

North River Ranch Community Development District

12051 Corporate Blvd., Orlando, FL 32817

Phone: 407-723-5900, Fax: 407-723-5901

www.northriverranchcdd.com

The meeting of the Board of Supervisors for the North River Ranch Community Development District will be held **Wednesday, March 11, 2020 at 1:30 p.m. at 8141 Lakewood Main Street, Bradenton, FL 34202**. The following is the agenda for this meeting.

Call in number: 1-844-621-3956 (New)

Passcode: 790 562 990 # (New)

AUDITOR SELECTION COMMITTEE MEETING

- Call to Order
- Public Comment Period
- 1. Review of Auditing Services Proposals
 - Berger, Toombs, Elam, Gaines & Frank
 - Grau & Associates
- 2. Ranking of Auditing Services Proposals
- Adjournment

BOARD OF SUPERVISORS' MEETING AGENDA

Organizational Matters

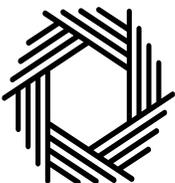
- Call to Order
- Roll Call
- Public Comment Period *[for any members of the public desiring to speak on any proposition before the Board]*

General Business Matters

1. Consideration of the Minutes of the February 12, 2020 Board of Supervisors' Meeting
2. Consideration of the Minutes of the February 12, 2020 Auditor Selection Committee Meeting
3. Consideration of Master Assessment Methodology Report
4. Consideration of **Resolution 2020-02**, Bond Resolution
5. Ratification of Funding Requests 2020-15 – 2020-18
6. Review of District Financial Statements

Other Business

- Staff Reports
 - District Counsel



pfm

- District Engineer
- District Manager

- Audience Comments
- Supervisors Requests

Adjournment



**North River Ranch
Community Development District**

Review of Auditing Services Proposals

Berger, Toombs, Elam, Gaines & Frank
Grau & Associates

**NORTH RIVER RANCH COMMUNITY
DEVELOPMENT DISTRICT**

PROPOSAL FOR AUDIT SERVICES

PROPOSED BY:

Berger, Toombs, Elam, Gaines & Frank
CERTIFIED PUBLIC ACCOUNTANTS, PL

600 Citrus Avenue, Suite 200
Fort Pierce, Florida 34950

(772) 461-6120

CONTACT PERSON:

J. W. Gaines, CPA, Director

DATE OF PROPOSAL:

March 3, 2020

TABLE OF CONTENTS

<u>DESCRIPTION OF SECTION</u>	<u>PAGE</u>
A. Letter of Transmittal	1-2
B. Profile of the Proposer	
Description and History of Audit Firm	3
Professional Staff Resources	4-5
Ability to Furnish the Required Services	5
Arbitrage Rebate Services	6
A. Governmental Auditing Experience	7-16
B. Fee Schedule	17
C. Scope of Work to be Performed	17
D. Resumes	18-33
E. Peer Review Letter	34
F. Additional Documents Required	
Instructions to Proposers	35-25
Evaluation Criteria Sheet	37



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

March 3, 2020

North River Ranch Community Development District
PFM Group Consulting, LLC
12051 Corporate Boulevard
Orlando, FL 32817

Dear District Manager:

Thank you very much for the opportunity to present our professional credentials to provide audit services for North River Ranch Community Development District.

Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL has assembled a team of governmental and nonprofit specialists second to none to serve our clients. Our firm has the necessary qualifications and experience to serve as the independent auditors for North River Ranch Community Development District. We will provide you with top quality, responsive service.

Experience

Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL is a recognized leader in providing services to governmental and nonprofit agencies throughout Florida. We have been the independent auditors for a number of local governmental agencies and through our experience in performing their audits, we have been able to increase our audit efficiency and; therefore, reduce costs. We have continually passed this cost savings on to our clients and will continue to do so in the future. As a result of our experience and expertise, we have developed an effective and efficient audit approach designed to meet or exceed the performance specifications in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the standards for financial and compliance audits. We will conduct the audit in accordance with auditing standards generally accepted in the United States of America; "Government Auditing Standards" issued by the Comptroller General of the United States; the provisions of the Single Audit Act, Subpart F of Title 2 US Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, with minimal disruption to your operations. Our firm has frequent technical updates to keep our personnel informed and up-to-date on all changes that are occurring within the industry.

Fort Pierce / Stuart

- 1 -

Member AICPA

Member AICPA Division For CPA Firms
Private Companies Practice Section

Member FICPA

North River Ranch Community Development District
March 3, 2020

Our firm is a member of the Government Audit Quality Center, an organization dedicated to improving government audit quality. We also utilize the audit program software of a nationally recognized CPA firm to assure us that we are up to date with all auditing standards and to assist us maintain maximum audit efficiencies.

To facilitate your evaluation of our qualifications and experience, we have arranged this proposal to include a resume of our firm, including our available staff, our extensive prior governmental and nonprofit auditing experience and clients to be contacted.

You need a firm that will provide an efficient, cost-effective, high-quality audit within critical time constraints. You need a firm with the prerequisite governmental and nonprofit experience to perform your audit according to stringent legal and regulatory requirements, a firm that understands the complex nature of community development districts and their unique compliance requirements. You need a firm with recognized governmental and nonprofit specialists within the finance and governmental communities. And, certainly, you need a firm that will provide you with valuable feedback to enhance your current and future operations. Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL is that firm. J. W. Gaines is the person authorized to make representations for the firm.

Thank you again for the opportunity to submit this proposal to North River Ranch Community Development District.

Very truly yours,

*Berger Toombs Elam
Gaines + Frank*

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

PROFILE OF THE PROPOSER

Description and History of Audit Firm

Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL is a Treasure Coast public accounting firm, which qualifies as a small business firm, as established by the Small Business Administration (13 CFR 121.38), with offices in Fort Pierce and Stuart. We are a member of the Florida Institute of Certified Public Accountants and the American Institute of Certified Public Accountants. The firm was formed from the merger of Edwards, Berger, Harris & Company (originated in 1972) and McAlpin, Curtis & Associates (originated in 1949). J. W. Gaines and Associates (originated in 1979) merged with the firm in 2004. Our tremendous growth rate experienced over the last 69 years is directly attributable to the firm's unrelenting dedication to providing the highest quality, responsive professional services attainable to its clients.

We are a member of the Private Companies Practice Section (PCPS) of the American Institute of Certified Public Accountants (AICPA) to assure we meet the highest standards. Membership in this practice section requires that our firm meet more stringent standards than standard AICPA membership. These rigorous requirements include the requirement of a triennial peer review of our firm's auditing and accounting practice and annual Continuing Professional Education (CPE) for all accounting staff (whether CPA or non-CPA). For standard AICPA membership, only a quality review is required and only CPAs must meet CPE requirements.

We are also a member of the Government Audit Quality Center ("the Center") of the American Institute of Certified Public Accountants to assure the quality of our government audits. Membership in the Center, which is voluntary, requires our firm to comply with additional standards to promote the quality of government audits.

We have been extensively involved in serving local government entities with professional accounting, auditing and consulting services throughout the entire 69 year history of our firm. Our substantial experience over the years makes us uniquely qualified to provide accounting, auditing, and consulting services to these clients. We are a recognized leader in providing services to governmental and nonprofit agencies on the Treasure Coast and in Central and South Florida, with extensive experience in auditing community development districts and water control districts. We were the independent auditors of the City of Fort Pierce for over 37 years and currently, we are the independent auditors for St. Lucie County since 2002, and for 34 of the 38 years that the county has been audited by CPA firms. Additionally, we have performed audits of the City of Stuart, the City of Vero Beach, Indian River County and Martin County. We also presently audit over 75 Community Development Districts throughout Florida.

Our firm was founded on the belief that we are better able to respond to our clients needs through education, experience, independence, quality control, and personal service. Our firm's commitment to quality is reflected in our endeavor of professional excellence via continuing education, the use of the latest computer technology, professional membership in PCPS and peer review.

We believe our approach to audit engagements, intelligence and innovation teamed with sound professional judgment enables us to explore new concepts while remaining sensitive to the fundamental need for practical solutions. We take pride in giving you the assurance that the personal assistance you receive comes from years of advanced training, technical experience and financial acumen.

Professional Staff Resources

Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL has a total of 27 professional and administrative staff (including 12 professional staff with extensive experience servicing government entities). The work will be performed out of our Fort Pierce office with a proposed staff of one senior accountant and one or two staff accountants supervised by an audit manager and audit partner. With the exception of the directors of the firm's offices, the professional staff is not specifically assigned to any of our individual offices. The professional and administrative staff resources available to you through Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL are as follows:

	<u>Total</u>
Partners/Directors (CPA's)	5
Principals (CPA)	1
Managers (CPA)	1
Senior/Supervisor Accountants (2 CPA's)	3
Staff Accountants (1 CPA)	7
Computer Specialist	1
Paraprofessional	6
Administrative	<u>4</u>
Total – all personnel	28

Following is a brief description of each employee classification:

Staff Accountant – Staff accountants work directly under the constant supervision of the auditor-in-charge and, are responsible for the various testing of documents, account analysis and any other duties as his/her supervisor believes appropriate. Minimum qualification for a staff accountant is graduation from an accredited university or college with a degree in accounting or equivalent.

Senior Accountant – A senior accountant must possess all the qualifications of the staff accountant, in addition to being able to draft the necessary reports and financial statements, and supervise other staff accountants when necessary.

Managers – A manager must possess the qualifications of the senior accountant, plus be able to work without extensive supervision from the auditor-in-charge. The manager should be able to draft audit reports from start to finish and to supervise the audit team, if necessary.

Principal – A principal is a partner/director in training. He has been a manager for several years and possesses the technical skills to act as the auditor-in-charge. A principal has no financial interest in the firm.

Partner/Director – The director has extensive governmental auditing experience and acts as the auditor-in-charge. Directors have a financial interest in the firm.

Professional Staff Resources (Continued)

Independence – Independence of the public accounting firm, with respect to the audit client, is the foundation from which the public gains its trust in the opinion issued by the public accounting firm at the end of the audit process. This independence must be in appearance as well as in fact. The public must perceive that the accounting firm is independent of the audit entity to insure that nothing would compromise the opinion issued by the public accounting firm. **Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL** is independent of North River Ranch Community Development District, including its elected officials and related parties, at the date of this proposal, as defined by the following rules, regulations, and standards:

AuSection 220 – Statements on Auditing Standards issued by the American Institute of Certified Public Accountants;

ET Sections 101 and 102 – Code of Professional Conduct of the American Institute of Certified Public Accountants;

Chapter 21A-1, Florida Administrative Code;

Section 473.315, Florida Statutes; and,

Government Auditing Standards, issued by the Comptroller General of the United States.

On an annual basis, all members of the firm are required to confirm, in writing, that they have no personal or financial relationships or holding that would impair their independence with regard to the firm's clients.

Independence is a hallmark of our profession. We encourage our staff to use professional judgment in situations where our independence could be impaired or the perception of a conflict of interest might exist. In the governmental sector, public perception is as important as professional standards. Therefore, the utmost care must be exercised by independent auditors in the performance of their duties.

Ability to Furnish the Required Services

As previously noted in the Profile of the Proposer section of this document, our firm has been in existence for over 69 years. We have provided audit services to some clients for over 30 years continually. Our firm is insured against physical loss through commercial insurance and we also carry liability insurance. The majority of our audit documentation is stored electronically, both on our office network and on each employee laptop or computer assigned to each specific job. Our office computer network is backed up on tape, so in the event of a total equipment loss, we can restore all data as soon as replacement equipment is acquired. In addition, our field laptop computers carry the same data and can be used in the event of emergency with virtually no delay in completing the required services.

ADDITIONAL SERVICES PROVIDED

Arbitrage Rebate Services

Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL also provides arbitrage rebate compliance and related services to governmental issuers. The Tax Reform Act of 1986 requires issuers of most tax-exempt obligations to pay (i.e., “rebate”) to the United States government any arbitrage profits. Arbitrage profits are earnings on the investment of bond proceeds and certain other monies in excess of what would have been earned had such monies been invested at a yield equal to the yield on the bonds.

Federal tax law requires that interim rebate calculations and payments are due at the end of every fifth bond year. Final payment is required upon redemption of the bonds. More frequent calculations may be deemed advisable by an issuer’s auditor, trustee or bond counsel or to assure that accurate and current records are available. These more frequent requirements are usually contained in the Arbitrage or Rebate Certificate with respect to the bonds.

Our firm performs a comprehensive rebate analysis and includes the following:

- Verifying that the issue is subject to rebate;
- Calculating the bond yield;
- Identifying, and separately accounting for, all “Gross Proceeds” (as that term is defined in the Code) of the bond issue, including those requiring analysis due to “transferred proceeds” and/or “commingled funds” circumstances;
- Determining what general and/or elective options are available to Gross proceeds of the issue;
- Calculating the issue’s excess investment earning (rebate liability), if any;
- Delivering appropriate documentation to support all calculations;
- Providing an executive summary identifying the methodology employed, major assumptions, conclusions, and any other recommendations for changes in recordkeeping and investment policies;
- Assisting as necessary in the event of an Internal Revenue Service inquiry; and,
- Consulting with issue staff, as necessary, regarding arbitrage related matters.

GOVERNMENTAL AUDITING EXPERIENCE

Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL has been practicing public accounting in Florida for 69 years. Our success over the years has been the result of a strong commitment to providing personalized quality service to our clients.

The current members of our firm have performed audits of over 900 community development districts, and over 1,800 audits of municipalities, counties and other governmental entities such as the City of Fort Pierce and St. Lucie County.

