

*Deer Run Community  
Development District*

*Agenda*

*July 28, 2021*

# AGENDA

# *Deer Run*

## *Community Development District*

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219 East Livingston Street, Orlando, Florida 32801

Phone: 407-841-5524 – Fax: 407-839-1526

July 21, 2021

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

Dear Board Members:

The Board of Supervisors of Deer Run Community Development District will meet **Wednesday, July 28, 2021 at 3:00 PM at the Island Club, 501 Grand Reserve Drive, Bunnell, Florida 32110. PLEASE NOTE TIME OF THE MEETING.** Following is the advance agenda for the meeting:

- I. Roll Call
- II. Audience Comments
- III. Approval of Minutes of the May 26, 2021 Meeting
- IV. Consideration of Revised Amenity Policies
- V. Discussion of Fiscal Year 2022 Proposed Budget
- VI. Review and Acceptance of Fiscal Year 2020 Audit Report
- VII. Discussion of Authorizing Residents to Plant Trees Along Pond Banks
- VIII. Ratification of Data Sharing and Usage Agreement with the Flagler County Property Appraiser
- IX. Staff Reports
  - A. Attorney
  - B. Engineer
    1. Update on SJRWMD Correspondence
  - C. District Manager's Report
    1. Approval of Check Register
    2. Balance Sheet and Income Statement
    3. Amenity Manager's Report
    4. Field Manager's Report
- X. Audience Comments
- XI. Supervisors Requests
- XII. Adjournment

The second order of business is the Audience Comments 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 26, 2021 Board of Supervisors meeting. The minutes are enclosed for your review.

The fourth order of business is consideration of revised amenity policies. A copy of the policies are enclosed for your review.

The fifth order of business is discussion of Fiscal Year 2022 proposed budget. A copy of the budget is enclosed for your review.

The sixth order of business is review and acceptance of Fiscal Year 2020 audit report. A copy of the report is enclosed for your review.

The seventh order of business is discussion of authorizing residents to plant trees along pond banks. There is no back-up.

The eighth order of business is ratification of data sharing and usage agreement with the Flagler County Property Appraiser. A copy of the agreement is enclosed for your review.

Section B of the ninth order of business is the Engineer's report. Section 1 is update on SJWMD correspondence. Section C is the District Manager's 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 Amenity Manager's Report. A copy of the report is enclosed for your review. Section 4 is the Field Manager's Report that will update you on the status of any field or maintenance issues around the community.

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

# MINUTES

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 Wednesday, May 26, 2021 at 6:00 p.m. in the Island Club, 501 Grand Reserve Drive, Bunnell, Florida.

Present and constituting a quorum were:

Robert Porter	Chairman
Mark Dearing	Vice Chairman
Gail Lambert	Assistant Secretary <i>via Zoom</i>
Bob Barnes	Assistant Secretary

Also present were:

Ernesto Torres	District Manager
Katie Buchanan	District Counsel
Michelle Rigoni	Hoping Green & Sams <i>via Zoom</i>
Peter Amans	District Engineer <i>by telephone</i>
Heather Chambliss	Amenity Manager
William Viasalyers	Field Manager

**FIRST ORDER OF BUSINESS**

**Roll Call**

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

**SECOND ORDER OF BUSINESS**

**Audience Comments**

There being none, the next item followed.

**THIRD ORDER OF BUSINESS**

**Approval of the Minutes of the March 24,  
2021 Meeting**

On MOTION by Mr. Dearing seconded by Mr. Barnes with all in favor the minutes of the March 24, 2021 meeting were approved as presented.
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**FOURTH ORDER OF BUSINESS****Consideration Items****A. Proposal from Riverside Management Services, Inc. for Amenity Management, Pool Maintenance and Janitorial Services**

Mr. Torres stated before you move on that proposal it would be wise to look at the proposals for janitorial and pool maintenance. There is not that huge of a savings, but at the last meeting the Board asked me to get additional proposals and they are in the agenda package.

Mr. Porter stated I like the idea of saving money if we can and in our typical contract we have the right to fire them with a 30-day notice if we are not happy.

On MOTION by Mr. Dearing seconded by Mr. Barnes with all in favor the Riverside Management Services, Inc. agreement for amenities and recreation director at \$63,000 and assistant manager services at \$15,750 was approved, the proposal with Aquatic Xpress Pool Services for pool maintenance was approved, and the proposal with Inca Cleaning & Management for janitorial services was approved.

**B. Proposals for Pool Maintenance**

- i. Aquatic Xpress Pool Services - \$10,200
- ii. Poolsure - \$10,500

Mr. Torres stated RMS is \$15,750.

**C. Proposals for Janitorial Services**

- i. J&G Commercial Cleaning Services, LLC \$31,200
- ii. Vanguard Cleaning Systems \$18,300
- iii. Inca Cleaning & Management - \$14,029

Mr. Torres stated RMS is offering janitorial services at \$18,720. The scope is the same at three days per week.

**D. Proposal for AC Maintenance**

- i. ATEC Air & Hearing, Inc.
- ii. All Volusia & Flagler Hearing & Air, LLC

This item was taken later in the meeting.

**E. Resolution 2021-05 Approving the Proposed Budget for Fiscal Year 2022 and Setting a Public Hearing**

Mr. Porter stated tonight we will approve this budget or some variation of this budget that will be advertised for a public hearing and at the public hearing we will adopt whatever level you feel that everyone wants. This is to get the process started and after the public hearing we will adopt the final budget, which can be any number that does not exceed what is in here. We have set up reserves and most of the expenses are based on contracts that we have; contracts for managing stormwater, managing the amenity center, the contracts we just voted on and that kind of thing. We reflect what we are actually spending on utilities and so forth.

Ms. Buchanan stated the CDD does have a website, [deerruncdd.com](http://deerruncdd.com) and the agenda package and the documents you are reviewing are available on the website.

Mr. Porter stated if you have questions, you can contact Ernesto. We have a posted meeting schedule but if we don't have anything on the agenda, we will cancel that meeting.

Mr. Torres stated there were some changes to the budget, one was adding Poolsure contract at \$9,240 and the other consideration is on section 5 and that is the Lakeside swale. We received some discussion at the last meeting about what we could do. Dredging is an option but is \$30,000 and I did not include that on this budget, but if the Board chooses to consider that then we need to add that to the budget before we approve this level. At the next meeting we will not be able to increase it.

Mr. Porter stated I would not be willing to spend \$30,000 to dredge that.

Mr. Torres stated we will approve the budget with one change and that is adding the \$740 increase and it will be \$651,000.

Mr. Porter stated District costs for operation and maintenance will go up as the community builds out because the District will have more common areas they have to mow, we will have more residents, we will need to up the amount of chemicals that go in the pool and that kind of thing. It will go up as time goes on. Currently Horton pays the same amount of O&M on all future lots that you pay for being here. Essentially, Horton is paying more than half of the operation and maintenance at this point. You are not paying for the new people coming in, we have been paying for the people moving in.

<p>On MOTION by Mr. Barnes seconded by Mr. Dearing with all in favor Resolution 2021-05 approving the proposed Fiscal Year 2022 budget as amended and setting a public hearing at 6:00 p.m. on August 25, 2021 at this location, was approved.</p>
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**FIFTH ORDER OF BUSINESS****Discussion of Lakeside Conveyance Swale**

Mr. Barnes stated the swale on Lakeside has been a concern of mine and we may have come up with a solution for the odor issue and William can speak to that.

Mr. Viasalyers stated since the last meeting Mr. Teagle provided us with information that he was not versed in but learned about regarding odor control of lakes and small bodies of water. We contacted the lake vendor and they have never used the product, but they are willing to give it a shot to see if it helps with the odor and we are going to pursue that option and see if we can eliminate the odor.

Mr. Barnes stated we are working to address the issue there and I have had discussions with a number of the residents and if we can control the odor, we can look at the next steps down the road.

**SIXTH ORDER OF BUSINESS****Discussion of Freedom Section Accessibility**

Mr. Porter stated there are two sections, the Freedom section and a section in the back that are both gated that have private streets that have a homeowners' association and the homeowners' association is responsible for maintaining the streets, landscaping and so forth behind the gate. They are private communities. Someone has asked whether or not the CDD bond money was spent and that kind of thing and when Horton bought the community we bought it from the bondholder and at that point there were six houses in here. What had been done with the initial bond was the road that goes from S.R. 100 all the way to U.S. 1, some offsite and onsite water, sewer, reuse and so forth, but none of the more recent roads and none of the stuff in the Freedom section or behind the other gate. When Horton got involved we refinanced the bond and generated \$3 million in additional money and that \$3 million got spent on this amenity center and Horton contributed something like \$500,000 to \$600,000 in addition to that to finish it and get it put together. None of the District's money was spent to develop either of the gated sections. They are private and if the HOA says people who aren't there aren't allowed then people who don't live there aren't allowed. They pay the same assessment everybody else does for the CDD. In addition to that they pay another assessment just to their HOA to take care of the private streets and the gates.

**SEVENTH ORDER OF BUSINESS****Discussion of City of Bunnell Resolution  
2012-01 Adopting Golf Cart District**

Mr. Barnes stated someone had asked about the possibility of making this a golf cart community. I contacted the city manager, asked what it would take to make it a golf cart community and he called back and said in 2012 the city passed Resolution 2012-01 effectively making the entire Grand Reserve Community a golf cart community. The only thing we are missing at this point is the signs at the entrances to let people know that it is approved for golf cart use. If you look at state law 316.212 it talks to the requirements for a golf cart, it is very basic, it is not a street legal golf cart, essentially any golf cart it just needs lights on the front and back. If they are used at night you need to have a full street legal golf cart but the approval that was done for our community was only for daytime use, but the police are aware of it and golf carts are acceptable on our roads.

Mr. Porter stated acceptable on the roads; you can't drive them on the sidewalks. That's great, signs are cheap, let's buy whatever we need.

**EIGHTH ORDER OF BUSINESS****Staff Reports****A. Attorney**

There being none, the next item followed.

**B. Engineer****1. Update on SJRWMD Correspondence**

Mr. Amans stated the report is about our interaction with the St. Johns River Water Management District in regard to the compliance letter they sent to us early this year. We got a letter in January as a second notice and when we dug into it we found they had sent a first notice in May 2020 that we never received. We coordinated with them, the CDD authorized us last time to start researching the history behind it. There was a lot of research done since the beginning of the construction of the golf course and prior to that and we put together a memo summarizing our findings. I had just sent it to Ernesto electronically right before this meeting and you may not have had a chance to see it yet. We looked at compliance issues that began in 2008, there were some interactions with the St. Johns River Water Management District about these compliance issues. Some of the things came up later in 2009, 2012 and in 2015 there was a map developed by a consultant saying here are all the areas that need to be maintained, the District signed off on it and have made progress reports since then. The last progress report was submitted in 2020 and

all these reports, no problems ever came up as these are areas that you are not maintaining or you are over mowing or these are areas that you need to vegetate and all of a sudden in 2020 a couple months after that progress report was submitted, we received the initial letter saying there are a lot of these areas not addressed. What we believe is happening is there are two different departments, one that reviews the progress reports being submitted and these progress reports are being submitted by Terracon. They are submitting these reports on the areas that have compliance issues. There were 18 areas that the District sent to us saying there are issues and basically these should be conservation easements and they are cleared or being mowed. We believe the majority of those areas are addressed and should have a separate finding here. There may be a couple areas that the golf course needs to adjust the mowing program on, maybe scale back and they may work from the survey and reclass some of these conservation easements plats.

Mr. Porter stated basically, we have a problem you are trying to address it. What I'm going to suggest is that we authorize you to continue, if there is specific action we need to take such as meet with the golf course or whatever, I'm going to ask the Board to authorize me to work with you if it is something that has to be done between meetings so we can get it done. I have been in the development business for 30 years so I have a good idea of how these things work. Send me a report of what is going on and I will get back with you and we will figure it out.

