/02/10		5.91	10.60
12/02/10		3.18	5.67
01/04/11		3.29	5.83
02/02/11		3.29	5.79
03/02/11		2.97	5.20
04/04/11		3.29	5.72
04/08/11		1,871.62	3,250.80
05/03/11		3.17	5.48
05/24/11		288,691.04	496,653.19
06/02/11		2.64	4.53
06/13/11		178.50	305.87
07/05/11		0.79	1.35
07/08/11		634.00	1,080.78
08/02/11		0.81	1.37
08/11/11		312.00	528.23
08/22/11		2,000.00	3,378.36

\$8,165,000  
Deer Run Community Development District  
(City of Bunnell, Florida)  
Special Assessment Bonds, Series 2008  
Debt Service Reserve Account

ARBITRAGE REBATE CALCULATION  
DETAIL REPORT

DATE	DESCRIPTION	RECEIPTS (PAYMENTS)	FUTURE VALUE @ BOND YIELD OF (7.625000%)
09/02/11		0.80	1.35
09/26/11		720.00	1,207.64
10/04/11		0.77	1.29
10/13/11		2,000.00	3,342.73
10/17/11		273.00	455.90
11/02/11		0.77	1.28
12/02/11		0.74	1.22
12/07/11		4,000.00	6,610.84
12/07/11		4,000.00	6,610.84
12/30/11		1,890.00	3,108.72
12/30/11		1,260.00	2,072.48
01/04/12		0.71	1.17
01/04/12		3,552.50	5,838.39
01/27/12		858.00	1,403.36
02/02/12		0.64	1.05
03/02/12		0.59	0.96
03/06/12		145.50	236.06
04/03/12		0.63	1.02
04/12/12		117.00	188.41
04/13/12		3,485.00	5,610.80
05/02/12		0.59	0.95
05/24/12		2,869.50	4,580.65
06/04/12		0.60	0.96
06/20/12		897.00	1,424.18
06/22/12		3,500.00	5,554.70
06/22/12		3,500.00	5,554.70
06/25/12		472.50	749.42
08/01/12		117.00	184.19
09/10/12		390.00	609.00
10/02/12		507.10	788.24
10/02/12		5,500.00	8,549.25
10/31/12		741.00	1,145.13
10/31/12		3,500.00	5,408.86
11/19/12		8,735.00	13,445.76
11/26/12		3,500.00	5,379.71
11/30/12		-474,761.26	-729,129.37
12/03/12		474,761.26	728,674.82
12/18/12		1,353.70	2,071.22
02/05/13		3,869.20	5,862.50
02/28/13		6,911.40	10,422.00
10/31/13		3,500.00	5,018.87

\$8,165,000  
Deer Run Community Development District  
(City of Bunnell, Florida)  
Special Assessment Bonds, Series 2008  
Debt Service Reserve Account

ARBITRAGE REBATE CALCULATION  
DETAIL REPORT

DATE	DESCRIPTION	RECEIPTS (PAYMENTS)	FUTURE VALUE @ BOND YIELD OF (7.625000%)
08/24/18	Bal	21,310.67	21,310.67
08/24/18	Acc	21.62	21.62
08/24/18	TOTALS:	13,439.20	-284,031.05

ISSUE DATE: 05/01/08 REBATABLE ARBITRAGE: -284,031.05  
COMP DATE: 08/24/18 NET INCOME: 13,439.20  
BOND YIELD: 7.625000% TAX INV YIELD: 0.615964%

\$8,165,000  
Deer Run Community Development District  
(City of Bunnell, Florida)  
Special Assessment Bonds, Series 2008  
Rebate Computation Credits

ARBITRAGE REBATE CALCULATION  
DETAIL REPORT

DATE	DESCRIPTION	RECEIPTS (PAYMENTS)	FUTURE VALUE @ BOND YIELD OF (7.625000%)
04/30/09		-1,490.00	-2,992.07
04/30/10		-1,500.00	-2,794.97
04/30/11		-1,520.00	-2,628.03
04/30/12		-1,550.00	-2,486.67
04/30/13		-1,590.00	-2,366.93
04/30/14		-1,620.00	-2,237.71
04/30/15		-1,650.00	-2,114.82
04/30/16		-1,650.00	-1,962.34
04/30/17		-1,670.00	-1,842.92
04/30/18		-1,700.00	-1,740.77
08/24/18		-1,700.00	-1,700.00
08/24/18		-1,700.00	-1,700.00
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08/24/18	TOTALS:	-19,340.00	-26,567.23
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ISSUE DATE: 05/01/08      REBATABLE ARBITRAGE: -26,567.23  
COMP DATE: 08/24/18  
BOND YIELD: 7.625000%

\$8,165,000  
 Deer Run Community Development District  
 (City of Bunnell, Florida)  
 Special Assessment Bonds, Series 2008  
 Project Acquisition and Construction Account

YIELD RESTRICTION CALCULATION  
 DETAIL REPORT

DATE	DESCRIPTION	RECEIPTS (PAYMENTS)	FUTURE VALUE @ BOND YIELD OF (7.750000%)
05/01/11	Beg Bal	-92.13	-160.66
05/03/11		-3.17	-5.53
06/02/11		-2.64	-4.57
07/05/11		-0.79	-1.36
08/02/11		-0.81	-1.39
09/02/11		-0.80	-1.36
10/04/11		-0.77	-1.30
11/02/11		-0.77	-1.29
12/02/11		-0.74	-1.23
01/04/12		-0.71	-1.18
02/02/12		-0.64	-1.05
03/02/12		-0.59	-0.97
04/03/12		-0.63	-1.02
05/02/12		-0.59	-0.95
06/04/12		-0.60	-0.96
08/24/18	Bal	107.75	107.75
08/24/18	Acc	0.11	0.11
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08/24/18	TOTALS:	1.48	-76.97
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ISSUE DATE:	05/01/08	YIELD REDUCTION AMT:	-76.97
COMP DATE:	08/24/18	NET INCOME:	1.48
BOND YIELD:	7.750000%	TAX INV YIELD:	0.190290%

# SECTION 4

**NOTICE OF MEETINGS  
DEER RUN  
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the *Deer Run Community Development District* will hold their regularly scheduled public meetings for **Fiscal Year 2020** at **3:00 pm at the Island Club, 501 Grand Reserve Drive, Bunnell, Florida 32110** on the fourth Wednesday of the following months:

**Exception: November 27, 2019 - 6:00 PM - Day Before Thanksgiving, Consider Rescheduling**

**January 22, 2020**

**March 25, 2020**

**Exception: May 27, 2020 - 6:00 PM**

**July 22, 2020**

**Exception: August 26, 2020 - 6:00 PM**

The meetings are open to the public and will be conducted in accordance with the provisions of Florida Law for Community Development Districts. A copy of the agenda for a particular meeting may be obtained from the District Manager at 135 W. Central Blvd., Suite 320, Orlando, FL 32801.

The meetings may be continued to a date, time, and place as evidenced by motion of the majority of Board Members participating at the meeting. There may be occasions when one or more Supervisors, staff or other individuals will participate by speaker telephone.

Any person requiring special accommodations at the meetings because of a disability or physical impairment should contact the District Office at (407) 841-5524 at least forty-eight (48) hours prior to the meeting. If you are hearing or speech impaired, please contact the Florida Relay Service 1-800-955-8770, for aid in contacting the District Office.

Each person who decides to appeal any action taken at these meetings is advised that person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

Ernesto Torres  
Governmental Management Services  
District Manager