Our firm provides a variety of accounting, auditing, tax litigation support, and consulting services. Some of the professional accounting, auditing and management consulting services that are provided by our firm are listed below:

- Performance of annual financial and compliance audits, including Single Audits of state and federal financial assistance programs, under the provisions of the Single Audit Act, Subpart F of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), with minimal disruptions to your operations;
- Performance of special compliance audits to ascertain compliance with the applicable local, state and federal laws and regulations;
- Issuance of comfort letters and consent letters in conjunction with the issuance of tax-exempt debt obligations, including compiling financial data and interim period financial statement reviews;
- Calculation of estimated and actual federal arbitrage rebates;
- Assistance in compiling historical financial data for first-time and supplemental submissions for GFOA Certificate of Achievement for Excellence in Financial Reporting;
- Preparation of indirect cost allocation systems in accordance with Federal and State regulatory requirements;
- Providing human resource and employee benefit consulting;
- Performance of automation feasibility studies and disaster recovery plans;
- Performance feasibility studies concerning major fixed asset acquisitions and utility plant expansion plans (including electric, water, pollution control, and sanitation utilities); and
- Assistance in litigation, including testimony in civil and criminal court.
- Assist clients who utilize QuickBooks software with their software needs. Our Certified QuickBooks Advisor has undergone extensive training through QuickBooks and has passed several exams to attain this Certification.

Continuing Professional Education

All members of the governmental audit staff of our firm, and audit team members assigned to this engagement, are in compliance with the Continuing Professional Education (CPE) requirements set forth in Government Auditing Standards issued by the Comptroller General of the United States. In addition, our firm is in compliance with the applicable provisions of the Florida Statutes that require CPA's to have met certain CPE requirements prior to proposing on governmental audit engagements.

GOVERNMENTAL AUDITING EXPERIENCE (CONTINUED)

The audit team has extensive experience in performing governmental audits and is exposed to intensive and continuing concentration on these types of audits. Due to the total number of governmental audits our team performs, each member of our governmental staff must understand and be able to perform several types of governmental audits. It is our objective to provide each professional employee fifty hours or more of comprehensive continuing professional education each year. This is accomplished through attending seminars throughout Florida and is reinforced through in-house training.

Our firm has made a steadfast commitment to professional education. Our active attendance and participation in continuing professional education is a major part of our objective to obtain the most recent knowledge on issues which are of importance to our clients. We are growing on the reputation for work that our firm is providing today.

Quality Control Program

Quality control requires continuing commitment to professional excellence. **Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL** is formally dedicated to that commitment.

To ensure maintaining the standards of working excellence required by our firm, we joined the Private Companies Practice Section (PCPS) of the American Institute of Certified Public Accountants (AICPA). To be a participating member firm of this practice section, a firm must obtain an independent Peer Review of its quality control policies and procedures to ascertain the firm's compliance with existing auditing standards on the applicable engagements.

The scope of the Peer Review is comprehensive in that it specifically reviews the following quality control policies and procedures of the participating firm:

- Professional, economic, and administrative independence;
- Assignment of professional personnel to engagements;
- Consultation on technical matters;
- Supervision of engagement personnel;
- Hiring and employment of personnel;
- Professional development;
- Advancement;
- Acceptance and continuation of clients; and,
- Inspection and review system.

We believe that our commitment to the program is rewarding not only to our firm, but primarily to our clients.

The external independent Peer Review of the elements of our quality control policies and procedures performed by an independent certified public accountant, approved by the PCPS of the AICPA, provides you with the assurance that we continue to conform to standards of the profession in the conduct of our accounting and auditing practice.

GOVERNMENTAL AUDITING EXPERIENCE (CONTINUED)

Our firm is also a member of Governmental Audit Quality Center (GAQC), a voluntary membership center for CPA firms that perform governmental audits. This center promotes the quality of governmental audits.

Our firm has completed successive Peer Reviews. These reviews included a representative sample of our firm's local governmental auditing engagements. As a result of these reviews, our firm obtained an unqualified opinion on our quality control program and work procedures. On page 31 is a copy of our most recent Peer Review report. It should be noted that we received a pass rating.

Our firm has never had any disciplinary actions by state regulatory bodies or professional organizations.

As our firm performs approximately one hundred audits each year that are reviewed by federal, state or local entities, we are constantly dealing with questions from these entities about our audits. We are pleased to say that any questions that have been raised were minor issues and were easily resolved without re-issuing any reports.

Certificate of Achievement for Excellence in Financial Reporting (CAFR)

We are proud and honored to have been involved with the City of Fort Pierce and the Fort Pierce Utilities Authority when they received their first Certificates of Achievement for Excellence in Financial Reporting for the fiscal years ended September 30, 1988 and 1994, respectively. We were also instrumental in the City of Stuart receiving the award, in our first year of performing their audit, for the year ended September 30, 1999.

We also assisted St. Lucie County, Florida for the year ended September 30, 2003, in preparing their first Comprehensive Annual Financial Report, and St. Lucie County has received their Certificate of Achievement for Excellence in Financial Reporting every year since.

As continued commitment to insuring that we are providing the highest level of experience, we have had at least one employee of our firm serve on the GFOA – Special Review Committee since the mid-1980s. This committee is made up of selective Certified Public Accountants throughout the United States who have demonstrated their high level of knowledge and expertise in governmental accounting. Each committee member attends a special review meeting at the Annual GFOA Conference. At this meeting, the committee reports on the Certificate of Achievement Program's most recent results, future goals, and common reporting deficiencies.

We feel that our previous experience in assisting the City of Fort Pierce, the Fort Pierce Utilities Authority and St. Lucie County obtain their first CAFRs, and the City of Stuart in continuing to receive a CAFR and our firm's continued involvement with the GFOA, and the CAFR review committee make us a valued asset for any client in the field of governmental financial reporting.

GOVERNMENTAL AUDIT EXPERIENCE (CONTINUED)

References

Terracina Community Development
District
Jeff Walker, Special District Services
(561) 630-4922

Gateway Community Development
District
Stephen Bloom, Severn Trent Management
(954) 753-5841

The Reserve Community Development District

Darrin Mossing, Governmental Management
Services LLC
(407) 841-5524

Port of the Islands Community Development
District
Cal Teague, Premier District Management

(239) 690-7100 ext 101

In addition to the above, we have the following additional governmental audit experience:

Community Development Districts

Aberdeen Community Development
District

Beacon Lakes Community
Development District

Alta Lakes Community Development
District

Beaumont Community Development
District

Amelia Concourse Community
Development District

Bella Collina Community Development
District

Amelia Walk Community
Development District

Bonnet Creek Community
Development District

Aqua One Community Development
District

Buckeye Park Community
Development District

Arborwood Community Development
District

Candler Hills East Community
Development District

Arlington Ridge Community
Development District

Cedar Hammock Community
Development District

Bartram Springs Community
Development District

Central Lake Community
Development District

Baytree Community Development
District

Channing Park Community
Development District

GOVERNMENTAL AUDIT EXPERIENCE (CONTINUED)

Cheval West Community Development District	Evergreen Community Development District
Coconut Cay Community Development District	Forest Brooke Community Development District
Colonial Country Club Community Development District	Gateway Services Community Development District
Connerton West Community Development District	Gramercy Farms Community Development District
Copperstone Community Development District	Greenway Improvement District
Creekside @ Twin Creeks Community Development District	Greyhawk Landing Community Development District
Deer Run Community Development District	Griffin Lakes Community Development District
Dowden West Community Development District	Habitat Community Development District
DP1 Community Development District	Harbor Bay Community Development District
Eagle Point Community Development District	Harbourage at Braden River Community Development District
East Nassau Stewardship District	Harmony Community Development District
Eastlake Oaks Community Development District	Harmony West Community Development District
Easton Park Community Development District	Harrison Ranch Community Development District
Estancia @ Wiregrass Community Development District	Hawkstone Community Development District

GOVERNMENTAL AUDIT EXPERIENCE (CONTINUED)

Heritage Harbor Community Development District	Madeira Community Development District
Heritage Isles Community Development District	Marhsall Creek Community Development District
Heritage Lake Park Community Development District	Meadow Pointe IV Community Development District
Heritage Landing Community Development District	Meadow View at Twin Creek Community Development District
Heritage Palms Community Development District	Mediterra North Community Development District
Heron Isles Community Development District	Midtown Miami Community Development District
Heron Isles Community Development District	Mira Lago West Community Development District
Highland Meadows II Community Development District	Montecito Community Development District
Julington Creek Community Development District	Narcoossee Community Development District
Laguna Lakes Community Development District	Naturewalk Community Development District
Lake Bernadette Community Development District	New Port Tampa Bay Community Development District
Lakeside Plantation Community Development District	Overoaks Community Development District
Landings at Miami Community Development District	Panther Trace II Community Development District
Legends Bay Community Development District	Paseo Community Development District
Lexington Oaks Community Development District	Pine Ridge Plantation Community Development District
Live Oak No. 2 Community Development District	Piney Z Community Development District

GOVERNMENTAL AUDIT EXPERIENCE (CONTINUED)

Poinciana Community Development District	Sampson Creek Community Development District
Poinciana West Community Development District	San Simeon Community Development District
Port of the Islands Community Development District	Six Mile Creek Community Development District
Portofino Isles Community Development District	South Village Community Development District
Quarry Community Development District	Southern Hills Plantation I Community Development District
Renaissance Commons Community Development District	Southern Hills Plantation III Community Development District
Reserve Community Development District	South Fork Community Development District
Reserve #2 Community Development District	St. John's Forest Community Development District
River Glen Community Development District	Stoneybrook South Community Development District
River Hall Community Development District	Stoneybrook South at ChampionsGate Community Development District
River Place on the St. Lucie Community Development District	Stoneybrook West Community Development District
Rivers Edge Community Development District	Tern Bay Community Development District
Riverwood Community Development District	Terracina Community Development District
Riverwood Estates Community Development District	Tison's Landing Community Development District
Rolling Hills Community Development District	TPOST Community Development District
Rolling Oaks Community Development District	

GOVERNMENTAL AUDIT EXPERIENCE (CONTINUED)

Triple Creek Community
Development District

Vizcaya in Kendall
Development District

TSR Community Development
District

Waterset North Community
Development District

Turnbull Creek Community
Development District

Westside Community Development
District

Twin Creeks North Community
Development District

WildBlue Community Development
District

Urban Orlando Community
Development District

Willow Creek Community
Development District

Verano #2 Community
Development District

Willow Hammock Community
Development District

Viera East Community
Development District

Winston Trails Community
Development District

VillaMar Community
Development District

Zephyr Ridge Community
Development District

GOVERNMENTAL AUDIT EXPERIENCE (CONTINUED)

Other Governmental Organizations

City of Westlake	Office of the Medical Examiner, District 19
Florida Inland Navigation District	Rupert J. Smith Law Library of St. Lucie County
Fort Pierce Farms Water Control District	St. Lucie Education Foundation
Indian River Regional Crime Laboratory, District 19, Florida	Seminole Improvement District
Viera Stewardship District	Troup Indiantown Water Control District

Current or Recent Single Audits.

St. Lucie County, Florida
Early Learning Coalition, Inc.
Treasure Coast Food Bank, Inc.

Members of our audit team have acquired extensive experience from performing or participating in over 1,800 audits of governments, independent special taxing districts, school boards, and other agencies that receive public money and utilize fund accounting.

Much of our firm's auditing experience is with compliance auditing, which is required for publicly financed agencies. In this type of audit, we do a financial examination and also confirm compliance with various statutory and regulatory guidelines.

Following is a summary of our other experience, including Auditor General experience, as it pertains to other governmental and fund accounting audits.

Counties

(Includes elected constitutional officers, utilities and dependent taxing districts)

Indian River
Martin
Okeechobee
Palm Beach

Municipalities

City of Port St. Lucie
City of Vero Beach
Town of Orchid

GOVERNMENTAL AUDIT EXPERIENCE (CONTINUED)

Special Districts

Bannon Lakes Community Development District
Boggy Creek Community Development District
Capron Trail Community Development District
Celebration Pointe Community Development District
Coquina Water Control District
Diamond Hill Community Development District
Dovera Community Development District
Durbin Crossing Community Development District
Golden Lakes Community Development District
Lakewood Ranch Community Development District
Martin Soil and Water Conservation District
Meadow Pointe III Community Development District
Myrtle Creek Community Development District
St. Lucie County – Fort Pierce Fire District
The Crossings at Fleming Island
St. Lucie West Services District
Indian River County Mosquito Control District
St. John's Water Control District
Westchase and Westchase East Community Development Districts
Pier Park Community Development District
Verandahs Community Development District
Magnolia Park Community Development District

Schools and Colleges

Federal Student Aid Programs – Indian River Community College
Indian River Community College
Okeechobee County District School Board
St. Lucie County District School Board

State and County Agencies

Central Florida Foreign-Trade Zone, Inc. (a nonprofit organization affiliated with the St. Lucie County Board of County Commissioners)
Florida School for Boys at Okeechobee
Indian River Community College Crime Laboratory
Indian River Correctional Institution

FEE SCHEDULE

We propose the fee for our audit services described below to be \$3,375 for the year ended September 30, 2019, and \$3,500 for the years ended September 30, 2020 and 2021. The fee is contingent upon the financial records and accounting systems of North River Ranch Community Development District being "audit ready" and the financial activity for the District is not materially increased. If we discover that additional preparation work or subsidiary schedules are needed, we will consult with your authorized representative. We can assist with this additional work at our standard rates should you desire.