On MOTION by Mr. Barnes seconded by Mr. Dearing with all in favor the Chairman was authorized to act on behalf of the District in relation to issues with the St. Johns Water Management District.
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**C. Manager**

**I. Approval of Check Register**

On MOTION by Mr. Barnes seconded by Mr. Dearing with all in favor the check register was approved.
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**2. Balance Sheet and Income Statement**

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

### **3. Presentation of Number of Registered Voters - 451**

Mr. Porter stated there are 451 registered voters residing in the District. The way this is set up is there is a landowner election that elects all five of the Board members and over time when we get to 250 registered voters and the District is six years old, then two seats go to general election and that happened at our last election cycle and that is when Bob Barnes and Gail Lambert were elected. November a year from now there will be two more seats that will be on the general election and only one person left from the landowner. The year after that it is all residents.

### **4. Amenity Manager's Report**

Ms. Chambliss stated at the last meeting I discussed that our a/c units have never been serviced and they are three years old and I would like to see if we can implement an a/c preventive maintenance service. I had two quotes but one of them has changed. It was \$1,200 but it has changed to \$750 per year and they would come out and clean the coils and we have four units and it would also give us 20% off of labor and services if we need it, 20% off service calls, and 10% off system installation if we need it. It also gives us 24/7 emergency service. Our other bidder was \$419.80 for the year and the only discount they give us is on parts if needed. I went over the reviews for that company and they were not very kind. I feel the other company would be more reliable for us.

Mr. Porter stated I'm comfortable hiring the one you recommend.

Ms. Chambliss stated on the Poolsure proposal the last time they quoted me it was \$875 a month and I talked to them and he said he could change it to \$775 per month.

Mr. Porter stated if you can get them to do it for less, that is a wonderful thing. Ms. Chambliss stated the Chief of Police spoke with me about worst case scenario if we get hit by a hurricane maybe using our facilities to house their officers during a hurricane because unfortunately, the police station is under construction and it may not be up to code when a hurricane hits. I told him I would have to ask you because I didn't know if there would be any issues.

Mr. Porter stated I'm all in favor of that. Tell him they are welcome to use it if we have a hurricane. We will be happy to have them here.

## **5. Field Manager's Report**

Mr. Viasalyers stated I continue to meet with the vendors bi-weekly, the most recent item we addressed are some areas behind 104 Grand Reserve leading up behind 116 Grand Reserve, the lake levels are very low and the roots left behind were exposed and the landscaper cleaned that out.

### **NINTH ORDER OF BUSINESS**

#### **Audience Comments**

Mr. Porter stated I did hear you and I made a note to talk to the HOA about putting some signs up in front of the gates that explain that those are private communities.

A resident asked why can't you work with the golf course to clean out the Lakeside swale, why pay \$30,000?

Mr. Viasalyers stated it is owned by the CDD and doesn't involve the golf course.

Mr. Porter stated we are going to try this chemical treatment that hopefully helps with the smell. We are not giving up on it, but we have to find something that is more affordable.

A resident stated the pond behind us is beginning to get algae on it and soon it will look like the one on Lakeside.

Mr. Barnes stated there is a significant difference; that was never an open water area and to spend \$30,000 to make it something that it has never been doesn't make any sense, from the standpoint of the people in the community spending your money appropriately. What we want to do is try to restore that area to get rid of the odor and make that area acceptable so it is something that doesn't affect the homeowners so they can sit on their patio. As to the other ponds every time the water level gets low you get algae and as soon as we get the water flow back with the afternoon storms, that water improves and Applied Aquatic sprays it on a regular basis.

Mr. Viasalyers stated as to Lakeside our efforts have already drastically improved that area. We reduced the height restrictions that were previously there with the 6-foot vegetation overgrown restricted any access to the natural conservation area so we had our aquatics vendor spray that area and knocked all that down which has created a stagnant odor and we are going to work on that. We have made a lot of effort already with an economical approach.

Mr. Porter stated when we hit hot weather especially when we are not getting much rain we get algae bloom start to grow. We have an aquatic company that treats it, but they are strictly regulated by the State of Florida in terms of what they are allowed to put in, the amount and how

often they can do it. All of this water ends up in the creeks and wetlands and from time to time we are going to see algae.

A resident stated at the 100 exit there is a fountain with three bubble heads that were recently repaired. The bubble heads are so low in the pool you don't see them so you can't benefit from the repair that was done and I think we should see the water bubbling on top of those heads.

Mr. Viasalyers stated when I came in this evening they were bubbling just fine. If you want to go with me we can look at them together.

A resident asked did I hear correctly that there was never water in the swale on Lakeview?

Mr. Porter responded it was never open water.

A resident asked why don't you fill it with dirt and plant grass?

Mr. Porter stated that is also not doable. In Florida there are a lot of rules about what we can and cannot do. We try to protect wetlands and water quality and that kind of thing.

A resident asked being a golf cart community and allowed to drive on the streets does that mean golf carts have insurance?

Mr. Porter stated that is a question for the city, not the CDD.

A resident stated at the end of Grand Par is a cul-de-sac and a city park. No more houses can be built in this area. Is there a plan to clean this up, it has concrete and trash there and contractors pull over and throw their debris there.

Mr. Viasalyers stated I have been in communication with Joe Walter and he said he will take care of that area.

Mr. Porter stated I have worked for Horton for the last 20 years and we will get Horton to clean that up.

A resident stated I was under the impression that if we rent this area we are not allowed to use the pool and rent this area. I understand if you have a party of 50 you would take up the whole pool but can there be a limit put on the amount of people if you rent this out?

Mr. Porter stated in general we don't let people use the pool if they are renting a room because of having wet bathing suits on the furniture and water on the carpets. We are trying to protect the property.

A resident asked what about renting the outside for a kids party?

Ms. Chambliss stated the policies say that residents can bring four guests and not have to rent, but after four guests if you are going to have a gathering you need to rent the facility and if you rent the facility you are not allowed to use the pool. I think residents should have access to the pool over a guest or visitor and when you have someone with 50 people at a party, that takes away from 50 residents because I can only have 120 on the pool deck. I haven't yet had 120 people on the pool deck, but this weekend we had 75. If we had a party of 20 people we would have been at capacity.

Mr. Porter stated we adopt rules and they are subject to change. If we have a rule that doesn't work we can change it. We try to set rules that we think will accommodate a majority of the people.

A resident asked why is alcohol allowed at the pool on weekends? Many groups brought their own music and stuff and maybe it is because Heather isn't here manning the ship.

Ms. Chambliss stated I was here this weekend. I was under the impression that people are allowed to bring alcohol to the facility, but I'm not allowed to provide it.

A resident stated there were three cases of beer cans in the trashcan from one party. Some of the people were tanked. Do we have a rule about alcohol?

Mr. Torres stated it is my understanding that it is allowed here if you bring your own, but I did not think it was allowed on the pool deck.

Mr. Porter stated in general you are not allowed to have any drink or food at the pool and that is the health department rule.

Ms. Chambliss stated I was under the impression that it was the pool wet deck. Nobody has defined what the pool wet deck is but from what I understand from the health department is that you can't have food or drinks within 6-feet of the pool edge and in the pool. That is what I have been trying to implement but if we are not allowed to have alcohol on the pool deck, I will send out a message to let everyone know they can't have it.

Mr. Porter stated I don't live here and I don't want to tell you how close to the pool you are allowed to be with a beer. I think that is subject to health department rules. As a group you should think about what you would like to do. We don't want to do anything that is illegal.

Ms. Chambliss stated I was here this weekend and there were people drinking on the side and I did get onto them because they started off in the pool and I told them they can't do that it is against the policies, you need to be at least 6-feet from the pool. I have been documenting things.

A couple weeks ago there was someone who had a glass bottle on the side of the pool and at this point I'm sending letters, I can pinpoint who they are and what household they are in and once I have three violations I'm sending it to the Board and the Board takes it up after that.

Mr. Porter stated if we have someone who will not follow the rules we have the right to suspend their privileges. Hopefully, it won't get to that stage.

Mr. Barnes stated it has been done already.

Mr. Porter stated I don't want it to happen all the time because we don't need to get into a war but we do have the right to suspend privileges. There should never be glass bottles on the deck. If the rule is there is no alcohol within 6-feet of the pool, maybe we will get a couple signs to put up that says no alcohol within 6-feet of the pool, no glass bottles on the deck.

Mr. Barnes stated if anyone sees something like that, let Heather know what time you observed it. This facility is recorded 24/7 and if she has the information she can figure out who it is.

Mr. Porter stated don't get in a confrontation with anybody. It is better to take notes and tell Heather.

Mr. Torres stated we have always had the rule that alcohol is allowed in this facility for special events such as rentals or a District sponsored event to bring your own, never to be sold or shared. Alcohol is never allowed at the pool, anywhere.

Mr. Porter stated let's get some signs to make that clear.

Mr. Torres stated if the Board wants to bring that back for a policy change we can do that.

Mr. Porter stated the rules are on the website, go through them and if there is something that needs to change we can do that. We have to come up with a set of rules that fits most folks, we are not going to make everybody happy. We will have the public hearing and we need to hear from everybody what you think we should do.

Mr. Barnes stated Heather and I have been working on the rules and the changes to the rules to provide better clarity to address some of the situations that were in the rules when originally published before we had any experience with the facility.

Mr. Torres stated we have a meeting on July 28<sup>th</sup> and I recommend Bob and Heather bring their proposed changes to that meeting and if it requires a public hearing we can set it for the same date of the public hearing for the budget.



A resident asked is there any consideration to have doggie stations set up with doggie bags?

Mr. Porter stated that is something the District can do. We don't have it in our budget because we have to pay for the installation then the maintenance.

A resident asked what about a dog park?

Mr. Porter stated that is something we may want to consider for the next budget year and we can start talking about things we would like to see. We just approved the budget to set the public hearing and we don't have any capital improvements in it.

Mr. Barnes stated we had a lot of discussion about parking and created a towing plan and state law requires signs every 25-feet and we didn't want to have signs everywhere. One of the things we talked about is no parking signs such as we have at the entrance to Grand Reserve that are nice, don't look bad and we could put those in specific areas where people are parking who shouldn't be parking. It worked very well.

A resident stated there was some talk about trees and shrubs being allowed behind people's houses and the ponds. Has anything been done about that?

Mr. Torres stated that is difficult to regulate and the standard is the engineer would not be in favor because it would alter drainage and access to the easement would become difficult. It was staff's recommendation that it is not a good idea.

A resident stated that should be passed on to the residents.

Mr. Barnes stated that was discussed at the last meeting and my phone number is on the website and you can call or stop by if you have questions.

A resident asked how do I find out about the items you approved earlier in the meeting?

Mr. Torres stated the agenda is posted before the meeting and the minutes of this meeting will be approved at the next meeting. The pool service contract changed from RMS to Aquatic the janitorial services changed from RMS to Inca Cleaning and they approved the air conditioning maintenance program and Poolsure.

A resident asked are we allowed to park on the swale?

Mr. Barnes responded parking on CDD property is not allowed.

Mr. Porter stated if you have questions you can get in touch with staff through the website you don't have to wait for a meeting.

**TENTH ORDER OF BUSINESS**

**Supervisor's Requests**

There being none,

On MOTION by Mr. Dearing seconded by Mr. Barnes with all in favor the meeting adjourned at 7:18 p.m.
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\_\_\_\_\_  
Secretary/Assistant Secretary

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Chairman/Vice Chairman

## SECTION IV

# **DEER RUN COMMUNITY DEVELOPMENT DISTRICT**

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## **AMENITIES RULES & POLICIES**

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Ernesto Torres, District Manager  
c/o Governmental Management Services, LLC  
475 West Town Place, Suite 114  
World Golf Village  
St. Augustine, Florida 32092  
P: (904) 940-5850 ext. 403  
F: (904) 940-5899  
E-mail: [etorres@gmsnf.com](mailto:etorres@gmsnf.com)

## **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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### **USER FEE STRUCTURE**

**The annual user fee for persons not owning property within the district is \$2,500.00**

### **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 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.

**” Service Animal”**- A service animal is any dog that is individually trained to do work or perform tasks for the benefit of an individual with a disability, including a physical, sensory, psychiatric, intellectual, or other mental disability. Other species of animals, whether wild or domestic, trained, or untrained, are not considered service animals.