SCOPE OF WORK TO BE PERFORMED

If selected as the District's auditors, we will perform a financial and compliance audit in accordance with Section 11.45, Florida Statutes, in order to express an opinion on an annual basis on the financial statements of North River Ranch Community Development District as of September 30, 2019, 2020, and 2021. The audits will be performed to the extent necessary to express an opinion on the fairness in all material respects with which the financial statements present the financial position, results of operations and changes in financial position in conformity with generally accepted accounting principles and to determine whether, for selected transactions, operations are properly conducted in accordance with legal and regulatory requirements. Reportable conditions that are also material weaknesses shall be identified as such in the Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters. Other (non-reportable) conditions discovered during the course of the audit will be reported in a separate letter to management, which will be referred to in the Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters.

Our audit will be performed in accordance with standards for financial and compliance audits contained in *Government Auditing Standards*, as well as in compliance with rules and regulations of audits of special districts as set forth by the State Auditor General in Chapter 10.550, Local Governmental Entity Audits, and other relevant federal, state and county orders, statutes, ordinances, charter, resolutions, bond covenants, Administrative Code and procedures, or rules and regulations which may pertain to the work required in the engagement.

The primary purpose of our audit will be to express an opinion on the financial statements discussed above. It should be noted that such audits are subject to the inherent risk that errors or irregularities may not be detected. However, if conditions are discovered which lead to the belief that material errors, defalcations or other irregularities may exist or if other circumstances are encountered that require extended services, we will promptly notify the appropriate individual.

Commitment to Quality Service

Personnel Qualifications and Experience

J. W. Gaines, CPA, CITP

Director – 40 years

Education

- ◆ Stetson University, B.B.A. – Accounting

Registrations

- ◆ Certified Public Accountant – State of Florida, State Board of Accountancy
- ◆ Certified Information Technology Professional (CITP) – American Institute of Certified Public Accountants

Professional Affiliations/Community Service

- ◆ Member of the American and Florida Institutes of Certified Public Accountants
- ◆ Affiliate member Government Finance Officers Association
- ◆ Past President, Vice President-Campaign Chairman, Vice President and Board Member of United Way of St. Lucie County, 1989 - 1994
- ◆ Past President, President Elect, Secretary and Treasurer of the Treasure Coast Chapter of the Florida Institute of Certified Public Accountants, 1988 - 1991
- ◆ Past President of Ft. Pierce Kiwanis Club, 1994 - 95, Member/Board Member since 1982
- ◆ Past President, Vice President and Treasurer of St. Lucie County Chapter of the American Cancer Society, 1980 -1986
- ◆ Member of the St. Lucie County Chamber of Commerce, Member Board of Directors, Treasurer, September 2002 - 2006, Chairman Elect 2007, Chairman 2008, Past Chairman 2009
- ◆ Member Lawnwood Regional Medical Center Board of Trustees, 2000 – Present, Chairman 2013 - Present
- ◆ Member of St. Lucie County Citizens Budget Committee, 2001 – 2002
- ◆ Member of Ft. Pierce Citizens Budget Advisory Committee, 2010 – 2011
- ◆ Member of Ft. Pierce Civil Service Appeals Board, 2013 - Present

Professional Experience

- ◆ Miles Grant Development/Country Club – Stuart, Florida, July 1975 – October 1976
- ◆ State Auditor General's Office – Public Accounts Auditor – November 1976 through September 1979
- ◆ Director - Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants PL, responsible for numerous government and nonprofit audits.
- ◆ Over 30 years experience in all phases of public accounting and auditing experience, with a concentration in financial and compliance audits. Mr. Gaines has been involved in all phases of the audits listed on the preceding pages.

Commitment to Quality Service

Personnel Qualifications and Experience

J. W. Gaines, CPA, CITP (Continued)

Director

Continuing Professional Education

- ◆ Has participated in numerous continuing professional education courses provided by nationally recognized sponsors over the last two years to keep abreast of the latest developments in accounting and auditing such as:
 - Governmental Accounting Report and Audit Update
 - Analytical Procedures, FICPA
 - Annual Update for Accountants and Auditors
 - Single Audit Sampling and Other Considerations

Commitment to Quality Service

Personnel Qualifications and Experience

David S. McGuire, CPA, CITP

Accounting and Audit Principal – 11 years

Accounting and Audit Manager – 4 years

Staff Accountant – 11 years

Education

- ◆ University of Central Florida, B.A. – Accounting
- ◆ Barry University – Master of Professional Accountancy

Registrations

- ◆ Certified Public Accountant – State of Florida, State Board of Accountancy
- ◆ Certified Information Technology Professional (CITP) – American Institute of Certified Public Accountants
- ◆ Certified Not-For-Profit Core Concepts 2018

Professional Affiliations/Community Service

- ◆ Member of the American and Florida Institutes of Certified Public Accountants
- ◆ Associate Member, Florida Government Finance Office Associates
- ◆ Assistant Coach – St. Lucie County Youth Football Organization (1994 – 2005)
- ◆ Assistant Coach – Greater Port St. Lucie Football League, Inc. (2006 – 2010)
- ◆ Board Member – Greater Port St. Lucie Football League, Inc. (2011 – present)
- ◆ Treasurer, AIDS Research and Treatment Center of the Treasure Coast, Inc. (2000 – 2003)
- ◆ Board Member/Treasurer, North Treasure Coast Chapter, American Red Cross (2004 – 2010)
- ◆ Member/Board Member of Port St. Lucie Kiwanis (1994 – 2001)
- ◆ President (2014/15) of Sunrise Kiwanis of Fort Pierce (2004 – present)
- ◆ St. Lucie District School Board Superintendent Search Committee (2013 – present)

Professional Experience

- ◆ Twenty-four years public accounting experience with an emphasis on nonprofit and governmental organizations.
- ◆ Audit Manager in-charge on a variety of audit and review engagements within several industries, including the following government and nonprofit organizations:
 - St. Lucie County, Florida
 - 19th Circuit Office of Medical Examiner
 - Troup Indiantown Water Control District
 - Exchange Club Center for the Prevention of Child Abuse, Inc.
 - Healthy Kids of St. Lucie County
 - Mustard Seed Ministries of Ft. Pierce, Inc.
 - Reaching Our Community Kids, Inc.
 - Reaching Our Community Kids - South
 - St. Lucie County Education Foundation, Inc.
 - Treasure Coast Food Bank, Inc.
 - North Springs Improvement District
- ◆ Four years of service in the United States Air Force in computer operations, with a top secret (SCI/SBI) security clearance.

Commitment to Quality Service

Personnel Qualifications and Experience

David S. McGuire, CPA, CITP (Continued)

Accounting and Audit Principal

Continuing Professional Education

- ◆ Mr. McGuire has attended numerous continuing professional education courses and seminars taught by nationally recognized sponsors in the accounting auditing and single audit compliance areas. He has attended courses over the last two years in those areas as follows:

- Not-for-Profit Auditing Financial Results and Compliance Requirements

- Update: Government Accounting Reporting and Auditing

- Annual Update for Accountants and Auditors

Commitment to Quality Service

Personnel Qualifications and Experience

David F. Haughton, CPA

Accounting and Audit Manager – 28 years

Education

- ◆ Stetson University, B.B.A. – Accounting

Registrations

- ◆ Certified Public Accountant – State of Florida, State Board of Accountancy

Professional Affiliations/Community Service

- ◆ Member of the American and Florida Institutes of Certified Public Accountants
- ◆ Former Member of Florida Institute of Certified Public Accountants Committee on State and Local Government
- ◆ Affiliate Member Government Finance Officers Association (GFOA) for over 10 years
- ◆ Affiliate Member Florida Government Finance Officers Association (FGFOA) for over 10 years
- ◆ Technical Review – 1997 FICPA Course on State and Local Governments in Florida
- ◆ Board of Directors – Kiwanis of Ft. Pierce, Treasurer – 1994-1999; Vice President – 1999-2001

Professional Experience

- ◆ Twenty-seven years public accounting experience with an emphasis on governmental and nonprofit organizations.
- ◆ State Auditor General's Office – West Palm Beach, Staff Auditor, June 1985 to September 1985
- ◆ Accounting and Audit Manager of Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants PL, responsible for audit and accounting services including governmental and not-for-profit audits.
- ◆ Over 20 years of public accounting and governmental experience, specializing in governmental and nonprofit organizations with concentration in special districts, including Community Development Districts which provide services including water and sewer utilities. Governmental and non-profit entities served include the following:

Counties:

St. Lucie County

Municipalities:

City of Fort Pierce

City of Stuart

Commitment to Quality Service

Personnel Qualifications and Experience

David F. Haughton, CPA (Continued)

Accounting and Audit Manager

Professional Experience (Continued)

Special Districts:

Bluewaters Community Development District
Country Club of Mount Dora Community Development District
Fiddler's Creek Community Development District #1 and #2
Indigo Community Development District
North Springs Improvement District
Renaissance Commons Community Development District
St. Lucie West Services District
Stoneybrook Community Development District
Summerville Community Development District
Terracina Community Development District
Thousand Oaks Community Development District
Tree Island Estates Community Development District
Valencia Acres Community Development District

Non-Profits:

The Dunbar Center, Inc.
Hibiscus Children's Foundation, Inc.
Hope Rural School, Inc.
Maritime and Yachting Museum of Florida, Inc.
Tykes and Teens, Inc.
United Way of Martin County, Inc.
Workforce Development Board of the Treasure Coast, Inc.

- ◆ While with the Auditor General's Office he was on the staff for the state audits of the Martin County School District and Okeechobee County School District.
- ◆ During 1997 he performed a technical review of the Florida Institute of Certified Public Accountants state CPE course on Audits of State and Local Governments in Florida. His comments were well received by the author and were utilized in future updates to the course.

Continuing Professional Education

- ◆ During the past several years, he has participated in numerous professional development training programs sponsored by the AICPA and FICPA, including state conferences on special districts and governmental auditing in Florida. He averages in excess of 100 hours bi-annually of advanced training which exceeds the 80 hours required in accordance with the continuing professional education requirements of the Florida State Board of accountancy and the AICPA Private Companies Practice Section. He has over 75 hours of governmental CPE credit within the past two years.

Commitment to Quality Service

Personnel Qualifications and Experience

Matthew Gonano, CPA

Senior Staff Accountant – 8 years

Education

- ◆ University of North Florida, B.B.A. – Accounting
- ◆ University of Alicante, Spain – International Business
- ◆ Florida Atlantic University – Masters of Accounting

Professional Affiliations/Community Service

- ◆ American Institute of Certified Public Accountants
- ◆ Florida Institute of Certified Public Accountants

Professional Experience

- ◆ Senior Accountant with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.
- ◆ Performed audits of nonprofit and governmental organizations in accordance with Governmental Accounting Auditing Standards (GAAS)
- ◆ Performed Single Audits of nonprofit organizations in accordance with OMB Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations.

Continuing Professional Education

- ◆ Mr. Gonano has participated in numerous continuing professional education courses.

Commitment to Quality Service

Personnel Qualifications and Experience

Paul Daly

Staff Accountant – 7 years

Education

- ◆ Florida Atlantic University, B.S. – Accounting

Professional Experience

- ◆ Staff Accountant with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.

Continuing Professional Education

- ◆ Working to attain the requirements to take the Certified Public Accounting (CPA) exam.

Commitment to Quality Service

Personnel Qualifications and Experience

Melissa Marlin

Senior Staff Accountant – 5 years

Education

- ◆ Indian River State College, A.A. – Accounting
- ◆ Florida Atlantic University, B.B.A. – Accounting

Professional Experience

- ◆ Staff accountant with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.

Continuing Professional Education

- ◆ Mrs. Marlin participates in numerous continuing professional education courses provided by nationally recognized sponsors to keep abreast of the latest developments.
- ◆ Mrs. Marlin is currently studying to pass the CPA exam.

Commitment to Quality Service

Personnel Qualifications and Experience

Bryan Snyder

Staff Accountant – 4 years

Education

- ◆ Florida Atlantic University, B.B.A. – Accounting

Professional Experience

- ◆ Accountant beginning his professional auditing career with Berger, Toombs, Elam, Gaines, & Frank.
- ◆ Mr. Snyder is gaining experience auditing governmental & nonprofit entities.

Continuing Professional Education

- ◆ Mr. Snyder participates in numerous continuing education courses and plans on working to acquire his CPA certificate.
- ◆ Mr. Snyder is currently studying to pass the CPA exam.

Commitment to Quality Service

Personnel Qualifications and Experience

Maritza Stonebraker

Staff Accountant – 3 years

Education

- ◆ Indian River State College, B.S.A. – Accounting

Professional Experience

- ◆ Staff Accountant beginning her professional auditing career with Berger, Toombs, Elam, Gaines, & Frank.

Continuing Professional Education

- ◆ Mrs. Stonebraker participates in numerous continuing education courses and plans on acquiring her CPA.
- ◆ Mrs. Stonebraker is currently studying to pass the CPA exam.

Commitment to Quality Service

Personnel Qualifications and Experience

Jonathan Herman, CPA

Senior Staff Accountant – 5 years

Education

- ◆ University of Central Florida, B.S. – Accounting
- ◆ Florida Atlantic University, MACC

Professional Experience

- ◆ Accounting graduate with five years experience with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.

Continuing Professional Education

- ◆ Mr. Herman participates in numerous continuing professional education courses provided by nationally recognized sponsors to keep abreast of the latest developments.

Commitment to Quality Service

Personnel Qualifications and Experience

Sean Stanton, CPA

Staff Accountant – 3 years

Education

- ◆ University of South Florida, B.S. – Accounting
- ◆ Florida Atlantic University, M.B.A. – Accounting

Professional Experience

- ◆ Staff accountant with Berger, Toombs, Elam, Gaines, & Frank auditing governmental and non-profit entities.

Continuing Professional Education

- ◆ Mr. Stanton participates in numerous continuing professional education courses provided by nationally recognized sponsors to keep abreast of the latest developments.

Commitment to Quality Service

Personnel Qualifications and Experience

Brianne Davies

Staff Accountant – 1 year

Education

- ◆ Indian River State College, B.S.A. – Accounting

Professional Experience

- ◆ Staff Accountant with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.

Continuing Professional Education

- ◆ Ms. Davies participates in numerous continuing professional education courses provided by nationally recognized sponsors to keep abreast of the latest developments.

Commitment to Quality Service

Personnel Qualifications and Experience
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Taylor Nuccio

Staff Accountant – 1 year

Education

- ◆ Indian River State College, B.S.A. – Accounting

Professional Experience

- ◆ Staff Accountant with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.

Continuing Professional Education

- ◆ Ms. Nuccio participates in numerous continuing professional education courses provided by nationally recognized sponsors to keep abreast of the latest developments.
- ◆ Ms. Nuccio is currently working towards completing an additional 30 hours of education to qualify to sit for CPA exam.

Commitment to Quality Service

Personnel Qualifications and Experience
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Kirk Vasser

Staff Accountant

Education

- ◆ Indian River State College, B.S.A. – Accounting

Professional Experience

- ◆ Staff Accountant with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.

Continuing Professional Education

- ◆ Mr. Vasser participates in numerous continuing professional education courses provided by nationally recognized sponsors to keep abreast of the latest developments.
- ◆ Mr. Vasser is currently working towards completing an additional 30 hours of education to qualify to sit for CPA exam.



Judson B. Baggett 6815 Dairy Road
MBA, CPA, CVA, Partner Zephyrhills, FL 33542
Marci Reutimann (813) 788-2155
CPA, Partner (813) 782-8606

System Review Report

To the Directors
Berger, Toombs, Elam, Gaines & Frank, CPAs PL
and the Peer Review Committee of the Florida Institute of Certified Public Accountants

November 2, 2016

We have reviewed the system of quality control for the accounting and auditing practice of Berger, Toombs, Elam, Gaines & Frank, CPAs PL (the firm), in effect for the year ended May 31, 2016. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control, and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards and audits of employee benefit plans*.

In our opinion, the system of quality control for the accounting and auditing practice of Berger, Toombs, Elam, Gaines & Frank, CPAs PL in effect for the year ended May 31, 2016 has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Berger, Toombs, Elam, Gaines & Frank, CPAs PL, has received a peer review rating of *pass*.


Baggett, Reutimann & Associates, CPAs, PA

(BERGER_REPORT16)

Member American Institute of Certified Public Accountants (AICPA) and Florida Institute of Certified Public Accountants (FICPA)
National Association of Certified Valuation Analysts (NACVA)

**NORTH RIVER RANCH COMMUNITY DEVELOPMENT DISTRICT
REQUEST FOR PROPOSALS**

District Auditing Services for Fiscal Year 2019
Manatee County, Florida

INSTRUCTIONS TO PROPOSERS

SECTION 1. DUE DATE. Sealed proposals must be received no later than **March 3, 2020, at 4:30 p.m.**, at the offices of the District Manager, PFM Group Consulting, LLC. located at 12051 Corporate Boulevard, Orlando, Florida 32817.

SECTION 2. FAMILIARITY WITH THE LAW. By submitting a proposal, the Proposer is assumed to be familiar with all federal, state, and local laws, ordinances, rules and regulations that in any manner affect the work. Ignorance on the part of the Proposer will in no way relieve it from responsibility to perform the work covered by the proposal in compliance with all such laws, ordinances and regulations.

SECTION 3. QUALIFICATIONS OF PROPOSER. The contract, if awarded, will only be awarded to a responsible Proposer who is qualified by experience and licensing to do the work specified herein. The Proposer shall submit with its proposal satisfactory evidence of experience in similar work and show that it is fully prepared to complete the work to the satisfaction of the District.

SECTION 4. SUBMISSION OF ONLY ONE PROPOSAL. Proposers shall be disqualified and their proposals rejected if the District has reason to believe that collusion may exist among the Proposers, the Proposer has defaulted on any previous contract or is in arrears on any previous or existing contract, or for failure to demonstrate proper licensure and business organization.

SECTION 5. SUBMISSION OF PROPOSAL. Each Proposer shall submit three (3) hard copies and one (1) electronic copy of the Proposal Documents (defined below), and other requested attachments at the time and place indicated herein, which shall be enclosed in an opaque sealed envelope, marked with the title "Auditing Services – North River Ranch Community Development District" on the face of it.

SECTION 6. MODIFICATION AND WITHDRAWAL. Proposals may be modified or withdrawn by an appropriate document duly executed and delivered to the place where proposals are to be submitted at any time prior to the time and date the proposals are due. No proposal may be withdrawn after opening for a period of ninety (90) days.

SECTION 7. PROPOSAL DOCUMENTS. The proposal documents shall consist of the notice announcing the request for proposals, these instructions, the evaluation criteria and a proposal with all required documentation pursuant to Section 12 of these instructions (the "Proposal Documents").

SECTION 8. PROPOSAL. In making its proposal, each Proposer represents that it has read and understands the Proposal Documents and that the proposal is made in accordance therewith.

SECTION 9. BASIS OF AWARD/RIGHT TO REJECT. The District reserves the right to reject any and all proposals, make modifications to the work, and waive any informalities or irregularities in proposals as it is deemed in the best interests of the District.

SECTION 10. CONTRACT AWARD. Within fourteen (14) days of receipt of the Notice of Award from the District, the Proposer shall enter into and execute a contract or engagement letter with the District.

SECTION 11. LIMITATION OF LIABILITY. Nothing herein shall be construed as or constitute a waiver of District's limited waiver of liability contained in section 768.28, Florida Statutes, or any other statute or law.

SECTION 12. CONTENTS OF PROPOSALS. All proposals shall include the following information in addition to any other requirements of the Proposal Documents.

- A. List position or title of all personnel to perform work on the District audit. Include resumes for each person listed; list years of experience in present position for each party listed and years of related experience.
- B. Describe proposed staffing levels, including resumes with applicable certifications.
- C. Provide three (3) references from projects of similar size and scope. The Proposer should include information relating to the work it conducted for each reference as well as a name, address and phone number of a contact person. Identify any work previously conducted for other community development districts.
- D. The lump sum cost of the provision of the services under the proposal, plus the cost of two (2) annual renewals.

SECTION 13. PROTESTS. In accordance with the District's Rules of Procedure, any protest regarding the Proposal Documents, must be filed in writing, at the offices of the District Manager, within seventy-two (72) hours after the receipt of the proposed contract documents. The formal protest setting forth with particularity the facts and law upon which the protest is based shall be filed within seven (7) calendar days after the initial notice of protest was filed. Failure to timely file a notice of protest or failure to timely file a formal written protest shall constitute a waiver of any right to object or protest with respect to aforesaid contract award.

SECTION 14. EVALUATION OF PROPOSALS. The criteria to be used in the evaluation of proposals are presented in the evaluation criteria, contained within the Proposal Documents.

**AUDITOR SELECTION
EVALUATION CRITERIA (WITH PRICE)**

1. Ability of Personnel. (20 Points)

This includes the geographic locations of the firm's headquarters or permanent office in relation to the project; capabilities and experience of key personnel; present ability to manage this project; evaluation of existing work load; proposed staffing levels, etc.

2. Proposer's Experience. (20 Points)

This includes past record and experience of the Proposer in similar projects; volume of work previously performed by the firm; past performance for other community development districts in other contracts; character, integrity, reputation, of respondent, etc.

3. Understanding of Scope of Work. (20 Points)

Extent to which the proposal demonstrates an understanding of the District's needs for the services requested.

4. Ability to Furnish the Required Services. (20 Points)

Extent to which the proposal demonstrates the adequacy of Proposer's financial resources and stability as a business entity necessary to complete the services required.

5. Price. (20 Points)

Points will be awarded based upon the lowest total bid for rendering the services and the reasonableness of the proposal.



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

Proposal to Provide Financial Auditing Services:

NORTH RIVER RANCH

COMMUNITY DEVELOPMENT DISTRICT

Proposal Due: March 03, 2020
4:30PM

Submitted to:

North River Ranch
Community Development District
C/o Vivian Carvalho, District Manager
12051 Corporate Boulevard
Orlando, Florida 32817

Submitted by:

Antonio J. Grau, Partner
Grau & Associates
951 Yamato Road, Suite 280
Boca Raton, Florida 33431

Tel (561) 994-9299
(800) 229-4728

Fax (561) 994-5823

tgrau@graucpa.com

www.graucpa.com



Table of Contents

	PAGE
EXECUTIVE SUMMARY / TRANSMITTAL LETTER	1
FIRM QUALIFICATIONS.....	3
FIRM & STAFF EXPERIENCE.....	6
REFERENCES.....	11
SPECIFIC AUDIT APPROACH.....	13
COST OF SERVICES	17
SUPPLEMENTAL INFORMATION	19



Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

March 03, 2020

North River Ranch Community Development District
C/o Vivian Carvalho, District Manager
12051 Corporate Boulevard
Orlando, Florida 32817

Re: Request for Proposal for Professional Auditing Services for the fiscal year ended September 30, 2019, with an option for two (2) additional annual renewals.

Grau & Associates (Grau) welcomes the opportunity to respond to the North River Ranch Community Development District's (the "District") Request for Proposal (RFP), and we look forward to working with you on your audit. We are an energetic and robust team of knowledgeable professionals and are a recognized leader of providing services to Community Development Districts. As one of Florida's few firms to primarily focus on government, we are especially equipped to provide you an effective and efficient audit.

Special district audits are at the core of our practice: **we have a total of 360 clients, 329 or 91% of which are special districts.** We know the specifics of the professional services and work products needed to meet your RFP requirements like no other firm. With this level of experience, we are able to increase efficiency, to provide immediate and continued savings, and to minimize disturbances to client operations.

Why Grau & Associates:

Knowledgeable Audit Team

Grau is proud that the personnel we assign to your audit are some of the most seasoned auditors in the field. Our staff performs governmental engagements year round. When not working on your audit, your team is refining their audit approach for next year's audit. Our engagement partners have decades of experience and take a hands-on approach to our assignments, which all ensures a smoother process for you.

Servicing your Individual Needs

Our clients enjoy personalized service designed to satisfy their unique needs and requirements. First, we ensure that the transition to a new firm is as smooth and seamless as possible. Throughout the process of our audit, you will find that we welcome working with you to resolve any issues as swiftly and easily as possible. In addition, due to Grau's very low turnover rate for our industry, you also won't have to worry about retraining your auditors from year to year.

Developing Relationships

We strive to foster mutually beneficial relationships with our clients. We stay in touch year round, updating, collaborating and assisting you in implementing new legislation, rules and standards that affect your organization. We are also available as a sounding board and assist with technical questions.

Maintaining an Impeccable Reputation

We have never been involved in any litigation, proceeding or received any disciplinary action. Additionally, we have never been charged with, or convicted of, a public entity crime of any sort. We are financially stable and have never been involved in any bankruptcy proceedings.

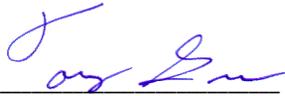
Complying With Standards

Our audit will follow the Auditing Standards of the AICPA, Generally Accepted Government Auditing Standards, issued by the Comptroller General of the United States, and the Rules of the Auditor General of the State of Florida, and any other applicable federal, state and local regulations. We will deliver our reports in accordance with your requirements.

This proposal is a firm and irrevocable offer for 90 days. We certify this proposal is made without previous understanding, agreement or connection either with any previous firms or corporations offering a proposal for the same items. We also certify our proposal is in all respects fair, without outside control, collusion, fraud, or otherwise illegal action, and was prepared in good faith. Only the person(s), company or parties interested in the project as principals are named in the proposal. Grau has no existing or potential conflicts, and anticipates no conflicts during the engagement. Our Federal I.D. number is 20-2067322.

We would be happy to answer any questions or to provide any additional information. We are genuinely excited about the prospect of serving you and establishing a long-term relationship. Please do not hesitate to call or email either of our Partners, Antonio J. Grau, CPA (tgrau@graucpa.com) or Racquel McIntosh, CPA (rmcintosh@graucpa.com) at 561.994.9299. We thank you for considering our firm's qualifications and experience.