**“Wet Deck”**- 6-feet wide unobstructed pool deck area around the outside of the pool water perimeter, curb, ladders, handrails, diving boards, diving towers, or pool slides, waterfalls, water features, starting blocks, planters, or lifeguard chairs.

**“Minor”**- the state or period of being under the age of full legal responsibility (under the age of 18 by the State of Florida).

## **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 or before 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. Unless the owner owns more than one house and resides in one of the houses.
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 deportment 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.

***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 house hold upon registration with the district. Proof of residence is required.

***Non-Transferrable.*** Access Cards are the property of the district and are nontransferable 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 will be applied according to the fee schedule listed below.

## **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 by  
Email: [deerrunmgr@rmsnf.com](mailto:deerrunmgr@rmsnf.com) or  
Phone: 386-263-7213

***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 if the money was received by the district. If an outside vendor collected the fee the outside vendor is held responsible for the fee.

***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 begin 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 386-263-7213 or [deerrunmgr@rmsnf.com](mailto:deerrunmgr@rmsnf.com), and to the office of the District Manager at GMS 904-940-5850.

***Hours of Operation.*** All hours of operation of the Amenities will be established and published by the district. The clubhouse office 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 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 patrons at the pool, fitness center, pickle ball, and all common areas of the amenity center, 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 14 of age and under or who are otherwise unable to govern and look after themselves in an appropriate manner.
4. **Attire.** Except for 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. Wet bathing suits and wet feet are not allowed indoors.
5. **Food and Drink.** Food and drink will be limited to designated areas only. Glass containers will not be permitted on any part of the pool deck or grill area at any time.
6. **Alcohol** Alcoholic beverages shall not be served or sold at the amenity center, except for 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.
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, pets are not permitted in the building or in the fenced in area of the pool deck. Where service animals are permitted on the grounds, they must be leashed. Patrons are responsible for picking up after all pets for the safety and health to others and in accordance with the law.
9. **Vehicles.** Vehicles must be parked in designated areas. Vehicles should not be parked on grass lawns, footpath, or in any way which blocks the normal flow of traffic.
10. **Over Night Parking.** No overnight parking is permitted in the parking lot or on CDD property without approval from the amenity manager.
11. **Skateboards, Etc.** Bicycles, skateboards, rollerblades, scooters, hover boards and other similar uses are limited to designated outdoor areas only.

12. **Fireworks.** Fireworks of any kind are not permitted anywhere on the Amenities or adjacent areas.
13. **Service Areas.** Only District employees and staff are allowed in the service areas of the Amenities.
14. **Courtesy.** Patrons and their Guests shall treat all staff members and other Patrons and Guests with courtesy and respect.
15. **Profanity.** Loud, profane or abusive language is prohibited.
16. **Horseplay.** Disorderly conduct and horseplay are prohibited.
17. **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 needs cleaning or maintenance.
18. **Littering.** Patrons are responsible for cleaning up after themselves and helping to keep the Amenities center clean at all times.
19. **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.
20. **Firearms and other weapons.** 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.
21. **Trespassing / Loitering.** There is no trespassing or loitering allowed at the Amenities. Any individual violating this policy may be reported to the local authorities.
22. **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.
23. **Surveillance.** Various areas of all Amenities are under twenty-four (24) hour video surveillance.
24. **Grills.** Grills located in the patio lounge are available under reservation or first come first serve basis. They must be used as instructed and properly turned off after every use.
25. **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.
26. **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.
27. **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.
28. **Activities Prohibited inside the building.** **Throwing**, kicking, or punching of any objects is prohibited in the building. No running in the building. Taking anything off property without permission is and unlawful action.
29. **Irrigation.** Playing near or tampering with irrigation equipment is prohibited.

## 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 7:00am 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, skateboards 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, sliding down bannisters and rails 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, sliding, or climbing 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.** Family 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 when lap swimmers are present.
20. **Minors.** Adult Patrons are responsible for all minor (one under the age of 18) 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 14 and under or who are otherwise unable to govern and look after themselves in an appropriate manner.

21. ***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 unless while swimming in the pool.
22. ***Pool Closure.*** The pool may close due to weather warnings, fecal accidents, chemical balancing, or general maintenance and repairs.
23. ***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.
24. ***Swim Instruction.*** Except as expressly authorized by the district, swim instruction for fees, or solicitation of swim instruction for fees, is prohibited.
25. ***Pool Furniture.*** No pool furniture permitted in the pool at any time.

## 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 Pickleball 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 pickleball 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 Pickleball Court.
7. ***Operating Hours.*** Courts are open from 7 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 skateboards, hover boards or similar items are permitted on the Pickleball Court.
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.
11. ***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 14 of age and under or who are otherwise unable to govern and look after themselves in an appropriate manner.

12.

## 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 Facility Manager 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 Facility Manager 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 trash receptacle and replace garbage liners (liners located in a draw or one of the cubbies of the kitchen area).
  - ii. Take down all decorations or event displays; and
  - iii. Otherwise clean the rented Amenities and restore them to their previous 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 10:00 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

New Year's Day

Memorial Day

Labor Day

Christmas Eve

New Year's Eve

8. **Capacity.** The clubhouse capacity limit shall not be exceeded at any time for a party or event. (Capacity limit varies based off the location of the rental. This will be disclosed when filling out your paperwork.)
9. **Noise.** The volume of live or recorded music must not violate applicable Flagler 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 Facility Manager no later than fourteen 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 is 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**  
                                  **Rental Waiver and Agreement**  
                                  **Club Waiver and Agreement**

**ATTACHMENT A**  
**Consent and Waiver Agreement**  
**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, pickle ball courts, bocce ball courts, 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, Governmental Management Services, Riverside Management Services, 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.

- (1) Each Patron household will be issued two (2) Facility Access Cards.
- (2) Patrons must have their Facility Access Cards with them to enter any Amenity Facilities.
- (3) All Patrons, their children and guests must adhere to the District’s Rules and Policies at all times.

Last Name:	Address:
E-Mail:	
E-Mail:	
First Name:	Phone Number:
First Name:	Phone Number:
First Name:	Phone Number:
First Name:	Phone Number:
First Name:	Phone Number:
Access Card Number:	Access Card 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.

**ACCEPTANCE**

I acknowledge the waiver as set forth below and I agree to its terms. I have also read and agree to abide by the Policies Regarding District Amenity Facilities and the District's Rules of Procedure. I also understand that I am financially responsible for and damages caused by my family members, my guests and me and those damages resulting from the loss or theft of my Amenity Facility Access Card.

Signature of Patron: \_\_\_\_\_

Date: \_\_\_\_\_

**WAIVER:**

I understand that the Deer Run Community Development District, and their supervisors, officers, agents, consultants and employees, assume no responsibility for injuries or illness that my minor child(ren) may sustain as a result of their physical condition or resulting from their participation in any activities, sports, use of the pool, use of exercise equipment, use of the playground or any other Amenity Facilities. I expressly acknowledge on behalf of myself and my heirs that I assume the risk of any and all injuries and illness that may result from their participation in these activities or use of the Amenity Facilities. I hereby release and discharge the Deer Run Community Development District, and their Supervisors, officers, agents, consultants and employees from any claims for injury, illness, death, loss or damage that my minor child(ren) may suffer as a result of their participation in these activities. I understand that the Deer Run Community Development District, are not responsible for personal property lost or stolen while participating in activities at the Amenity Center, pool, and recreational facilities.

Signature of Parent or Guardian: \_\_\_\_\_

Date: \_\_\_\_\_

**FOR HOMEOWNERS and RENTERS:**

The undersigned, a resident landowner within the District, agrees and acknowledges that it will not provide Facility Access Cards to any Tenant (as used herein, the term Tenant shall include all family members of the specifically named Tenant) without first providing an Amenity Facility Access Card Form ("Registration"), executed by Tenant, to an Amenity Facility Staff Member. Should the undersigned provide Facility Access Cards to Tenant without providing an Amenity Facility Staff member with a Registration signed by Tenant, the undersigned agrees to be financially responsible for any damages caused by Tenant and agrees to indemnify the District, its supervisors, agents, staff and Riverside Management Services and its successors, from any and all liability for any injuries that Tenant may sustain in conjunction with the usage of the Amenity Facilities. Nothing herein shall be considered as a waiver of the District's sovereign immunity or Limits of liability beyond any statutory limited waiver of immunity or limits of liability which may have been Adopted by the Florida Legislature in Section 768.28 Florida Statutes or other statute.

Signature of Home Owner: \_\_\_\_\_

Date: \_\_\_\_\_

**OFFICE USE ONLY**\_\_\_\_\_  
Date Received\_\_\_\_\_  
Date Entered in System\_\_\_\_\_  
Staff Member Signature**ADDITIONAL ACCESS CARD(S)**

Additional Access Card Number: \_\_\_\_\_

Additional Access Card Number: \_\_\_\_\_

Additional Access Card Number: \_\_\_\_\_

Additional Access Card Number: \_\_\_\_\_

**\*\*\*\*\*There is a \$10 Fee per extra Access Card\*\*\*\*\***

## Deer Run Community Development District

### Island Club Amenity Center Rental Applica

Name of Applicant: \_\_\_\_\_ Date: \_\_\_\_\_

Organization(if applicable): \_\_\_\_\_ Phone: \_\_\_\_\_

Address: \_\_\_\_\_ City: Bunnell State: Florida

Estimated Attendance \_\_\_\_\_ Intended Use: \_\_\_\_\_

Date Requested: \_\_\_\_\_ Start Time: \_\_\_\_\_ End Time: \_\_\_\_\_

I understand in order to receive the full refund of the clean-up deposit; the following must be done after usage:

- Removal of all decorations
- Remove all garbage and place in trash receptacle
- Wipe down tables, chairs countertops and sink
- Put all furniture back in original locations

I have read, understood and agree to abide by all the District policies and procedures regarding the use of the facility. This includes:

- **No beer, wine or alcoholic beverages will be brought in or consumed on the premises** – unless a certificate of liability insurance is presented and approved by the Board of Supervisors before the rental date.
- Guests are limited to the rented space only (use of the pool, bocce ball courts and pickle ball courts is not included in rental unless)
- No glass or breakable items are permitted in the facility
- Smoking is not permitted in the facility
- No pets allowed, except seeing eye dogs
- The volume of live or recorded music must not violate applicable to Flagler County noise ordinances

I agree to indemnify and hold harmless the **Deer Run Community Development District** and their agents, supervisors, officers, directors, employees and staff from any and all liability, claims, actions, suits or demands by any person, corporation or other entity, for injuries, death, property damage of any nature arising out of, or in connection with, the use of the Island Club Amenity Center and facilities. Nothing herein shall constitute or be construed as a waiver of the District's sovereign immunity granted pursuant to Section 768.28, Fla. Stat.

I have read, understand and agree to abide by all policies and rules of the District governing the Island Club Amenity Center and Facilities. Failure to adhere to the District's policies and rules may result in the suspension or termination of my privileges to use the facility. **I also understand that I am financially responsible for any damages caused by family members, my guests and me.** If requested, I will obtain an event insurance policy naming the Deer Run Community Development District and their agents, supervisors, officers, directors, employees and staff as additional insured.