Very truly yours,
Grau & Associates



Antonio J. Grau

Firm Qualifications



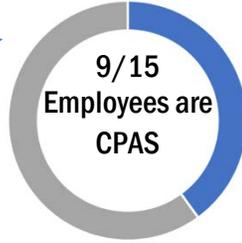
Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

Grau's Focus and Experience

Our Team



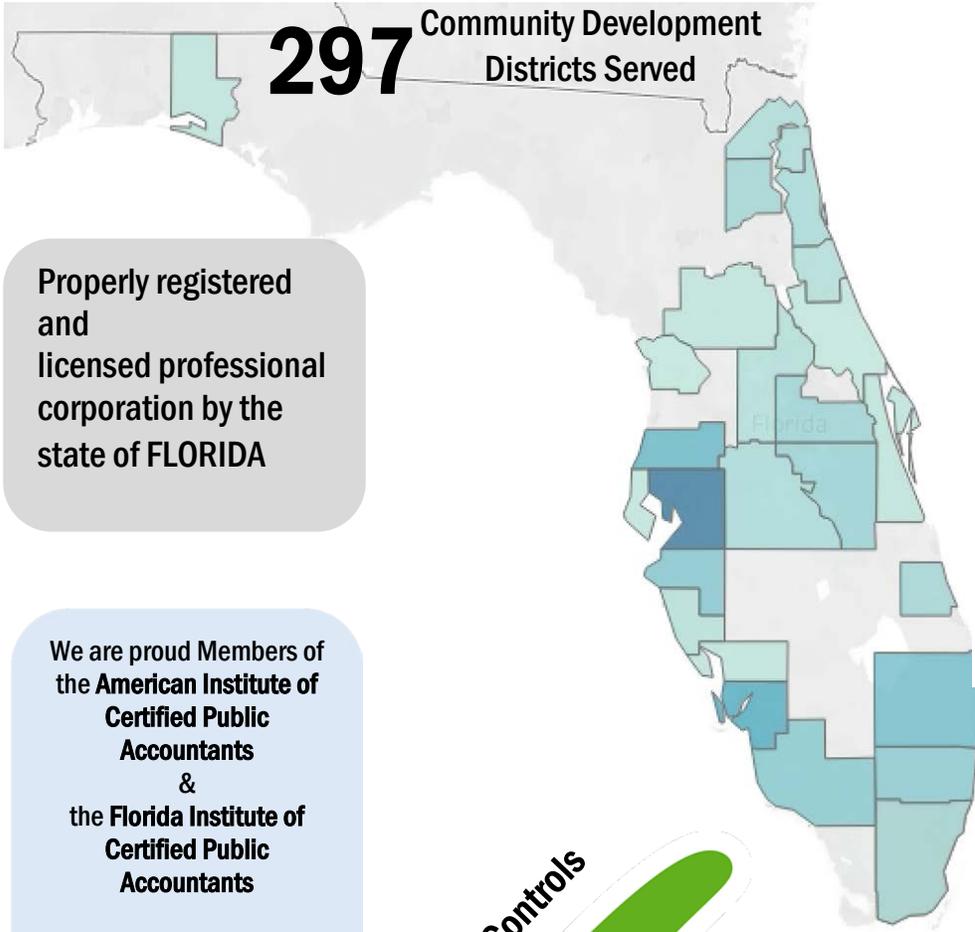
2 Partners
13 Professional Staff
2 Administrative Professionals



2005

Year founded

Services Provided



Properly registered and licensed professional corporation by the state of FLORIDA

We are proud Members of the American Institute of Certified Public Accountants & the Florida Institute of Certified Public Accountants

Quality Controls

- ⇒ External quality review program: consistently receives a pass
- ⇒ Internal: ongoing monitoring to maintain quality



AICPA | FICPA | GFOA | FASD | FGFOA

See next page for report and certificate

March 2, 2017

Antonio Jose Grau Jr, CPA
Grau & Associates
2700 N Military Trl Ste 350
Boca Raton, FL 33431

Dear Mr. Grau:

It is my pleasure to notify you that on March 2, 2017 the Florida Peer Review Committee accepted the report on the most recent system peer review of your firm. The due date for your next review is December 31, 2019. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Sincerely,



Paul N. Brown, CPA, CGMA
Director of Technical Services

cc: Daniel Joseph Hevia, CPA

Firm Number: 4390114

Review Number: 474720

325 W. College Ave. | P.O. Box 5437 | Tallahassee, FL 32314 | (850) 224-2727 | (800) 342-3197 | Fax: (850) 222-8190 | www.ficpa.org

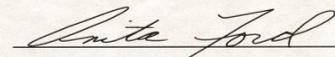


PEER REVIEW PROGRAM

is proud to present this
Certificate of Recognition
to

Grau & Associates

For having a system of quality control for its accounting and auditing practice in effect for the year ended June 30, 2016 which has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA and which was complied with during the year then ended to provide the firm with reasonable assurance of conforming with professional standards.



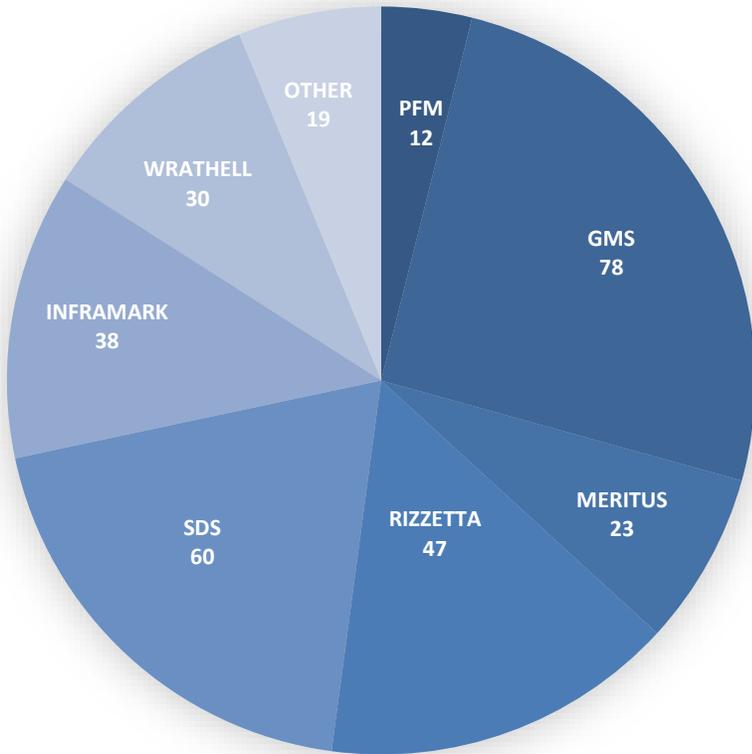
Anita Ford, Chair
AICPA Peer Review Board
2016

Firm & Staff Experience



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

GRAU AND ASSOCIATES COMMUNITY DEVELOPMENT DISTRICT EXPERIENCE BY MANAGEMENT COMPANY



Profile Briefs:

Antonio J GRAU, CPA (Partner)

Years Performing Audits: 30+
CPE (last 2 years): Government Accounting, Auditing: 66 hours; Accounting, Auditing and Other: 25 hours
Professional Memberships: AICPA, FICPA, FGFOA, GFOA

Racquel McIntosh, CPA (Partner)

Years Performing Audits: 14+
CPE (last 2 years): Government Accounting, Auditing: 59 hours; Accounting, Auditing and Other: 45 hours
Professional Memberships: AICPA, FICPA, FGFOA, FASD

“Here at Grau & Associates, staying up to date with the current technological landscape is one of our top priorities. Not only does it provide a more positive experience for our clients, but it also allows us to perform a more effective and efficient audit. With the every changing technology available and utilized by our clients, we are constantly innovating our audit process.”

Tony Grau

“Quality audits and exceptional client service are at the heart of every decision we make. Our clients trust us to deliver a quality audit, adhering to high standards and assisting them with improvements for their organization.”

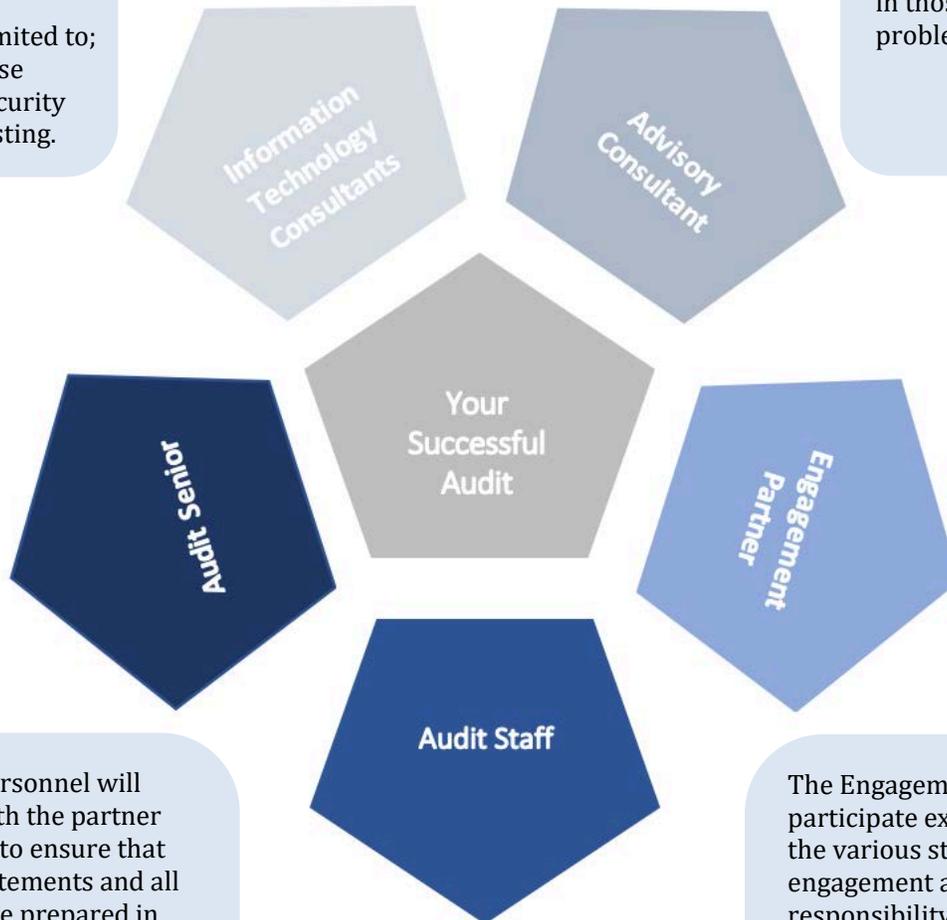
Racquel McIntosh

YOUR ENGAGEMENT TEAM

Grau's client-specific engagement team is meticulously organized in order to meet the unique needs of each client. Constant communication within our solution team allows for continuity of staff and audit team.

Grau contracts with an outside group of IT management consultants to assist with matters including, but not limited to; network and database security, internet security and vulnerability testing.

An advisory consultant will be available as a sounding board to advise in those areas where problems are encountered.



The assigned personnel will work closely with the partner and the District to ensure that the financial statements and all other reports are prepared in accordance with professional standards and firm policy. Responsibilities will include planning the audit; communicating with the client and the partners the progress of the audit; and determining that financial statements and all reports issued by the firm are accurate, complete and are prepared in accordance with professional standards and firm policy.

The Engagement Partner will participate extensively during the various stages of the engagement and has direct responsibility for engagement policy, direction, supervision, quality control, security, confidentiality of information of the engagement and communication with client personnel. The engagement partner will also be involved directing the development of the overall audit approach and plan; performing an overriding review of work papers and ascertain client satisfaction.



Antonio 'Tony' J. Grau, CPA

Partner

Contact: tgrau@graucpa.com | (561) 939-6672

Experience

For over 30 years, Tony has been providing audit, accounting and consulting services to the firm's governmental, non-profit, employee benefit, overhead and arbitrage clients. He provides guidance to clients regarding complex accounting issues, internal controls and operations.

As a member of the Government Finance Officers Association Special Review Committee, Tony participated in the review process for awarding the GFOA Certificate of Achievement in Financial Reporting. Tony was also the review team leader for the Quality Review of the Office of Management Audits of School Board of Miami-Dade County. Tony received the AICPA advanced level certificate for governmental single audits.

Education

University of South Florida (1983)
Bachelor of Arts
Business Administration

Clients Served (partial list)

(>300) Various Special Districts, including:

- | | |
|--|--|
| Bayside Improvement Community Development District | St. Lucie West Services District |
| Dunes Community Development District | Ave Maria Stewardship Community District |
| Fishhawk Community Development District (I,II,IV) | Rivers Edge II Community Development District |
| Grand Bay at Doral Community Development District | Bartram Park Community Development District |
| Heritage Harbor North Community Development District | Bay Laurel Center Community Development District |
| | |
| Boca Raton Airport Authority | |
| Greater Naples Fire Rescue District | |
| Key Largo Wastewater Treatment District | |
| Lake Worth Drainage District | |
| South Indian River Water Control | |

Professional Associations/Memberships

American Institute of Certified Public Accountants Florida Government Finance Officers Association
Florida Institute of Certified Public Accountants Government Finance Officers Association Member
City of Boca Raton Financial Advisory Board Member

Professional Education (over the last two years)

<u>Course</u>	<u>Hours</u>
Government Accounting and Auditing	66
Accounting, Auditing and Other	25
Total Hours	91 (includes of 4 hours of Ethics CPE)



Racquel C. McIntosh, CPA

Partner

Contact : rmcintosh@graucpa.com | (561) 939-6669

Experience

Racquel has been providing government audit, accounting and advisory services to our clients for over 14 years. She serves as the firm’s quality control partner; in this capacity she closely monitors engagement quality ensuring standards are followed and maintained throughout the audit.

Racquel develops in-house training seminars on current government auditing, accounting, and legislative topics and also provides seminars for various government organizations. In addition, she assists clients with implementing new accounting software, legislation, and standards.

Education

- Florida Atlantic University (2004)
Master of Accounting
- Florida Atlantic University (2003)
Bachelor of Arts:
Finance, Accounting

Clients Served (partial list)

(>300) Various Special Districts, including:

Carlton Lakes Community Development District
 Golden Lakes Community Development District
 Rivercrest Community Development District
 South Fork III Community Development District
 TPOST Community Development District

Westchase Community Development District
 Monterra Community Development District
 Palm Coast Park Community Development District
 Long Leaf Community Development District
 Watergrass Community Development District

East Central Regional Wastewater Treatment Facilities
 Indian Trail Improvement District
 Pinellas Park Water Management District
 Ranger Drainage District
 South Trail Fire Protection and Rescue Service District

Professional Associations/ Memberships

- American Institute of Certified Public Accountants
- Florida Institute of Certified Public Accountants
- FICPA State & Local Government Committee
- FGFOA Palm Beach Chapter

Professional Education (over the last two years)

<u>Course</u>	<u>Hours</u>
Government Accounting and Auditing	59
Accounting, Auditing and Other	45
Total Hours	<u>104</u> (includes of 4 hours of Ethics CPE)

References



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

We have included three references of government engagements that require compliance with laws and regulations, follow fund accounting, and have financing requirements, which we believe are similar to the District.

Dunes Community Development District

Scope of Work	Financial audit
Engagement Partner	Antonio J. Grau
Dates	Annually since 1998
Client Contact	Darrin Mossing, Finance Director 475 W. Town Place, Suite 114 St. Augustine, Florida 32092 904-940-5850

Two Creeks Community Development District

Scope of Work	Financial audit
Engagement Partner	Antonio J. Grau
Dates	Annually since 2007
Client Contact	William Rizzetta, President 3434 Colwell Avenue, Suite 200 Tampa, Florida 33614 813-933-5571

Journey's End Community Development District

Scope of Work	Financial audit
Engagement Partner	Antonio J. Grau
Dates	Annually since 2004
Client Contact	Todd Wodraska, Vice President 2501 A Burns Road Palm Beach Gardens, Florida 33410 561-630-4922

Specific Audit Approach



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

AUDIT APPROACH

Grau's Understanding of Work Product / Scope of Services:

We recognize the District is an important entity and we are confident our firm is eminently qualified to meet the challenges of this engagement and deliver quality audit services. ***You would be a valued client of our firm and we pledge to commit all firm resources to provide the level and quality of services (as described below) which not only meet the requirements set forth in the RFP but will exceed those expectations.*** Grau & Associates fully understands the scope of professional services and work products requested. Our audit will follow the Auditing Standards of the AICPA, *Generally Accepted Government Auditing Standards*, issued by the Comptroller General of the United States, and the Rules of the Auditor General of the State of Florida and any other applicable Federal, State or Local regulations. **We will deliver our reports in accordance with your requirements.**

Proposed segmentation of the engagement

Our approach to the audit engagement is a risk-based approach which integrates the best of traditional auditing techniques and a total systems concept to enable the team to conduct a more efficient and effective audit. The audit will be conducted in three phases, which are as follows:



Phase I - Preliminary Planning

A thorough understanding of your organization, service objectives and operating environment is essential for the development of an audit plan and for an efficient, cost-effective audit. During this phase, we will meet with appropriate personnel to obtain and document our understanding of your operations and service objectives and, at the same time, give you the opportunity to express your expectations with respect to the services that we will provide. Our work effort will be coordinated so that there will be minimal disruption to your staff.

During this phase we will perform the following activities:

- » Review the regulatory, statutory and compliance requirements. This will include a review of applicable federal and state statutes, resolutions, bond documents, contracts, and other agreements;
- » Read minutes of meetings;
- » Review major sources of information such as budgets, organization charts, procedures, manuals, financial systems, and management information systems;
- » Obtain an understanding of fraud detection and prevention systems;
- » Obtain and document an understanding of internal control, including knowledge about the design of relevant policies, procedures, and records, and whether they have been placed in operation;
- » Assess risk and determine what controls we are to rely upon and what tests we are going to perform and perform test of controls;
- » Develop audit programs to incorporate the consideration of financial statement assertions, specific audit objectives, and appropriate audit procedures to achieve the specified objectives;
- » Discuss and resolve any accounting, auditing and reporting matters which have been identified.

Phase II – Execution of Audit Plan

The audit team will complete a major portion of transaction testing and audit requirements during this phase. The procedures performed during this period will enable us to identify any matter that may impact the completion of our work or require the attention of management. Tasks to be performed in Phase II include, but are not limited to the following:

- » Apply analytical procedures to further assist in the determination of the nature, timing, and extent of auditing procedures used to obtain evidential matter for specific account balances or classes of transactions;
- » Perform tests of account balances and transactions through sampling, vouching, confirmation and other analytical procedures; and
- » Perform tests of compliance.

Phase III - Completion and Delivery

In this phase of the audit, we will complete the tasks related to year-end balances and financial reporting. All reports will be reviewed with management before issuance, and the partners will be available to meet and discuss our report and address any questions. Tasks to be performed in Phase III include, but are not limited to the following:

- » Perform final analytical procedures;
- » Review information and make inquiries for subsequent events; and
- » Meeting with Management to discuss preparation of draft financial statements and any potential findings or recommendations.

You should expect more from your accounting firm than a signature in your annual financial report. Our concept of truly responsive professional service emphasizes taking an active interest in the issues of concern to our clients and serving as an effective resource in dealing with those issues. In following this approach, we not only audit financial information with hindsight but also consider the foresight you apply in managing operations.

Application of this approach in developing our management letter is particularly important given the increasing financial pressures and public scrutiny facing today's public officials. We will prepare the management letter at the completion of our final procedures.

In preparing this management letter, we will initially review any draft comments or recommendations with management. In addition, we will take necessary steps to ensure that matters are communicated to those charged with governance.

In addition to communicating any recommendations, we will also communicate the following, if any:

- » Significant audit adjustments;
- » Significant deficiencies or material weaknesses;
- » Disagreements with management; and
- » Difficulties encountered in performing the audit.

Our findings will contain a statement of condition describing the situation and the area that needs strengthening, what should be corrected and why. Our suggestions will withstand the basic tests of corrective action:

Is the recommendation cost effective?

Is the recommendation the simplest to effectuate in order to correct a problem?

Is the recommendation at the heart of the problem and not just correcting a symptomatic matter?

Is the corrective action taking into account why the deficiency occurred?

To assure full agreement with facts and circumstances, we will fully discuss each item with Management prior to the final exit conference. This policy means there will be no “surprises” in the management letter and fosters a professional, cooperative atmosphere.

Communications

We emphasize a continuous, year-round dialogue between the District and our management team. We typically begin our audit process with an entrance conference before the onsite fieldwork begins. We regularly communicate through personal telephone calls and electronic mail throughout the audit and on a regular basis. Our clients have the ability to transmit information to us on our secure client portal with the ability to assign different staff with separate log on and viewing capability. This further facilitates efficiency as all assigned users receive electronic mail notification as soon as new information has been posted into the portal. We strive to continue to keep an open line of communication through the fieldwork and ending with an exit conference.

Cost of Services



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

Our proposed all-inclusive fees for the financial audit for the fiscal years ended September 30, 2019-2021 are as follows:

<u>Year Ended September 30,</u>	<u>Fee</u>
2019	\$3,200
2020	\$3,300
2021	<u>\$3,400</u>
TOTAL (2019-2021)	<u>\$9,900</u>

The above fees are based on the assumption that the District maintains its current level of operations. Should conditions change or additional Bonds are issued the fees would be adjusted accordingly upon approval from all parties concerned.

Supplemental Information



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

PARTIAL LIST OF CLIENTS

SPECIAL DISTRICTS	Governmental Audit	Single Audit	Utility Audit	Current Client	Year End
Boca Raton Airport Authority	✓	✓		✓	9/30
Captain's Key Dependent District	✓			✓	9/30
Central Broward Water Control District	✓			✓	9/30
Coquina Water Control District	✓			✓	9/30
East Central Regional Wastewater Treatment Facility	✓		✓	✓	9/30
Florida Green Finance Authority	✓			✓	9/30
Greater Boca Raton Beach and Park District	✓			✓	9/30
Greater Naples Fire Control and Rescue District	✓			✓	9/30
Green Corridor P.A.C.E. District	✓			✓	9/30
Hobe-St. Lucie Conservancy District	✓			✓	9/30
Indian River Mosquito Control District	✓				9/30
Indian Trail Improvement District	✓			✓	9/30
Key Largo Waste Water Treatment District	✓	✓	✓	✓	9/30
Lake Padgett Estates Independent District	✓			✓	9/30
Lake Worth Drainage District	✓			✓	9/30
Loxahatchee Groves Water Control District	✓			✓	9/30
Old Plantation Control District	✓			✓	9/30
Pal Mar Water Control District	✓			✓	9/30
Pinellas Park Water Management District	✓			✓	9/30
Pine Tree Water Control District (Broward)	✓			✓	9/30
Pinetree Water Control District (Wellington)	✓			✓	9/30
Ranger Drainage District	✓			✓	9/30
Renaissance Improvement District	✓			✓	9/30
San Carlos Park Fire Protection and Rescue Service District	✓			✓	9/30
Sanibel Fire and Rescue District	✓			✓	9/30
South Central Regional Wastewater Treatment and Disposal Board	✓	✓	✓	✓	9/30
South-Dade Venture Development District	✓			✓	9/30
South Indian River Water Control District	✓	✓		✓	9/30
South Trail Fire Protection & Rescue District	✓			✓	9/30
Spring Lake Improvement District	✓			✓	9/30
St. Lucie West Services District	✓		✓	✓	9/30
Sunshine Water Control District	✓			✓	9/30
Sunny Hills Units 12-15 Dependent District	✓			✓	9/30
West Villages Improvement District	✓			✓	9/30
West Villages Independent District	✓		✓	✓	9/30
Various Community Development Districts (297)	✓			✓	9/30
TOTAL	333	4	5	332	

ADDITIONAL SERVICES

CONSULTING / MANAGEMENT ADVISORY SERVICES

Grau & Associates also provide a broad range of other management consulting services. Our expertise has been consistently utilized by Governmental and Non-Profit entities throughout Florida. Examples of engagements performed are as follows:

- Accounting systems
- Development of budgets
- Organizational structures
- Financing alternatives
- IT Auditing
- Fixed asset records
- Cost reimbursement
- Indirect cost allocation
- Grant administration and compliance

ARBITRAGE

The federal government has imposed complex rules to restrict the use of tax-exempt financing. Their principal purpose is to eliminate any significant arbitrage incentives in a tax-exempt issue. We have determined the applicability of these requirements and performed the rebate calculations for more than 150 bond issues, including both fixed and variable rate bonds.

73

Current
Arbitrage
Calculations

We look forward to providing North River Ranch Community Development District with our resources and experience to accomplish not only those minimum requirements set forth in your Request for Proposal, but to exceed those expectations!

**For even more information on Grau & Associates
please visit us on www.graucpa.com.**

**North River Ranch
Community Development District**

Ranking of Auditing Services Proposals

North River Ranch Community Development District Auditor Selection - Manager's Recommended Rankings

Criteria	Possible Points	Berger, Toombs, Elam, Gains & Frank	Berger Points	Grau & Associates	Grau Rec. Points
Ability of Personnel	20.0	Qualified, Multiple CPAs on Staff	20.0	Qualified; at least 4 CPAs on Staff	20.0
Proposer's Experience	20.0	Extensive CDD Experience	20.0	Extensive CDD Experience	20.0
Understanding of Scope of Work	20.0	Sufficient	20.0	Sufficient	20.0
Ability to Furnish Required Services	20.0	Capable	20.0	Capable	20.0
Price for Services for Three Years	20.0	\$3,375 + \$3,500 + \$3,500 = \$10,375	19.0	\$3,200 + \$3,300 + \$3,400 = \$9,900	20.0
Total	100.0		99.0		100.0

**North River Ranch
Community Development District**

Consideration of the Minutes of the
February 12, 2020 Board of Supervisors'
Meeting

MINUTES OF MEETING

**NORTH RIVER RANCH COMMUNITY DEVELOPMENT DISTRICT
BOARD OF SUPERVISORS MEETING MINUTES**

Wednesday, February 12, 2020

8141 Lakewood Main Street

Bradenton, FL 34202

1:30 PM

Board Members present at roll call:

Pete Williams	Chairperson
Ivory Matthews	Vice Chairperson
Priscilla Heim	Assistant Secretary
John Blakley	Assistant Secretary
Dale Weidemiller	Assistant Secretary

Also Present:

Vivian Carvalho	District Manager- PFM Group Consulting, LLC
Venessa Ripoll	Assistant District Manager PFM Group Consulting, LLC
Michael Dennis	PFM Financial Advisors, LLC
Christopher Fisher	District Engineer-Clearview Land Design, P.L.
Tom Panaseney	Neal Communities
Jim Schier	Neal Communities
Pam Curran	Neal Communities
John Leinaweaver	Neal Communities
Ed Vogler	District Counsel-Vogler Ashton (via phone)
Kim Ashton	District Counsel-Vogler Ashton (via phone)

FIRST ORDER OF BUSINESS

Organizational Matters

Call to Order and Roll Call

Ms. Carvalho called to order at 2:20 pm the meeting of the Board of Supervisors of the North River Ranch Community Development District and proceeded with roll call. The persons in attendance are outlined above.

Public Comment Period

There were no members of the public present at this time.

SECOND ORDER OF BUSINESS

General Business Matters

**Consideration of the Minutes of
the January 8, 2020 Board of
Supervisors' Meeting**

The Board reviewed the Minutes of the January 8, 2020 Board of Supervisors' Meeting.

On MOTION by Mr. Williams, seconded by Ms. Matthews, with all in favor, the Board approved the Minutes of the January 8, 2020 Board of Supervisors' Meeting.

**Review and Consideration of
District Engineer's Report**

Mr. Fisher reviewed the District Engineer Report with the Board.