Make Checks Payable to: **Deer Run CDD**

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Cleaning Deposit: \$ \_\_\_\_\_ Check #: \_\_\_\_\_ Rental Fee Amount:  
\$ \_\_\_\_\_ Check #: \_\_\_\_\_

Received By: \_\_\_\_\_ Date: \_\_\_\_\_

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_

**\*\*To receive a full refund of the cleaning deposit, all garbage from the party must be removed and placed in the dumpster. This is including removal of all party displays and remnants. In addition, the entire Amenity Center party area needs to be completely swept to the condition it was upon receipt of same.**

Deposit Returned On: \_\_\_\_\_ Mailed \_\_\_\_\_ Handed To: \_\_\_\_\_ Shredded \_\_\_\_\_

**Deer Run Community Development District**  
**Island Club Amenity Center Club Waiver and Agreement**

Name of Applicant: \_\_\_\_\_ Date: \_\_\_\_\_

Organization (if applicable): \_\_\_\_\_ Phone: \_\_\_\_\_

Address: \_\_\_\_\_ City: Bunnell State: Florida

Estimated Attendance: \_\_\_\_\_ Intended Use: \_\_\_\_\_

Date Requested: \_\_\_\_\_ Start Time: \_\_\_\_\_ End Time: \_\_\_\_\_

I understand to continue to be able to use the facility for our gatherings we must:

- Remove of all decorations.
- Remove all garbage and place in appropriate location (trash can located outside the grill area under the outdoor stairs by the A/C units.
- Wipe down tables, chairs, countertops, and sink.
- Put all furniture back in original locations.

I have read, understood, and agree to abide by all the district policies and procedures regarding the use of the facility. This includes:

- Guests are limited to the rented space only (use of the pool, bocce ball courts and pickle ball courts, gym is not included)
- No glass or breakable items are permitted in the facility.
- Smoking is not permitted in the facility.
- No pets allowed, except service animals.
- The volume of live or recorded music must not violate applicable to Flagler County noise ordinances.

I agree to indemnify and hold harmless the **Deer Run Community Development District** and their agents, supervisors, officers, directors, employees, and staff from any and all liability, claims, actions, suits or demands by any person, corporation or other entity, for injuries, death, property damage of any nature arising out of, or in connection with, the use of the Island Club Amenity Center and facilities. Nothing herein shall constitute or be construed as a waiver of the district's sovereign immunity granted pursuant to Section 768.28, Fla. Stat.

I have read, understand, and agree to abide by all policies and rules of the district governing the Island Club Amenity Center and Facilities. Failure to adhere to the district's policies and rules may result in the suspension or termination of my privileges to use the facility. **I also understand that I am financially responsible for any damages caused by family members, my guests and me.** If requested, I will obtain an event insurance policy naming the Deer Run Community Development District and their agents, supervisors, officers, directors, employees, and staff as additional insured.

Received By: \_\_\_\_\_ Date: \_\_\_\_\_

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_

## **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.**

---

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.)



Room / Area	Rental Fee	Deposit
St. Croix	\$100	\$100
St Thomas	\$100	\$100
St. Martin	\$75	\$100
St. Johns	NA	\$100
St. Meeting	\$75	100

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

6. **Miscellaneous Fees.**

Item	Fee
Access Cards (2 per house hold on first distribution)	Free
Replacement, Damaged, Lost, extra or Stolen Access Card	\$10.00-\$25.00
Insufficient Funds Fee (for submitting an insufficient funds check)	\$35
Non-Resident Annual Fee	\$2500.00

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***

---

**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 V

*This item will be provided under  
separate cover*

## SECTION VI

**Deer Run Community  
Development District**

**ANNUAL FINANCIAL REPORT**

**September 30, 2020**

**Deer Run Community Development District**

**ANNUAL FINANCIAL REPORT**

**September 30, 2020**

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# 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

## 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, 2020, 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 audit. We conducted our audit 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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- 1 -  
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Berger, Toombs, Elam,  
Gaines & Frank  
Certified Public Accountants PL

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, 2020, 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 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 29, 2021 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*

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

June 29, 2021

**Deer Run Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2020**

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, 2020. 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, 2020**

**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, 2020.

- ♦ The District's total assets were exceeded by total liabilities by \$(2,585,449) (net position). Unrestricted net position for Governmental Activities was \$(1,484,996). Net investment in capital assets was \$(1,277,053). Restricted net position was \$176,600.
- ♦ Governmental activities revenues totaled \$2,071,182 while governmental activities expenses totaled \$1,357,193.

**Deer Run Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2020**

**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>2020</b>	<b>2019</b>
Current assets	\$ 85,685	\$ 59,587
Restricted assets	776,443	1,680,142
Capital assets	5,504,149	5,760,339
Total Assets	<u>6,366,277</u>	<u>7,500,068</u>
Current liabilities	470,916	1,385,570
Non-current liabilities	8,480,810	9,413,936
Total Liabilities	<u>8,951,726</u>	<u>10,799,506</u>
Net Position		
Net investment in capital assets	(1,277,053)	(1,014,900)
Restricted	176,600	1,027,273
Unrestricted	(1,484,996)	(3,311,811)
Total Net Position	<u>\$ (2,585,449)</u>	<u>\$ (3,299,438)</u>

The decrease in restricted assets is related to the bond prepayments in the current year.

The decrease in current liabilities was primarily due to the decrease in the current portion of bonds payable.

The decrease in non-current liabilities was the result of principal payments made in the current year.

The decrease in restricted net position is related to the principal payments in the current year.

**Deer Run Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2020**

**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>2020</b>	<b>2019</b>
Program Revenues		
Charges for services	\$ 2,041,757	\$ 2,448,673
Contributions	16,516	26,649
General Revenues		
Investment earnings	8,304	30,765
Miscellaneous revenues	4,605	14,420
Total Revenues	<u>2,071,182</u>	<u>2,520,507</u>
Expenses		
General government	84,380	89,075
Physical environment	392,418	315,717
Culture/recreation	362,892	29,323
Interest and other charges	517,503	585,759
Total Expenses	<u>1,357,193</u>	<u>1,019,874</u>
Change in Net Position	713,989	1,500,633
Net Position - Beginning of Year	<u>(3,299,438)</u>	<u>(4,800,071)</u>
Net Position - End of Year	<u>\$ (2,585,449)</u>	<u>\$ (3,299,438)</u>

The decrease in charges for services is due to a decrease in debt service special assessments in the current year.

The increase in physical environment is mainly related to the increase in landscaping and field management expenses in the current year.

The increase in culture/recreation is related to the current year being the first full year of operations for the amenity center.

The decrease in interest and other charges is related to the principal payments made during the current year.

**Deer Run Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2020**

**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, 2020 and 2019.

<b>Description</b>	<b>Governmental Activities</b>	
	<b>2020</b>	<b>2019</b>
Construction in progress	\$ -	\$ 3,207,333
Infrastructure	3,567,906	3,567,906
Buildings and improvements	3,213,296	-
Accumulated depreciation	<u>(1,277,053)</u>	<u>(1,014,900)</u>
Total Capital Assets (Net)	<u>\$ 5,504,149</u>	<u>\$ 5,760,339</u>

The activity for the year consisted of \$262,153 in depreciation, construction in progress additions of \$5,693 and transfers to buildings and improvements of \$3,213,296.

**General Fund Budgetary Highlights**

Actual expenditures were more than budgeted amounts primarily because of more landscape maintenance and property insurance expenditures than expected.

The September 30, 2020 budget was not amended.

**Debt Management**

Governmental Activities debt includes the following:

- ◆ 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, 2020 was \$8,715,000.

**Deer Run Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2020**

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

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

Deer Run Community Development District does not expect any economic factors to have any significant effect on the financial position or results of operations of the District in fiscal year 2021.

**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, 219 East Livingston Street, Orlando, Florida 32801.



**Deer Run Community Development District**  
**STATEMENT OF NET POSITION**  
**September 30, 2020**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Current Assets	
Cash	\$ 23,617
Assessments receivable	912
Due from developer	16,516
Due from other governments	1,005
Due from others	1,036
Prepaid expenses	42,599
Total Current Assets	<u>85,685</u>
Non-current Assets	
Restricted assets	
Investments	776,443
Capital assets, being depreciated	
Buildings and improvements	3,213,296
Infrastructure	3,567,906
Less: accumulated depreciation	<u>(1,277,053)</u>
Total Non-current Assets	<u>6,280,592</u>
Total Assets	<u>6,366,277</u>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts payable and accrued expenses	72,589
Accrued interest	197,277
Unearned revenues	11,050
Bonds payable - current portion	190,000
Total Current Liabilities	<u>470,916</u>
Non-current Liabilities	
Bonds payable	<u>8,480,810</u>
Total Liabilities	<u>8,951,726</u>
<b>NET POSITION</b>	
Net investment in capital assets	(1,277,053)
Restricted-debt service	176,600
Unrestricted	<u>(1,484,996)</u>
Total Net Position	<u>\$ (2,585,449)</u>

*See accompanying notes to financial statements.*

**Deer Run Community Development District**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2020**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenues</b>		<b>Net (Expense) Revenues and Changes in Net Position</b>
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Governmental Activities</b>
Governmental Activities				
General government	\$ (84,380)	\$ 82,674	\$ 2,413	\$ 707
Physical environment	(392,418)	285,046	8,320	(99,052)
Culture/recreation	(362,892)	198,138	5,783	(158,971)
Interest and other charges	(517,503)	1,475,899	-	958,396
Total Governmental Activities	<u>\$ (1,357,193)</u>	<u>\$ 2,041,757</u>	<u>\$ 16,516</u>	<u>701,080</u>

**General revenues:**

Investment earnings	8,304
Miscellaneous revenues	4,605
Total General Revenues	<u>12,909</u>
Change in Net Position	713,989
Net Position - October 1, 2019	<u>(3,299,438)</u>
Net Position - September 30, 2020	<u>\$ (2,585,449)</u>

See accompanying notes to financial statements.

**Deer Run Community Development District**  
**BALANCE SHEET –**  
**GOVERNMENTAL FUNDS**  
**September 30, 2020**

	General	Debt Service	Capital Projects	Total Governmental Funds
<b>ASSETS</b>				
Cash	\$ 23,617	\$ -	\$ -	\$ 23,617
Assessments receivable	-	912	-	912
Due from developer	16,516	-	-	16,516
Due from other governments	1,005	-	-	1,005
Due from others	1,036	-	-	1,036
Prepaid expenses	42,599	-	-	42,599
Restricted assets				
Investments, at fair value	-	754,421	22,022	776,443
<b>Total Assets</b>	<b>\$ 84,773</b>	<b>\$ 755,333</b>	<b>\$ 22,022</b>	<b>\$ 862,128</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	\$ 72,589	\$ -	\$ -	\$ 72,589
Unearned revenues	11,050	-	-	11,050
<b>Total Liabilities</b>	<b>83,639</b>	<b>-</b>	<b>-</b>	<b>83,639</b>
<b>FUND BALANCES</b>				
Nonspendable - prepaid expenses	42,599	-	-	42,599
Restricted				
Debt service	-	755,333	-	755,333
Capital projects	-	-	22,022	22,022
Unassigned	(41,465)	-	-	(41,465)
<b>Total Fund Balances</b>	<b>1,134</b>	<b>755,333</b>	<b>22,022</b>	<b>778,489</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 84,773</b>	<b>\$ 755,333</b>	<b>\$ 22,022</b>	<b>\$ 862,128</b>

*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, 2020**

Total Governmental Fund Balances	\$ 778,489
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets being depreciated, infrastructure, \$3,567,906, and buildings and improvements, \$3,213,296, net of accumulated depreciation, \$(1,277,053), used in governmental activities are not current financial resources and therefore, are not reported at the fund level.	5,504,149
Long-term liabilities, such as bonds payable \$(8,715,000), net of bond discounts, net, \$44,190, are not due and payable in the current period and therefore, are not reported at the fund level.	(8,670,810)
Accrued interest expense for long-term debt is not a current financial use and therefore, is not reported at the fund level.	<u>(197,277)</u>
Net Position of Governmental Activities	<u>\$ (2,585,449)</u>