The District is around 1,295 acres and has been approved for 3,842 units and 82,000 square feet of office space. It will be constructed in about 18 phases not including the offsite improvements. The offsite improvements will include improvements to the intersection of Moccasin Wallow and Fort Hamer Road. There will also be an East/West connector Road from US 301 to the Western property line called Road FF. The report mentions a funding agreement between Fieldstone CDD and North River Ranch CDD in the amount of \$4,331,030.00 to cover mutual improvements that was done by Fieldstone CDD that will benefit North River Ranch CDD. North River Ranch CDD will own and maintain the ponds within the subdivision. The water, sewer, reclaim will be owned and maintained by Manatee County and funded by the District. The District may construct the Roads and convey them to Manatee County. There will also be offsite sewer extensions that will be needed along Eerie Road. The Amenity Center/ Recreational Facilities will be constructed owned and maintained by North River Ranch CDD.

Mr. Weidemiller asked Mr. Vogler about issues on page 10 related to the proposed improvements to landscape and irrigation within a public right of way and District owned lands. He also questioned the CDD owning and maintaining the Amenity when it is owned and maintained by the HOA at Silverleaf CDD as an example. Mr. Vogler explained this is an initial Engineer's Report that District Counsel is planning to use for Bond Validation purposes and the final divisions about how the project will go together and what pieces will be funded by the District which will have long term maintenance with the District have not been made at this time.

A discussion took place of the overall cost which is listed in the Engineer's Report as \$151,983,954.63. If the District owns and maintains the Amenity Facilities the District will charge a non-resident user fee for public access.

On MOTION by Mr. Williams, seconded by Ms. Heim, with all in favor, the Board accepted the District Engineer's Report as presented for the purpose to proceed with Bond Validation for the District.

**Ratification of Ardurra Group, Inc.
Additional Services Addendum
#05**

Mr. Fisher explained the District will be tying into Fort Hamer Road with the District's main entrance and there are some newly built facilities out there that the District wants to pick up.

Ardurra Group, Inc. will collect and deliver the material of approximately 2000 linear feet of existing Fort Hamer Road topo pursuant to the attached request.

On MOTION by Mr. Williams, seconded by Mr. Blakley, with all in favor, the Board ratified Ardurra Group, Inc. Additional Services Addendum #05 in the amount of \$4,200.00.

Ms. Carvalho noted the addendum will be attached. Mr. Fisher will email Ardurra to make sure they attach the addendum to this proposal and any future proposal.

**Ratification of Funding Requests
2020-12 – 2020-14**

Ms. Carvalho presented Funding Requests 2020-12 – 2020-14.

On MOTION by Mr. Weidemiller, seconded by Mr. Williams, with all in favor, the Board ratified Funding Requests 2020-12 – 2020-14.

Review of District Financial Statements.

The Board reviewed the District's Financial Statements through January 31, 2020.

On MOTION by Mr. Williams, seconded by Ms. Matthews, with all in favor, the Board accepted the District Financials through January 31, 2020.

THIRD ORDER OF BUSINESS

Other Business

Staff Reports

District Counsel – No Report

District Engineer –No Report

District Manager – The next meeting is scheduled for March 11, 2020 at 1:30 p.m. as well as an Auditor Selection Committee Meeting to review auditing proposals.

Audience Comments and Supervisor Requests

There were no audience comments and or Supervisors request.

FOURTH ORDER OF BUSINESS

Adjournment

Ms. Carvalho requested a motion to adjourn. Mr. Vogler stated if the Board wants to seek Bond Validation of the Engineer's Report which was just approved they will need to authorize retaining Bond Counsel to prepare the Master Trust Indenture and the Bond Resolution. That can be considered at the next meeting but the District needs to retain the Counsel.

Ms. Carvalho and Mr. Williams thought that was done at the organizational meeting but they will double check. Mr. Weidemiller asked if the Board wanted to consider approving a motion to retain Bond Counsel.

Ms. Carvalho requested PFM Financial Advisors, LLC to proceed with preparing an Assessment Methodology Report to be completed between now and the next meeting.

On MOTION by Mr. Williams, seconded by Mr. Weidemiller, with all in favor, the Board approved the Bond Counsel Agreement with Bryant Miller Olive if they were not previously retained, upon review by District Counsel authorizing the Chair to execute.

Ms. Carvalho requested if there are no further business to come before the Board for a motion to adjourn.

ON MOTION by Ms. Matthews, seconded by Mr. Weidemiller, with all in favor, the Board adjourned the February 12, 2020 Board of Supervisor's Meeting for the North River Ranch Community Development District at 2:31 p.m.

Secretary / Assistant Secretary

Chairperson / Vice Chairperson

**North River Ranch
Community Development District**

Consideration of the Minutes of the
February 12, 2020 Auditor Selection
Committee Meeting

MINUTES OF MEETING

**NORTH RIVER RANCH COMMUNITY DEVELOPMENT DISTRICT
Auditor Selection Committee Meeting
Wednesday, February 12, 2020
8141 Lakewood Main Street,
Bradenton, FL 34202
1:30 P.M.**

Present and constituting a quorum:

Pete Williams	Committee Member
Dale Weidemiller	Committee Member
John Blakley	Committee Member

Also present were:

Vivian Carvalho	District Manager- PFM Group Consulting, LLC
Venessa Ripoll	Assistant District Manager- PFM Group Consulting, LLC

FIRST ORDER OF BUSINESS

Call to Order and Roll Call

Ms. Ripoll called to order the meeting of the Auditor Selection Committee of the North River Ranch Community Development District at 2:32 p.m. and proceeded with roll call. The persons in attendance are outlined above.

SECOND ORDER OF BUSINESS

Review and Approval of Audit Documents

- a) Audit RFP Notice**
- b) Instructions to Proposers**
- c) Evaluation Criteria- with and without price**

Ms. Ripoll presented the Audit RFP Notice. The due date is March 3, 2020 by 5:00 p.m. The Committee must choose evaluation criteria with or without price.

On MOTION by Mr. Williams, seconded by Mr. Blakley, with all in favor, the Auditor Selection Committee approved the Audit Documents with the Evaluation Criteria to include price.

THIRD ORDER OF BUSINESS

Adjournment

Ms. Ripoll requested a motion to adjourn the Auditor Selection Committee meeting.

On MOTION by Mr. Williams, seconded by Mr. Weidemiller, with all in favor, the February 12, 2020 Meeting of the Auditor Selection Committee of the North River Ranch Community Development District was adjourned at 2:33 p.m.

Secretary/Assistant Secretary

Chairperson/Vice-Chairperson

**North River Ranch
Community Development District**

Consideration of Master Assessment
Methodology Report



MASTER ASSESSMENT METHODOLOGY

NORTH RIVER RANCH COMMUNITY DEVELOPMENT DISTRICT

March 2020

Prepared for:

Members of the Board of Supervisors,
North River Ranch Community Development District

Prepared on March 3, 2020

PFM Financial Advisors LLC
12051 Corporate Boulevard
Orlando, FL 32817



MASTER ASSESSMENT METHODOLOGY NORTH RIVER RANCH COMMUNITY DEVELOPMENT DISTRICT

March 3, 2020

1.0 Introduction

1.1 Purpose

This “Master Assessment Methodology,” dated March 3, 2020 (“Methodology”) provides a system for the allocation of non-ad valorem special assessments securing the repayment of bond debt planned to be issued by the North River Ranch Community Development District (“District”) to fund beneficial public infrastructure improvements and facilities. The Methodology described herein has two goals: (1) quantifying the special benefits received by properties within the District as a result of the construction of the District’s improvements and facilities, and (2) equitably allocating the costs incurred by the District to provide these benefits to properties in the District.

The District plans to implement a capital improvement program (“CIP”) that will allow for the development of property within the District. The District plans to fund the majority of its CIP through bond debt financing. This bond debt will be repaid from the proceeds of non-ad valorem special assessments levied by the District. These special assessments will serve as liens against properties within the boundary of the District that receive a special benefit from the CIP. This Methodology is designed to conform to the requirements of Chapters 170, 190, and 197 of the Florida Statutes with respect to special assessments and is consistent with our understanding of the case law on this subject.

1.2 Background

The District was created on April 5, 2018. The District encompasses approximately 1,295.5 acres in Manatee County. The North River Ranch Community Development District Report of District Engineer, dated February 2020 (“Engineer’s Report”)¹ as provided by Clearview Land Design P.L. (“District Engineer”) provides a description of the area and a location map.

This master assessment report provides a methodology to allocate the debt over the approximately 1,295.5 acres in the District that will receive a special benefit from the installation of the proposed District’s portion of the capital improvement plan (“CIP”). It is the District’s debt-funded capital infrastructure improvements that will allow the development of the lands within the District. By making development of the lands within the District possible, the District creates benefits to the lands within the District.

¹ Clearview Land Design, P.L., (February 2020), “North River Ranch Community Development District”



The methodology described herein allocates the District's debt to the District's lands based upon the benefits received from the infrastructure program. This report is designed to conform to the requirements of Chapter 170, F.S. with respect to special assessments and is consistent with our understanding of the case law on this subject.²

1.3 Projected Land Use Plan for the District

Table 1 summarizes the land use development plan. As detailed in the Engineer's Report, the maximum number of units permitted per the current development plan is 3,842 units. As further detailed, the current plan envisions the development of 2,880 residential units that will be developed by a yet to be established development entity ("Developer").

Table 1. Development Plan for North River Ranch

<u>Construction Phasing*</u>	<u>Units</u>	<u>Estimated Completion Date</u>
Phase 3A	220	2021
Phase 3B	180	2022
Phase 4A	120	2021
Phase 4B	120	2021
Phase 5	240	2022
Phase 6	175	2024
Phase 7	150	2023
Phase 8A	150	2023
Phase 8B	175	2024
Phase 9	225	2026
Phase 10	200	2027
Phase 11	0	2025
Phase 12	175	2026
Phase 13	225	2028
Phase 14	150	2029
Phase 15	225	2030
Phase 16	150	2031
Phase 17	0	
Total	2,880	

Source: Clearview Land Design, P.L.

*Phasing, number of units and timing of units is subject to change, the max number of units approved is 3,842.

² See for City of Winter Springs v. State, 776 So.2d 255 (Fla 2003) and City of Boca Raton, v. State, 595 So.2d 25 (Fla 1992)



At the outset, the CIP is based on the land uses the Developer plans for the lands within the District as shown in Table 1. Table 2, as provided by the Developer, details an initial mix of residential product planned for the District. However, until either: (a) parcels of land along with their development entitlements are sold by the landowner to the new landowner and entitlements conveyed or (b) plats are filed, the precise land uses are unknown.

Table 2. Residential Development Mix North River Ranch

<u>Product*</u>	<u>Units</u>	<u>Mix</u>
AAC SFD 40'	250	8.7%
AAC SFD 50'	225	7.8%
AAC SFD 60'	180	6.3%
AT 35' Villas	120	4.2%
AT SFD 45'	137	4.8%
AT SFD 57'	149	5.2%
TH 20'	154	5.3%
TH 30'	120	4.2%
SFD 36'	240	8.3%
SFD 40'	290	10.1%
SFD 45'	315	10.9%
SFD 50'	325	11.3%
SFD 55'	225	7.8%
SFD 60'	150	5.2%
Total	2,880	100.0%

Source: Developer

* AAC – refers to Active Adult age restricted product, AT – refers to Age Targeted product and SFD – Single Family product

Therefore, the District initially will impose assessments (“Assessments”) on a per gross acre basis on the unsold and unplatted properties within the District based on the land use plan outlined in Table 1 (or in any updates issued from time to time), and on any sold or platted property in accordance with its actual land use or contractual entitlement as transferred to the new landowner from the landowner.

There is one important proviso. The debt per acre on the properties that remain unplatted in the District is not allowed to increase above its Ceiling Amount. The Ceiling Amount is set whenever the District issues debt. It is calculated by dividing the unplatted acres of the properties in the District into the debt allocated to the unplatted properties. In addition, this requirement will be tested at four intervals based upon the percentage of total acres that are developed. The intervals are at 25%, 50%, 75% and 100% of the gross acres.

1.4 CIP - Infrastructure Installation

The District will construct its public infrastructure and improvements as outlined in the Engineer’s Report, as prepared by the District Engineer. The District infrastructure and improvements for the District’s entire CIP are presented in Table 3.



Table 3. Summary of CIP Cost Estimates

	<u>Fieldstone</u> <u>Cost</u> <u>Share</u> <u>Agreement</u> <u>(2020)</u>	<u>Fort Hamer/Moccasin</u> <u>Wallow Roadway</u> <u>Improvements</u> <u>(2022-2025)</u>	<u>Road FF</u> <u>(2022-2024)</u>	<u>Fort Hamer</u> <u>Extension</u> <u>(2022-2027)</u>	<u>North River</u> <u>Ranch</u> <u>(2020-2031)</u>	<u>Total</u>
Stormwater, Drainage & Earthwork	-	-	\$3,325,000	\$1,187,500	\$26,250,000	\$30,762,500
Roadways & Paving	-	\$1,350,000	\$6,650,000	\$2,375,000	\$17,250,000	\$26,275,000
Water, Wastewater & Reclaimed Water	-	-	\$1,795,500	\$641,250	\$24,000,000	\$26,436,750
Landscape & Hardscape	-	-	\$3,332,500	\$1,187,500	\$24,000,000	\$28,520,000
Power & Street Lights	-	-	\$750,000	\$500,000	\$5,400,000	\$6,650,000
Subtotal	\$4,331,030	\$1,350,000	\$15,853,000	\$5,891,250	\$96,900,000	\$124,325,280
Professional Services (7%)	\$0	\$94,500	\$1,109,710	\$412,388	\$6,783,000	\$8,399,598
Contingency (15%)	\$0	\$216,675	\$2,544,407	\$945,546	\$15,552,450	\$19,259,077
TOTAL:	\$4,331,030	\$1,661,175	\$19,507,117	\$7,249,183	\$119,235,450	\$151,983,955

Source: Clearview Land Design, P.L.