*See accompanying notes to financial statements.*

**Deer Run Community Development District**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended September 30, 2020**

	General	Debt Service	Capital Projects	Total Governmental Funds
<b>REVENUES</b>				
Special assessments	\$ 565,858	\$ 1,475,899	\$ -	\$ 2,041,757
Developer contributions	16,516	-	-	16,516
Investment earnings	-	8,110	194	8,304
Miscellaneous revenues	4,605	-	-	4,605
Total Revenues	<u>586,979</u>	<u>1,484,009</u>	<u>194</u>	<u>2,071,182</u>
<b>EXPENDITURES</b>				
Current				
General government	84,380	-	-	84,380
Physical environment	290,930	-	-	290,930
Culture/recreation	202,227	-	-	202,227
Capital outlay	-	-	5,963	5,963
Debt service				
Principal	-	1,825,000	-	1,825,000
Interest	-	556,890	-	556,890
Total Expenditures	<u>577,537</u>	<u>2,381,890</u>	<u>5,963</u>	<u>2,965,390</u>
Net change in fund balances	9,442	(897,881)	(5,769)	(894,208)
Fund Balances - October 1, 2019	<u>(8,308)</u>	<u>1,653,214</u>	<u>27,791</u>	<u>1,672,697</u>
Fund Balances - September 30, 2020	<u>\$ 1,134</u>	<u>\$ 755,333</u>	<u>\$ 22,022</u>	<u>\$ 778,489</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, 2020**

Net Change in Fund Balances - Total Governmental Funds	\$ (894,208)
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures, however in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation. This is the amount that capital outlay, \$5,963, was exceeded by depreciation, \$(262,153), in the current period.	(256,190)
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Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	1,825,000
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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.	(1,874)
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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.	41,261
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Change in Net Position of Governmental Activities	\$ 713,989
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*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, 2020**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues				
Special assessments	\$ 566,820	\$ 566,820	\$ 565,858	\$ (962)
Developer contributions	-	-	16,516	16,516
Miscellaneous revenues	4,800	4,800	4,605	(195)
Total Revenues	<u>571,620</u>	<u>571,620</u>	<u>586,979</u>	<u>15,359</u>
Expenditures				
Current				
General government	74,651	74,651	84,380	(9,729)
Physical environment	232,819	232,819	290,930	(58,111)
Culture/recreation	264,150	264,150	202,227	61,923
Total Expenditures	<u>571,620</u>	<u>571,620</u>	<u>577,537</u>	<u>(5,917)</u>
Net change in fund balances	-	-	9,442	9,442
Fund Balances - October 1, 2019	<u>-</u>	<u>-</u>	<u>(8,308)</u>	<u>(8,308)</u>
Fund Balances - September 30, 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,134</u>	<u>\$ 1,134</u>

*See accompanying notes to financial statements.*

**Deer Run Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2020**

**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, 2020**

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

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

**a. Government-wide Financial Statements**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Government-wide financial statements report all non-fiduciary information about the reporting government as a whole. These statements include 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, 2020**

**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, 2020**

**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, 2020**

**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, 2020**

**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 buildings and improvements 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, 2020**

**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 -40 years
Buildings and improvements	30 years

**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, \$778,489, differs from "net position" of governmental activities, \$(2,585,449), 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 as follows.

**Deer Run Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2020**

**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
Buildings and improvements	3,213,296
Accumulated depreciation	<u>(1,277,053)</u>
Total	<u>\$ 5,504,149</u>

**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, 2020 were:

Bonds payable	\$ (8,715,000)
Bond discount, net	<u>44,190</u>
Total	<u>\$ (8,670,810)</u>

**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	<u>\$ (197,277)</u>
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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, \$(894,208), differs from the "change in net position" for governmental activities, \$713,989, 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, 2020**

**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	\$ (262,153)
Capital outlay	5,963
Total	<u>\$ (256,190)</u>

**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	<u>\$ 1,825,000</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.

Change in accrued interest	<u>\$ 41,261</u>
Amortization of bond discount	<u>\$ (1,874)</u>



**Deer Run Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2020**

**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, 2020, the District's bank balance was \$79,859 and the carrying value \$23,617. 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, 2020, the District had the following investments and maturities:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
FIMM Government Portfolio	45 days*	<u>\$ 776,443</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, 2020**

**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, 2020, 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, 2020 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 2019- 2020 fiscal year were levied in October 2019. 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.

**Deer Run Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2020**

**NOTE E – CAPITAL ASSETS**

Capital Asset activity for the year ended September 30, 2020 was as follows:

	Balance October 1, 2019	Additions	Deletions	Balance September 30, 2020
<u>Governmental Activities:</u>				
<u>Capital assets, not being depreciated</u>				
Construction in progress	\$ 3,207,333	\$ 5,963	\$ 3,213,296	\$ -
<u>Capital assets, being depreciated:</u>				
Buildings and improvements	-	3,213,296	-	3,213,296
Infrastructure	3,567,906	-	-	3,567,906
Total capital assets, being depreciated	3,567,906	3,213,296	-	6,781,202
<u>Less accumulated depreciation for:</u>				
Buildings and improvements	-	(160,665)	-	(160,665)
Infrastructure	(1,014,900)	(101,488)	-	(1,116,388)
Total accumulated depreciation	(1,014,900)	(262,153)	-	(1,277,053)
Capital assets being depreciated, net	2,553,006	2,951,143	-	5,504,149
Governmental Activities Capital Assets	<u>\$ 5,760,339</u>	<u>\$ 2,957,106</u>	<u>\$ 3,213,296</u>	<u>\$ 5,504,149</u>

Depreciation of \$262,153 was charged to physical environment, \$101,488 and culture/recreation, \$160,665.

**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, 2020:

Long-term debt at October 1, 2019	\$ 10,540,000
Principal payments	<u>(1,825,000)</u>
Long-term debt at September 30, 2020	8,715,000
Bond discount, net	<u>(44,190)</u>
Long term-debt at September 30, 2020, net	<u>\$ 8,670,810</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 \$190,000.

\$ 8,715,000

**Deer Run Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2020**

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

The annual requirements to amortize the principal and interest of bonded debt outstanding as of September 30, 2020 are as follows:

Year Ending September 30,	Principal	Interest	Total
2021	\$ 190,000	\$ 473,190	\$ 663,190
2022	190,000	463,195	653,195
2023	205,000	452,935	657,935
2024	215,000	441,865	656,865
2025	225,000	430,255	655,255
2026-2030	1,330,000	1,954,445	3,284,445
2031-2035	1,740,000	1,553,495	3,293,495
2036-2040	2,395,000	1,028,345	3,423,345
2041-2044	2,225,000	264,550	2,489,550
Totals	<u>\$ 8,715,000</u>	<u>\$ 7,062,275</u>	<u>\$ 15,777,275</u>

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, 2020:

	Reserve Balance	Reserve Requirement
Series 2018	<u>\$ 403,503</u>	<u>\$ 381,456</u>

**Deer Run Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2020**

**NOTE G – RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. Settled claims from these risks have not exceeded commercial insurance coverage over the past three years.

**NOTE H – DEVELOPER AGREEMENTS**

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 August 28, 2019, 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 \$16,516 for the year ended September 30, 2020.

**NOTE I – SUBSEQUENT EVENT**

In November 2020, the District prepaid \$10,000 of Special Assessment Revenue and Refunding Bonds, Series 2018.



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

To the Board of Supervisors  
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, 2020, and the related notes to the financial statements, and have issued our report thereon dated June 29, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Deer Run Community Development District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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.

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

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



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

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  
Certified Public Accountants PL  
Fort Pierce, Florida

June 29, 2021



**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

**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, 2020, and have issued our report thereon dated June 29, 2021.

**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 29, 2021, 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. There were no findings or recommendations in the preceding financial audit report.

**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 not meet one of the conditions described in Section 218.503(1), Florida Statutes.

Fort Pierce / Stuart

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Gaines & Frank  
Certified Public Accountants PL

To the Board of Supervisors  
Deer Run Community Development District

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial conditions assessment procedures as of September 30, 2020 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.

#### **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  
Certified Public Accountants PL  
Fort Pierce, Florida

June 29, 2021



**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 ACCOUNTANTS' 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, 2020. 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, 2020.

*Berger Toombs Elam  
Gaines & Frank*

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

June 29, 2021

Fort Pierce / Stuart

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## SECTION VIII



**James E. Gardner Jr., CFA**  
**Flagler County Property Appraiser**  
**Data – Sharing and Usage Agreement**

**DEER RUN CDD**

This Data Sharing and Usage Agreement, hereafter referred to as "Agreement," establishes the terms and conditions under which the **DEER RUN CDD**, hereafter referred to as agency, can acquire and use Flagler County Property Appraiser (FCPA) data that is exempt from Public Records disclosure as defined in FS 119.071.

The confidentiality of personal identifying and location information including: names, physical, mailing, and street addresses, parcel ID, legal property description, neighborhood name, lot number, GPS coordinates, or any other descriptive property information that may reveal identity or home address pertaining to parcels owned by individuals that have received exempt / confidential status, hereafter referred to as confidential personal identifying and location information, will be protected as follows:

1. The **agency** will not release confidential personal identifying and location information that may reveal identifying and location information of individuals exempted from Public Records disclosure.
2. The **agency** will not present the confidential personal identifying and location information in the results of data analysis (including maps) in any manner that would reveal personal identifying and location information of individuals exempted from Public Records disclosure.
3. The **agency** shall comply with all State laws and regulations governing the confidentiality of personal identifying and location information that is the subject of this Agreement.
4. The **agency** shall ensure any employee granted access to confidential personal identifying and location information is subject to the terms and conditions of this Agreement.
5. The **agency** shall ensure any third party granted access to confidential personal identifying and location information is subject to the terms and conditions of this Agreement. Acceptance of these terms must be provided in writing to the **agency** by the third party before personal identifying and location information is released.
6. The term of this Agreement shall commence on June 1, 2021 and shall run until June 30, 2022, the date of signature by the parties notwithstanding. This Agreement shall not automatically renew. A new agreement will be provided annually for the following year.

IN WITNESS THEREOF, both the Flagler County Property Appraiser, through its duly authorized representative, and the **agency**, through its duly authorized representative, have hereunto executed this Data Sharing and Usage Agreement as of the last below written date.

**FLAGLER COUNTY PROPERTY APPRAISER**

**DEER RUN CDD**

Signature: \_\_\_\_\_

Print: James E. Gardner Jr., CFA

Date: June 3, 2021

Signature: \_\_\_\_\_

Print: ERNESTO J. TORRES

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

Secretary / District Manager

Date: June 3, 2021

## SECTION IX

## SECTION C

# SECTION 1

# DEER RUN COMMUNITY DEVELOPMENT DISTRICT

## Summary of Check Register

May 21, 2021 through June 30, 2021

Fund	Date	Check Number	Amount
General Fund			
	5/25/21	1384	\$ 1,052.53
	6/8/21	1385-1386	\$ 9,169.17
	6/10/21	1387-1389	\$ 14,786.65
	6/22/21	1390-1398	\$ 14,831.05
Total			\$ 39,839.40





RUN 7/21/21

CHECK REGISTER

YEAR-TO-DATE ACCOUNTS PAYABLE PREPAID/COMPUTER CHECK

05/21/2021 - 06/30/2021 \*\*\*

\*\*\* CHECK DATES

DEER RUN CDD - GENERAL FUND  
BANK A DEER RUN CDD

CHECK DATE	VEND#	INVOICE DATE	INVOICE YRMO	EXPENSED TO DPT	ACCT#	SUB	SUBCLASS	VENDOR NAME	STATUS	AMOUNT	....CHECK.... AMOUNT #
6/22/21	00043	6/14/21	1971292	202105	310-51300-31100				*	2,465.00	
		6/18/21	1971537	202105	310-51300-31100				*	765.00	
		6/18/21	1971538	202105	310-51300-31100				*	1,920.00	
								DEWBERRY ENGINEERS INC.			5,150.00 001391
6/22/21	00065	5/19/21	03475268	202105	320-53800-41000				*	162.70	
		6/19/21	03475268	202106	320-53800-41000				*	168.95	
								DIRECT TV			331.65 001392
6/22/21	00071	2/25/21	000140	202102	320-53800-49000				*	375.00	
								INTERIOR GUTTER CLEANING			
								ELITE POWER WASHING SERVICES, LLC			375.00 001393
6/22/21	00001	6/01/21	294	202106	310-51300-34000				*	2,652.25	
		6/01/21	294	202106	310-51300-35100				*	83.33	
		6/01/21	294	202106	310-51300-31300				*	208.33	
		6/01/21	294	202106	310-51300-51000				*	13.07	
		6/01/21	294	202106	310-51300-42000				*	9.69	
		6/01/21	294	202106	310-51300-42500				*	42.75	
		6/01/21	295	202106	320-53800-12000				*	2,575.00	
								GOVERNMENTAL MANAGEMENT SERVICES			5,584.42 001394
6/22/21	00004	5/31/21	122783	202104	310-51300-31500				*	418.50	
								HOPPING GREEN & SAMS			418.50 001395
6/22/21	00073	6/07/21	1065091	202106	320-53800-54000				*	265.52	
								MR ROOTER PLUMBING			265.52 001396
6/22/21	00059	5/26/21	11129559	202105	320-53800-49000				*	85.00	
		6/03/21	11129559	202106	320-53800-48100				*	450.00	
								POOLSURE			535.00 001397

DRUN DEER RUN IARAUJO

CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB	SUBCLASS	VENDOR NAME	STATUS	AMOUNT	....CHECK..... AMOUNT #
6/22/21	00056	6/15/21 77	202105 320-53800-59000			*	336.50	
		6/15/21 78	SPECIAL EVENTS 202105 320-53800-50000			*	1,298.14	
		6/15/21 78	FACILITY MAINT MAY 21 202105 320-53800-54000			*	408.29	
		6/15/21 78	AMENITY R&M MAY 21 202105 320-53800-57000			*	79.33	
			OFFICE SUPPLIES MAY 21					
					RIVERSIDE MANAGEMENT SERVICES, INC			2,122.26 001398
					TOTAL FOR BANK A		39,839.40	
					TOTAL FOR REGISTER		39,839.40	

DRUN DEER RUN IARAUJO

## SECTION 2

***Deer Run***  
***Community Development District***

***Unaudited Financial Reporting***  
***June 30, 2021***

**GMS**

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**Deer Run**  
Community Development District  
**Combined Balance Sheet**  
June 30, 2021

	General Fund	Settlement Fund	Debt Service Fund	Capital Projects Fund	Totals Governmental Funds
<b>Assets:</b>					
<b>Cash</b>					
Operating Account	\$ 261,060	\$ 10,707	\$ -	\$ -	\$ 271,767
<b>Series 2008</b>					
Reserve	\$ -	\$ -	\$ 57	\$ -	\$ 57
Revenue	\$ -	\$ -	\$ 559	\$ -	\$ 559
<b>Series 2018</b>					
Reserve	\$ -	\$ -	\$ 403,533	\$ -	\$ 403,533
Revenue	\$ -	\$ -	\$ 213,446	\$ -	\$ 213,446
Interest	\$ -	\$ -	\$ 1	\$ -	\$ 1
Prepayment	\$ -	\$ -	\$ 1,954	\$ -	\$ 1,954
Sinking Fund	\$ -	\$ -	\$ 1	\$ -	\$ 1
Construction	\$ -	\$ -	\$ -	\$ 22,024	\$ 22,024
Due From General	\$ 1,258	\$ -	\$ -	\$ -	\$ 1,258
Due From General	\$ -	\$ -	\$ 125,689	\$ -	\$ 125,689
<b>Total Assets</b>	<b>\$ 262,318</b>	<b>\$ 10,707</b>	<b>\$ 745,241</b>	<b>\$ 22,024</b>	<b>\$ 1,040,289</b>
<b>Liabilities:</b>					
Accounts Payable	\$ 21,177	\$ -	\$ -	\$ -	\$ 21,177
Unearned Revenue	\$ -	\$ 11,050	\$ -	\$ -	\$ 11,050
Deferred Revenue	\$ 1,005	\$ -	\$ -	\$ -	\$ 1,005
Due To Debt Service	\$ 125,689	\$ -	\$ -	\$ -	\$ 125,689
<b>Total Liabilities</b>	<b>\$ 147,871</b>	<b>\$ 11,050</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 158,921</b>
<b>Fund Balances:</b>					
Unassigned	\$ 114,447	\$ (343)	\$ -	\$ -	\$ 114,104
Assigned for Debt Service	\$ -	\$ -	\$ 745,241	\$ -	\$ 745,241
Assigned for Capital Projects	\$ -	\$ -	\$ -	\$ 22,024	\$ 22,024
<b>Total Fund Balances</b>	<b>\$ 114,447</b>	<b>\$ (343)</b>	<b>\$ 745,241</b>	<b>\$ 22,024</b>	<b>\$ 881,368</b>
<b>Total Liabilities &amp; Fund Balance</b>	<b>\$ 262,318</b>	<b>\$ 10,707</b>	<b>\$ 745,241</b>	<b>\$ 22,024</b>	<b>\$ 1,040,289</b>

**Deer Run**  
Community Development District  
General Fund

**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
For The Period Ending June 30, 2021

	Adopted Budget	Prorated Budget Thru 06/30/21	Actual Thru 06/30/21	Variance
<b>Revenues</b>				
Assessments - Tax Roll	\$ 201,183	\$ 201,183	\$ 200,933	\$ (249)
Assessments - Direct	\$ 365,637	\$ 365,637	\$ 365,676	\$ 39
Golf Course Lake Maintenance Contribution	\$ 4,800	\$ 3,015	\$ 3,015	\$ -
Miscellaneous Income	\$ -	\$ -	\$ 810	\$ 810
<b>Total Revenues</b>	<b>\$ 571,620</b>	<b>\$ 569,835</b>	<b>\$ 570,434</b>	<b>\$ 599</b>

**Expenditures:**

**General & Administrative:**

Supervisor Fees	\$ 4,000	\$ 3,000	\$ 2,200	\$ 800
FICA Expense	\$ 306	\$ 230	\$ 168	\$ 61
Engineering	\$ 3,550	\$ 2,663	\$ 13,025	\$ (10,363)
Dissemination	\$ 2,500	\$ 1,875	\$ 1,875	\$ 0
Attorney	\$ 12,000	\$ 9,000	\$ 10,450	\$ (1,450)
Annual Audit	\$ 3,535	\$ -	\$ -	\$ -
Trustee Fees	\$ 3,500	\$ -	\$ -	\$ -
Arbitrage	\$ 450	\$ 450	\$ 450	\$ -
Assessment Roll Services	\$ 2,500	\$ 2,500	\$ 2,500	\$ -
Management Fees	\$ 31,827	\$ 23,870	\$ 23,870	\$ -
Information Technology	\$ 1,000	\$ 750	\$ 760	\$ (10)
Telephone	\$ 100	\$ 75	\$ -	\$ 75
Postage	\$ 600	\$ 450	\$ 300	\$ 150
Insurance	\$ 6,630	\$ 6,630	\$ 6,328	\$ 302
Printing & Binding	\$ 800	\$ 600	\$ 143	\$ 457
Travel Per Diem	\$ 250	\$ 188	\$ -	\$ 188
Legal Advertising	\$ 1,330	\$ 998	\$ 181	\$ 816
Other Current Charges	\$ 800	\$ 800	\$ 1,390	\$ (590)
Office Supplies	\$ 100	\$ 75	\$ 41	\$ 34
Dues, Licenses & Subscriptions	\$ 175	\$ 175	\$ 175	\$ -
<b>Total General &amp; Administrative:</b>	<b>\$ 75,953</b>	<b>\$ 54,327</b>	<b>\$ 63,858</b>	<b>\$ (9,530)</b>

**Operations and Maintenance Expenses**

**Maintenance**

Field Management	\$ 30,900	\$ 23,175	\$ 23,175	\$ -
Electric	\$ 45,216	\$ 33,912	\$ 55,907	\$ (21,995)
Water & Sewer	\$ 10,000	\$ 7,500	\$ 5,828	\$ 1,672
Landscape Maintenance	\$ 121,900	\$ 91,425	\$ 87,933	\$ 3,492
Landscape Contingency	\$ 6,000	\$ 4,500	\$ 6,066	\$ (1,566)
Lake Maintenance	\$ 26,460	\$ 19,845	\$ 19,845	\$ -
Water Feature Maintenance	\$ 8,000	\$ 6,000	\$ 2,597	\$ 3,403
Irrigation Repairs	\$ 3,000	\$ 3,000	\$ 9,648	\$ (6,648)
Contingency	\$ 500	\$ 375	\$ 460	\$ (85)
<b>Total Maintenance</b>	<b>\$ 251,976</b>	<b>\$ 189,732</b>	<b>\$ 211,459</b>	<b>\$ (21,727)</b>



**Deer Run**  
Community Development District  
General Fund  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
For The Period Ending June 30, 2021

	Adopted Budget	Prorated Budget Thru 06/30/21	Actual Thru 06/30/21	Variance
<b><i>Amenity Center</i></b>				
Amenities Management	\$ 78,750	\$ 59,063	\$ 49,025	\$ 10,038
Property Insurance	\$ 32,838	\$ 32,838	\$ 33,771	\$ (933)
Pool Maintenance	\$ 18,492	\$ 13,869	\$ 11,288	\$ 2,581
Pool Chemicals	\$ 8,500	\$ 6,375	\$ 3,509	\$ 2,866
Janitorial Services	\$ 18,720	\$ 14,040	\$ 15,020	\$ (980)
Pest Control	\$ 1,000	\$ 750	\$ 641	\$ 109
Facilities Maintenance	\$ 25,000	\$ 18,750	\$ 12,756	\$ 5,994
Cable, Internet & Telephone Services	\$ 5,000	\$ 3,750	\$ 3,767	\$ (17)
Electric - Amenities	\$ 18,000	\$ 13,500	\$ 8,743	\$ 4,757
Water & Sewer - Amenities	\$ 6,000	\$ 4,500	\$ 13,986	\$ (9,486)
Gas Service	\$ 750	\$ 563	\$ 606	\$ (43)
Trash Removal	\$ 300	\$ 225	\$ -	\$ 225
Security Monitoring	\$ 1,500	\$ 1,125	\$ -	\$ 1,125
Access Cards	\$ 1,000	\$ 750	\$ -	\$ 750
Operating Supplies	\$ 500	\$ 375	\$ 345	\$ 30
Amenity Repairs & Maintenance	\$ 5,000	\$ 5,000	\$ 12,205	\$ (7,205)
Pool Repairs & Maintenance	\$ 200	\$ 150	\$ 9,412	\$ (9,262)
Special Events	\$ 10,000	\$ 7,500	\$ 4,854	\$ 2,646
Holiday Décor	\$ 4,000	\$ 2,000	\$ -	\$ 2,000
Fitness Center Repairs & Maintenance	\$ 500	\$ 375	\$ -	\$ 375
Office Supplies	\$ 1,000	\$ 750	\$ 510	\$ 240
ASCAP/BMI Licenses	\$ 600	\$ 450	\$ -	\$ 450
Elevator Maintenance	\$ 2,000	\$ 1,500	\$ -	\$ 1,500
Contingency	\$ 4,041	\$ 3,031	\$ 1,368	\$ 1,663
<b>Total Amenity Center</b>	<b>\$ 243,691</b>	<b>\$ 191,228</b>	<b>\$ 181,805</b>	<b>\$ 9,423</b>
<b>Total Operations and Maintenance Expenses</b>	<b>\$ 495,667</b>	<b>\$ 380,960</b>	<b>\$ 393,264</b>	<b>\$ (12,304)</b>
<b>Total Expenditures</b>	<b>\$ 571,620</b>	<b>\$ 435,287</b>	<b>\$ 457,121</b>	<b>\$ (21,834)</b>
<b>Excess Revenues (Expenditures)</b>	<b>\$ -</b>		<b>\$ 113,313</b>	
<b>Fund Balance - Beginning</b>	<b>\$ -</b>		<b>\$ 1,134</b>	
<b>Fund Balance - Ending</b>	<b>\$ -</b>		<b>\$ 114,447</b>	

**Deer Run**  
Community Development District  
Settlement Monitoring Fund  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
For The Period Ending June 30, 2021

	Adopted Budget	Prorated Budget Thru 06/30/21	Actual Thru 06/30/21	Variance
<b>Revenues</b>				
Environmental Mitigation Credit	\$ -	\$ -	\$ -	\$ -
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Expenditures:</b>				
Misellaneous Expense	\$ -	\$ -	\$ 343	\$ (343)
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 343</b>	<b>\$ (343)</b>
<b>Excess Revenues (Expenditures)</b>	<b>\$ -</b>		<b>\$ (343)</b>	
<b>Fund Balance - Beginning</b>	<b>\$ -</b>		<b>\$ -</b>	
<b>Fund Balance - Ending</b>	<b>\$ -</b>		<b>\$ (343)</b>	

**Deer Run**  
Community Development District  
**Debt Service Fund- 2018**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
For The Period Ending June 30, 2021

	Adopted Budget	Prorated Budget Thru 06/30/21	Actual Thru 06/30/21	Variance
<b>Revenues</b>				
Assessments - Tax Collector	\$ 166,556	\$ 166,556	\$ 165,477	\$ (1,079)
Assessments - Direct	\$ 487,569	\$ 487,569	\$ 487,569	\$ -
Interest	\$ 4,000	\$ 3,000	\$ 52	\$ (2,948)
<b>Total Revenues</b>	<b>\$ 658,125</b>	<b>\$ 657,125</b>	<b>\$ 653,098</b>	<b>\$ (4,027)</b>
<b>Expenditures:</b>				
Interest - 11/1	\$ 247,545	\$ 247,545	\$ 236,733	\$ 10,813
Special Call - 11/1	\$ -	\$ -	\$ 10,000	\$ (10,000)
Principal - 5/1	\$ 180,000	\$ 180,000	\$ 180,000	\$ -
Interest - 5/1	\$ 235,665	\$ 236,458	\$ 236,458	\$ -
<b>Total Expenditures</b>	<b>\$ 663,210</b>	<b>\$ 664,003</b>	<b>\$ 663,190</b>	<b>\$ 813</b>
<b>Excess Revenues (Expenditures)</b>	<b>\$ (5,085)</b>		<b>\$ (10,092)</b>	
<b>Fund Balance - Beginning</b>	<b>\$ 363,635</b>		<b>\$ 755,332</b>	
<b>Fund Balance - Ending</b>	<b>\$ 358,550</b>		<b>\$ 745,241</b>	

**Deer Run**  
Community Development District  
**Capital Projects Funds - Series 2018**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
For The Period Ending June 30, 2021

	Adopted	Prorated Budget	Actual	
	Budget	Thru 06/30/21	Thru 06/30/21	Variance
<b>Revenues</b>				
Interest	\$ -	\$ -	\$ 1	\$ 1
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1</b>	<b>\$ 1</b>
<b>Expenditures:</b>				
Capital Outlay	\$ -	\$ -	\$ -	\$ -
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Excess Revenues (Expenditures)</b>	<b>\$ -</b>		<b>\$ 1</b>	
<b>Fund Balance - Beginning</b>	<b>\$ -</b>		<b>\$ 22,022</b>	
<b>Fund Balance - Ending</b>	<b>\$ -</b>		<b>\$ 22,024</b>	

# Deer Run

## Community Development District

### Month to Month

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
<b>Revenues</b>													
Assessments - Tax Roll	\$ -	\$ 14,805	\$ 163,297	\$ -	\$ -	\$ 2,301	\$ -	\$ 3,369	\$ 1,479	\$ -	\$ -	\$ -	\$ 200,933
Assessment - Direct	\$ -	\$ 51,039	\$ 131,819	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 91,409	\$ -	\$ -	\$ -	\$ 365,676
Golf Course Lake Maintenance Contribution	\$ -	\$ -	\$ 1,005	\$ -	\$ -	\$ 1,005	\$ -	\$ -	\$ 1,005	\$ -	\$ -	\$ -	\$ 3,015
Miscellaneous Income	\$ -	\$ -	\$ -	\$ 100	\$ -	\$ 510	\$ -	\$ -	\$ 200	\$ -	\$ -	\$ -	\$ 810
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ 65,844</b>	<b>\$ 296,120</b>	<b>\$ 100</b>	<b>\$ 107,892</b>	<b>\$ 3,816</b>	<b>\$ -</b>	<b>\$ 3,369</b>	<b>\$ 94,093</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 576,434</b>
<b>Expenditures</b>													
<b>General &amp; Administrative</b>													
Supervisor Fees	\$ -	\$ -	\$ -	\$ 400	\$ -	\$ -	\$ 1,000	\$ -	\$ 800	\$ -	\$ -	\$ -	\$ 2,200
FICA Expense	\$ -	\$ -	\$ -	\$ 31	\$ -	\$ -	\$ 77	\$ -	\$ 61	\$ -	\$ -	\$ -	\$ 168
Engineering	\$ -	\$ -	\$ -	\$ -	\$ 525	\$ 2,615	\$ 3,120	\$ 5,150	\$ 1,615	\$ -	\$ -	\$ -	\$ 13,025
Dissemination	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ -	\$ -	\$ -	\$ 1,875
Attorney	\$ -	\$ 550	\$ 326	\$ 2,262	\$ 516	\$ 2,311	\$ 419	\$ 4,068	\$ -	\$ -	\$ -	\$ -	\$ 10,450
Annual Audit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Trustee Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Arbitrage	\$ -	\$ -	\$ -	\$ -	\$ 450	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 450
Assessment Roll Services	\$ 2,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,500
Management Fees	\$ 2,652	\$ 2,652	\$ 2,652	\$ 2,652	\$ 2,652	\$ 2,652	\$ 2,652	\$ 2,652	\$ 2,652	\$ -	\$ -	\$ -	\$ 23,870
Information Technology	\$ 93	\$ 83	\$ 83	\$ 83	\$ 83	\$ 83	\$ 83	\$ 83	\$ 83	\$ -	\$ -	\$ -	\$ 760
Telephone	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Postage	\$ 103	\$ 21	\$ 7	\$ 63	\$ 11	\$ 13	\$ 35	\$ 39	\$ 10	\$ -	\$ -	\$ -	\$ 300
Insurance	\$ 6,328	\$ -	\$ -	\$ -	\$ 49	\$ 8	\$ 35	\$ -	\$ 43	\$ -	\$ -	\$ -	\$ 6,328
Printing & Binding	\$ 9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 143
Travel Per Diem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Advertising	\$ 84	\$ -	\$ -	\$ -	\$ -	\$ 49	\$ -	\$ 49	\$ -	\$ -	\$ -	\$ -	\$ 181
Other Current Charges	\$ 140	\$ 250	\$ 173	\$ 302	\$ 108	\$ 129	\$ 156	\$ 59	\$ 72	\$ -	\$ -	\$ -	\$ 1,390
Office Supplies	\$ 1	\$ 0	\$ 0	\$ 1	\$ 13	\$ 1	\$ 13	\$ 0	\$ 13	\$ -	\$ -	\$ -	\$ 41
Dues, Licenses & Subscriptions	\$ 175	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 175
<b>Total General &amp; Administrative</b>	<b>\$ 12,292</b>	<b>\$ 3,765</b>	<b>\$ 3,450</b>	<b>\$ 6,002</b>	<b>\$ 4,645</b>	<b>\$ 8,070</b>	<b>\$ 7,798</b>	<b>\$ 12,308</b>	<b>\$ 5,558</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 63,858</b>
<b>Operations and Maintenance Expenses</b>													
<b>Maintenance</b>													
Field Management	\$ 2,575	\$ 2,575	\$ 2,575	\$ 2,575	\$ 2,575	\$ 2,575	\$ 2,575	\$ 2,575	\$ 2,575	\$ -	\$ -	\$ -	\$ 23,175
Electric	\$ 8,443	\$ 5,335	\$ 5,598	\$ 5,935	\$ 5,718	\$ 5,761	\$ 6,253	\$ 6,378	\$ 6,486	\$ -	\$ -	\$ -	\$ 55,907
Water & Sewer	\$ 619	\$ 20	\$ 201	\$ 804	\$ 201	\$ 1,445	\$ 846	\$ 922	\$ 769	\$ -	\$ -	\$ -	\$ 5,828
Landscape Maintenance	\$ 417	\$ 10,940	\$ 10,940	\$ 10,940	\$ 10,940	\$ 10,940	\$ 10,940	\$ 10,940	\$ 10,940	\$ -	\$ -	\$ -	\$ 87,933
Landscape Contingency	\$ -	\$ -	\$ -	\$ -	\$ 3,390	\$ -	\$ 1,114	\$ 1,562	\$ -	\$ -	\$ -	\$ -	\$ 6,066
Lake Maintenance	\$ 2,205	\$ 2,205	\$ 2,205	\$ 2,205	\$ 2,205	\$ 2,205	\$ 2,205	\$ 2,205	\$ 2,205	\$ -	\$ -	\$ -	\$ 19,845
Water Feature Maintenance	\$ -	\$ -	\$ 265	\$ -	\$ 2,080	\$ 251	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,597
Irrigation Repairs	\$ 7,945	\$ 582	\$ 595	\$ -	\$ -	\$ 525	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,648
Contingency	\$ -	\$ -	\$ -	\$ -	\$ 375	\$ -	\$ -	\$ 85	\$ -	\$ -	\$ -	\$ -	\$ 460
<b>Total Maintenance</b>	<b>\$ 22,204</b>	<b>\$ 21,657</b>	<b>\$ 22,379</b>	<b>\$ 22,459</b>	<b>\$ 27,483</b>	<b>\$ 23,703</b>	<b>\$ 23,932</b>	<b>\$ 24,666</b>	<b>\$ 22,975</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 211,459</b>

**Deer Run**  
Community Development District  
Month to Month

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
<b><u>Amenity Center</u></b>													
Amenities Management	\$ 5,338	\$ 5,000	\$ 5,263	\$ 5,000	\$ 5,188	\$ 6,150	\$ 5,775	\$ 5,250	\$ 6,063	\$ -	\$ -	\$ -	\$ 49,025
Property Insurance	\$ 33,771	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,771
Pool Maintenance	\$ 1,254	\$ 1,254	\$ 1,254	\$ 1,254	\$ 1,254	\$ 1,254	\$ 1,254	\$ 1,254	\$ 1,254	\$ -	\$ -	\$ -	\$ 11,288
Pool Chemicals	\$ 795	\$ 480	\$ -	\$ 180	\$ 532	\$ 443	\$ -	\$ 630	\$ 450	\$ -	\$ -	\$ -	\$ 3,509
Janitorial Services	\$ 1,560	\$ 1,560	\$ 1,560	\$ 2,340	\$ 1,760	\$ 1,560	\$ 1,560	\$ 1,560	\$ 1,560	\$ -	\$ -	\$ -	\$ 15,020
Pest Control	\$ 80	\$ 81	\$ -	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ -	\$ -	\$ -	\$ 641
Facilities Maintenance	\$ 1,044	\$ 3,342	\$ 1,032	\$ 770	\$ 2,834	\$ 1,021	\$ -	\$ 2,048	\$ 666	\$ -	\$ -	\$ -	\$ 12,756
Cable, Internet & Telephone Services	\$ 523	\$ 167	\$ 528	\$ 1,092	\$ 170	\$ 323	\$ 291	\$ 334	\$ 340	\$ -	\$ -	\$ -	\$ 3,767
Electric - Amenities	\$ 934	\$ 931	\$ 959	\$ 1,043	\$ 965	\$ 902	\$ 996	\$ 993	\$ 1,020	\$ -	\$ -	\$ -	\$ 8,743
Water & Sewer - Amenities	\$ 1,810	\$ 99	\$ 996	\$ 1,477	\$ 996	\$ -	\$ 2,399	\$ 3,497	\$ 2,710	\$ -	\$ -	\$ -	\$ 13,986
Gas Service	\$ 35	\$ 52	\$ 68	\$ 73	\$ 58	\$ 85	\$ 68	\$ 88	\$ 78	\$ -	\$ -	\$ -	\$ 606
Trash Removal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Security Monitoring	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Access Cards	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Supplies	\$ 148	\$ 67	\$ 87	\$ -	\$ -	\$ 43	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 345
Amenity Repairs & Maintenance	\$ 1,223	\$ 8,317	\$ 87	\$ 825	\$ 411	\$ 76	\$ -	\$ 586	\$ 680	\$ -	\$ -	\$ -	\$ 12,205
Pool Repairs & Maintenance	\$ -	\$ -	\$ -	\$ 3,925	\$ -	\$ 1,344	\$ 218	\$ 3,925	\$ -	\$ -	\$ -	\$ -	\$ 9,412
Special Events	\$ 795	\$ 2,072	\$ 416	\$ 794	\$ -	\$ -	\$ 379	\$ 398	\$ -	\$ -	\$ -	\$ -	\$ 4,854
Holiday Décor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fitness Center Repairs & Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office Supplies	\$ 126	\$ 42	\$ 21	\$ -	\$ 79	\$ 28	\$ -	\$ 143	\$ 71	\$ -	\$ -	\$ -	\$ 510
ASCAP/BMI Licenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Elevator Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contingency	\$ 1,368	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,368
<b>Total Amenity Center</b>	\$ 50,803	\$ 23,463	\$ 12,271	\$ 18,854	\$ 14,327	\$ 13,308	\$ 13,021	\$ 20,787	\$ 14,972	\$ -	\$ -	\$ -	\$ 181,805
<b>Total Operations and Maintenance Expenses</b>	\$ 73,007	\$ 45,120	\$ 34,649	\$ 41,313	\$ 41,810	\$ 37,011	\$ 36,953	\$ 45,453	\$ 37,946	\$ -	\$ -	\$ -	\$ 398,264
<b>Total Expenditures</b>	\$ 85,299	\$ 48,885	\$ 38,099	\$ 47,315	\$ 46,425	\$ 45,083	\$ 44,751	\$ 57,761	\$ 43,505	\$ -	\$ -	\$ -	\$ 457,121
<b>Excess Revenues (Expenditures)</b>	\$ (85,299)	\$ 16,958	\$ 258,021	\$ (47,215)	\$ 60,667	\$ (41,265)	\$ (44,751)	\$ (54,392)	\$ 50,589	\$ -	\$ -	\$ -	\$ 113,313

**Deer Run**  
**Community Development District**  
**LONG TERM DEBT REPORT**

<b>SERIES 2018, SPECIAL ASSESSMENT 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	\$403,533	
BONDS OUTSTANDING - 08/02/18		\$11,175,000
LESS: PRINCIPAL PAYMENT - 05/01/19		(\$205,000)
LESS: PRINCIPAL PAYMENT - 05/01/20		(\$215,000)
LESS: SPECIAL CALL - 05/01/19		(\$430,000)
LESS: SPECIAL CALL - 11/01/19		(\$895,000)
LESS: SPECIAL CALL - 05/01/20		(\$75,000)
LESS: SPECIAL CALL - 08/01/20		(\$640,000)
LESS: SPECIAL CALL - 11/01/20		(\$10,000)
<b>CURRENT BONDS OUTSTANDING</b>		<b>\$8,705,000</b>

# Deer Run

Community Development District  
Special Assessment Receipts  
Fiscal Year 2021

ON ROLL ASSESSMENTS									
DATE	DESCRIPTION	GROSS AMT	COMMISSIONS	DISC/PENALTY	INTEREST	NET RECEIPTS	O&M Portion	DSF Portion	Total
10/22/20	Ck# 60784	\$1,286.42	\$25.73	\$0.00	\$0.00	\$1,260.69	\$690.96	\$569.73	\$1,260.69
11/05/20	Ck# 60809	\$0.00	\$0.00	\$0.00	\$108.03	\$108.03	\$59.21	\$48.82	\$108.03
11/25/20	Ck# 60953	\$27,274.26	\$523.35	\$1,106.57	\$0.00	\$25,644.34	\$14,055.27	\$11,589.07	\$25,644.34
12/09/20	Ck# 61020	\$301,589.51	\$5,790.51	\$12,064.21	\$0.00	\$283,734.79	\$155,510.65	\$128,224.14	\$283,734.79
12/22/20	Ck# 61299	\$15,043.63	\$289.91	\$548.04	\$0.00	\$14,205.68	\$7,785.91	\$6,419.77	\$14,205.68
02/01/21	Ck# 61354	\$10,281.04	\$199.45	\$308.45	\$0.00	\$9,773.14	\$5,356.51	\$4,416.63	\$9,773.14
02/02/21	Ck# 61564	\$19,636.59	\$384.49	\$412.02	\$0.00	\$18,840.08	\$10,325.96	\$8,514.12	\$18,840.08
03/17/21	Ck# 61709	\$4,327.01	\$85.67	\$43.27	\$0.00	\$4,198.07	\$2,300.90	\$1,897.17	\$4,198.07
05/07/21	Ck# 4826	\$0.00	\$0.00	\$0.00	\$242.82	\$242.82	\$133.09	\$109.73	\$242.82
05/07/21	Ck# 61946	\$3,363.09	\$67.26	\$0.00	\$0.00	\$3,295.83	\$1,806.39	\$1,489.44	\$3,295.83
05/17/21	Ck# 61970	\$2,456.86	\$49.14	\$0.00	\$0.00	\$2,407.72	\$1,319.63	\$1,088.09	\$2,407.72
06/30/21	Ck# 62209	\$2,635.30	\$55.08	\$0.00	\$118.58	\$2,698.80	\$1,479.17	\$1,219.63	\$2,698.80
TOTAL		\$387,893.71	\$7,470.59	\$14,482.56	\$469.43	\$366,409.99	\$200,823.65	\$165,586.34	\$366,409.99

100% Gross Percent Collected

## DIRECT ASSESSMENTS

DR Horton		Net Assessments		\$853,206.62	\$365,637.17	\$487,569.45
DATE RECEIVED	DUE DATE	CHECK NO.	NET ASSESSED	AMOUNT RECEIVED	GENERAL FUND	DEBT SERVICE FUND 2019
12/11/20	11/1/20	1188816/1210032	\$426,603.31	\$426,641.84	\$182,857.11	\$243,784.73
2/26/21	2/1/21	1250500	\$213,301.65	\$213,301.65	\$91,409.29	\$121,892.36
6/15/21	5/1/21	1298680	\$213,301.65	\$213,301.65	\$91,409.29	\$121,892.36
			\$853,206.61	\$853,245.14	\$365,675.69	\$487,569.45



## SECTION 3

# ***Deer Run Community Development District***

**9655 Florida Mining Blvd., Bldg. 300, Suite 305, Jacksonville, Florida 32257**

## **Memorandum**

**Date:** July 28,2021  
**To:** Deer Run Board of Supervisors  
Ernesto Torres, Richard Whetsel  
**From:** Tom Chewning, Amenity Operations Manager  
Heather Chambliss, Facility Manager  
**Re:** Deer Run CDD

### **Monthly Island Club Operations Report**

The following is a summary of activities related to the Island Club operations of the Deer Run Community Development District.

#### **Amenity / Site**

- Had 2 toilets in the women's outside bathroom fixed.
- Fixed the grill to the left due to the ignitor went out.
- Ordered new weights for the gym
- Ordered trash lid for outside receptacles.
- Hired a new employee to help on the weekends
- Alpha Dog has come out and did their yearly inspection of the fire system

#### **Amenity Manager Event Summary**

##### **Special Events:**

- June 19<sup>th</sup> Pool Party/ Father's Day Tribute
- June 21<sup>st</sup> Scrapbooking
- June 30<sup>th</sup> Cracker and Cheese Social Canceled
- July 2<sup>nd</sup> Kids Movie Night
- July 4<sup>th</sup> BBQ

##### **Rentals**

- June 4<sup>th</sup> Graduation Party
- June 5<sup>th</sup> Graduation Party
- June 6<sup>th</sup> Baby Shower
- June 19<sup>th</sup> Family Party

- June 26<sup>th</sup> Church Party
- June 27<sup>th</sup> Birthday Party

#### **Up Coming Rentals**

- August 8<sup>th</sup>
- August 15<sup>th</sup>
- August 21<sup>st</sup>
- August 22<sup>nd</sup>
- September 4<sup>th</sup>
- September 19<sup>th</sup>

#### **Classes:**

- We have changed Ballroom Dancing to Monday Nights, and they are offering Line Dancing at this time.
- Aqua Zumba Wednesday Morning

#### **Community Organized Events:**

- Ladies Night is first Tuesday of the month.
- Bunco has started every third Thursday.
- Pickle ball on Tuesday, Thursday, Saturday, and Sunday
- Poker Night the second and fourth Friday
- Acoustic Night the last Saturday of the month.
- Scrapbooking Third Monday of the month 9am
- Mahjongg has started on every Tuesday at 12:30pm
- Grand Reserve Pride one Saturday out of the month
- Sunday 10am and Thursday 7pm non-denominational service

#### **Scheduled Future Events**

- July 30<sup>th</sup> BINGO
- August 6<sup>th</sup> Kids Craft/ Back to school bash
- August TBD Waffle Bar BK
- August TBD Crafts
- September 3<sup>rd</sup> Kids Night
- September TBD BINGO
- September TBD Meet the Mayor

#### **Other Projects**

- I have reached out to all to Pool Sure, Aquatic Xpress, All Volusia and Flagler Heating and Air and Inca Cleaning for their paperwork.
- Working with William, Bob, and others on landscaping around the facility.
- Tentative events for the next year. Events may change based on weather or participation.

October	Halloween Party/Bingo/Crafts
November	Grand Reserve Craft Festival/Bingo/Crafts
December	Holiday Mingle and Cookie Exchange/Bingo/Craft
January 2022	Chili Cook Off/Bingo/Crafts
February 2022	Valentines Sox Hop/Bingo/Crafts
March 2022	Florida Education Event/ Bingo/Crafts
April 2022	Spring Event/ Bingo/ Crafts
May 2022	Wine and Cheese/Bingo/Craft
June 2022	Pool Party/Bingo/Craft
July 2022	4th of July BBQ/ Bingo/ Crafts
August 2022	Back to school Bash/Bingo/ Craft
September 2022	Block Party/Bingo/Craft

- Update Policy and rules have been attached below.
- Now that we have had a few squalls come through the facility since our last meeting we need to re-address the gutters. Water is still splashing over the sides and when it is not raining the water is just sitting in the gutter and growing vegetation.
- I would like to ask the board if it would be ok to sale some of the pool deck chairs and other items throughout the facility to offset the coast of a new TV for the downstairs patio. We have a lot of unused items that were purchased before I have arrived, and I would like to try to sale them so we can take the money to put it back into the facility.

## SECTION 4

*This item will be provided under  
separate cover*