(1) Any costs outlined in the Engineer's Report not funded with bond proceeds will be funded via Developer's Agreement with the District.

1.5 Requirements of a Valid Assessment Methodology

In PFM Financial Advisors LLC, the Assessment Consultant's ("PFM FA" and/or "AC") experience, there are two primary requirements for special assessments to be valid under Florida law. First, the properties assessed must receive a special benefit from the improvements paid for via the assessments. Second, the assessments must be fairly and reasonably allocated to the properties being assessed. If these two characteristics of valid special assessments are adhered to, Florida law provides some latitude to legislative bodies, such as the District's Board of Supervisors, in approving special assessments. Indeed, Florida courts have found that the mathematical perfection of calculating special benefit is impossible, and, accordingly, a special assessment is valid as long as there is a logical relationship between the services provided and the benefit to real property. A court must give deference to the District's determinations regarding the levy of special assessments, and such special assessments are only invalid if the District's determinations are found to be arbitrary.

1.6 Special Benefits and General Benefits

Improvements undertaken by the District create both special benefits and general benefits to property owners located within and surrounding the District. However, in our opinion, the general benefits to the public at large are incidental in nature and are readily distinguishable from the special benefits which accrue to property located within the District. It is the District's CIP that enables properties within the District's boundaries to be developed. Without the District's CIP there would be no infrastructure to support development of land within the District. Without these improvements, development of property in the District would not be permitted.



The new infrastructure improvements included in the CIP create both: (1) special benefits to the developable property within the District and (2) general benefits to properties outside the District. However, as discussed below, these general benefits are incidental in nature and are readily distinguishable from the special benefits which accrue to the developable property within the District. The CIP described in the District Engineer's Report enables the developable property within the District to be developed. Without the CIP, there would be no infrastructure to support development of the developable property within the District.

1.7 Demonstration of Benefit

As shown in Table 3, the estimated cost of the CIP is \$151,983,955. The District plans to issue bonds to fund a portion of these costs, with total bond principal estimated at \$190,010,000 (Table 5). There are an estimated 1,295.5 acres within the District. Therefore, the average cost of the District's CIP, per assessable acre, is \$146,669 on an as-financed basis. As discussed in more detail below, at the time all of the properties are developed according to the land plan in Table 1, the developed properties will have absorbed all of the debt that was initially allocated on a gross acre basis.

Therefore, the proper analysis of the special benefit to the properties in the District planned for development is to compare the current value of the property to be developed to the expected future value of the property after the total CIP is installed. As demonstrated below, the installation of the infrastructure will generate benefits well in excess of its \$146,669 per acre cost by boosting the market value of the now undeveloped property well above the current land value (as described below) plus the cost of the infrastructure.

Table 4 demonstrates the expected special benefit to the properties from the installation of the CIP. The development plan shown in Table 1 estimates 2,880 residential units. Since the District comprises 1,295.5 gross acres, the plan is for a gross density of 2.22 units per acre.

Based on current market pricing provided by the current landowner, the estimated average market price of residential units to be developed in the District will be \$300,000. On average, a finished building lot is valued at 25% of the total home and lot package. This produces an estimated finished lot value of \$75,000. The CIP has a total cost as financed of \$190,010,000 for 2,880 lots, thus the cost to produce a finished lot is \$55,854. The market value of the land, as improved by the CIP, is then estimated as the difference between the value of the finished lot of \$75,000 and the cost of the improvements per lot of \$65,976 resulting in a residual value for the land, as improved, of \$9,024 per lot. The foregoing market value is subject to change based on the final pricing details of the District's bond issues and the market value of the homes to be built on the properties.

According to the Manatee County Property Appraiser, the 1,295.5 acres of land that comprise the District has a land value of \$6,421,612. The development program produces a density of 2.22 units per acre for a total of 2,880 lots, so the land value per lot for the lots is \$2,230.



Therefore, the District's CIP will provide a special benefit to the District's properties. The net increase in the market value of the lots once improved by the District's CIP is estimated at \$9,024. Therefore, the net benefit in market value of the lots after deducting the cost of the land before the improvements is \$6,795 (ie. \$9,024 - \$2,230 = \$6,795). This demonstrates the special benefits generated by the CIP to the properties.

Table 4. Demonstration of Special Benefit for Properties in North River Ranch

<u>Category</u>	<u>Amount</u>
Acreage	1,295.5
Maximum Bonds	\$190,010,000
Debt/Acre	\$146,669
<u>Category</u>	<u>Amount</u>
Units	2,880
District Acreage	1,295.5
	=====
Units/Acre	2.22
Average Price	\$300,000
Finished lot	\$75,000
Cost per lot	\$65,976
	=====
Remainder	\$9,024
Land Value-Cost	\$6,421,612
Acres	1,295.5
Cost/Acre	\$4,957
Cost/DU/Lot	\$2,230
	=====
Net Benefit	\$6,795

Source: PFM Financial Advisors LLC

*Based on the 2018 assessed value of all assessable District land provided by the Manatee County Property Appraiser.

2.0 CIP Plan of Finance

The District has advised it intends to finance all or a portion of its CIP costs as detailed in Table 3 by issuing bonds. These bonds may be issued in several series, as development progresses within the District. A number of component funds comprise the total principal of the bonds to be issued by the District. These funds may include, but are not limited to, acquisition and construction, capitalized interest, a debt service reserve, underwriter's discount, and issuance costs. The debt service reserve account is set initially at 100% of maximum annual debt service. The bond sizing includes two-years of capitalized interest. We estimated the underwriter's discount at 2.0%. This allowance pays the underwriter for taking the risks involved in purchasing the District's bonds. The cost of issuance pays for the trustee, financial advisor, district counsel and other costs associated with issuing the District's bonds.



An estimate of the bond issuance required to fund the District's CIP is found in Table 5. The construction/acquisition funds raised by the District's bonds may fund only a portion of the District's CIP. The balance of any remaining CIP costs will be funded by one or more District landowner(s) or by other means. As bonds are issued by the District over time, the District will adopt supplemental assessment methodology report(s) detailing the particulars of each specific bond issue. The supplemental report(s) will detail the terms, interest rates, and costs associated with a specific series of bonds. The supplemental report(s) will also detail the specific bond debt service assessments for properties that have been assessed to secure each bond issuance.

Table 5. Estimated District Bond Financing Details

<u>Bond Fund</u>	<u>Total Bonds Value</u>
Construction/Acquisition Fund	\$151,983,955
Debt Service Reserve	\$13,073,712
Capitalized Interest	\$20,901,100
Costs of Issuance	\$250,000
Underwriter's Discount	\$3,800,200
Rounding	<u>\$1,033</u>
Maximum Bond Principal	\$190,010,000
Average Annual Interest Rate:	5.5%
Term (Years):	30
Capitalized Interest (Months):	24
Maximum Net Annual Debt Service:	\$13,073,712
Maximum Gross Annual Debt Service (1):	\$14,057,755

Source: PFM Financial Advisors LLC

(1) Gross assessments represent the assessment placed on the County tax roll each year, if the District elects to use the Uniform Method of collecting non-ad valorem assessments authorized by Chapter 197 of the Florida Statutes. Gross assessments include a 7.0% gross-up to account for the fees of the County Property Appraiser and Tax Collector and the statutory early payment discount.



3.0 Assessment Methodology

3.1 Assessment Foundation

The assessment methodology associated with the allocation of the costs of the CIP is a four-step process. First, the District Engineer determines the costs for the District's infrastructure and related improvements. Second, an estimate of the amount of bonds required to finance the infrastructure improvements is calculated. Third, the District Engineer outlines which parcels benefit from the provision of the infrastructure and improvements. Finally, the as-financed costs of the infrastructure and related improvements are allocated to the benefiting properties based on the approximate relative benefit each unit receives.

3.2 Allocation of Specific Assessments

The discussion offered below illustrates the process by which the District will allocate bond debt it incurs to fund its CIP. The District's maximum \$190,010,000 of total bond debt is detailed in Table 5. The District's bond debt will be secured primarily by special assessments allocated to properties in the District based on and proportional to the benefits that each property receives from the CIP. As described above, until such time as either: (a) properties are sold along with their entitlements or (b) plats are recorded; the specific land uses in the District are not known with certainty. Therefore, at the outset, the debt is allocated on an acreage basis across all benefited acres in the District totaling approximately 1,295.5 acres. As the sale and platting process unfolds, the District will more finely articulate the allocation of debt to benefiting properties based on their land uses.

As noted above, as long as two basic principles are adhered to, Florida law generally allows the District Board some latitude in determining the appropriate methodology to allocate the costs of its CIP to benefiting properties in the District. The two principles are: (1) the properties being assessed must receive a special benefit from the CIP and (2) the assessments allocated to each property must be fairly and reasonably apportioned among the benefiting properties.

In allocating special assessments to benefiting property, Florida governments have used a variety of methods including, but not limited to, front footage, area, trip rates, equivalent residential units ("ERU"), dwelling units, and acreage. These ERU values equate the benefit received by a stated amount of such particular land use category to the benefit received by a typical single-family residence. The use of ERU values to estimate the benefit derived from infrastructure improvements is recognized as a simple, fair, and reasonable method for apportioning benefit. The Florida Supreme Court concluded that the ERU method was a valid methodology in its decision in *Winter Springs v. State*.³ In addition, the ERU methodology is widely used in other similar CDDs.

³ City of Winter Springs v. State, 776 So.2d 255 (Fla 2003)



Table 6 contains the allocation of the District's CIP costs, as financed, to the Development Units planned for the District based on the ERU value assigned to each Development Unit. Table 7 shows the annual bond debt service assessments associated with the bond par allocations found in Table 6. Table 7 becomes important as the land within the District is platted, as specific bond debt service assessments will be assigned to the individual Development Units at that time.

Table 6. Allocation of the Costs of the District's CIP, as Financed

<u>Land Use</u>	<u>Volume</u>	<u>ERU/Unit*</u>	<u>ERUs</u>	<u>%ERU</u>	<u>Total Debt</u>	<u>Debt/Unit</u>
TH 20'	154	0.44	68.44	2%	\$4,514,694	\$29,316
TH 30'	120	0.67	80.00	3%	\$5,276,915	\$43,974
35' Villas (AT)	120	0.78	93.33	3%	\$6,156,401	\$51,303
SFD 36' (Primary)	240	0.80	192.00	7%	\$12,664,597	\$52,769
SFD 40' (AAC & Primary)	540	0.89	480.00	17%	\$31,661,493	\$58,632
SFD 45' (AT & Primary)	452	1.00	452.00	16%	\$29,814,572	\$65,961
SFD 50' (AAC & Primary)	550	1.11	611.11	21%	\$40,309,771	\$73,290
SFD 55' (Primary)	225	1.22	275.00	10%	\$18,139,397	\$80,620
SFD 57' (AT)	149	1.27	188.73	7%	\$12,449,123	\$83,551
SFD 60' (AAC & Primary)	330	1.33	440.00	15%	\$29,023,035	\$87,949
	=====		=====	====	=====	
	2,880		2,880.62	100%	\$190,010,000	

Source: PFM Financial Advisors LLC

*45' lot = 1 ERU, balance of ERU values are a function of front footage compared to the 45' lot (e.g. 60' lot = 60/45' = 1.33 ERUs)

Table 7. Summary of Annual Assessments

<u>Land Use</u>	<u>Total Debt</u>	<u>Annual Assessment</u>	<u>Administrative Costs</u>	<u>Total Annual Assessment (1)</u>
TH 20'	\$4,514,694	\$310,635	\$23,381	\$334,016
TH 30'	\$5,276,915	\$363,080	\$27,329	\$390,409
35' Villas (AT)	\$6,156,401	\$423,594	\$31,883	\$455,477
SFD 36' (Primary)	\$12,664,597	\$871,393	\$65,589	\$936,981
SFD 40' (AAC & Primary)	\$31,661,493	\$2,178,481	\$163,972	\$2,342,453
SFD 45' (AT & Primary)	\$29,814,572	\$2,051,403	\$154,407	\$2,205,810
SFD 50' (AAC & Primary)	\$40,309,771	\$2,773,530	\$208,760	\$2,982,290
SFD 55' (Primary)	\$18,139,397	\$1,248,088	\$93,942	\$1,342,030
SFD 57' (AT)	\$12,449,123	\$856,567	\$64,473	\$921,040
SFD 60' (AAC & Primary)	\$29,023,035	\$1,996,941	\$150,307	\$2,147,249
	=====	=====	=====	=====
	\$190,010,000	\$13,073,712	\$984,043	\$14,057,755

Source: PFM Financial Advisors LLC

(1) Gross assessments represent the assessment placed on the County tax roll each year, if the District elects to use the Uniform Method of collecting non-ad valorem assessments authorized by Chapter 197 of the Florida Statutes. Gross assessments include a 7.0% gross-up to account for the fees of the County Property Appraiser and Tax Collector and the statutory early payment discount.

Source: PFM Financial Advisors LLC



3.3 True-Up Mechanism

Although the District does not process plats, it does have an important role to play during the course of development. Whenever a parcel's land use and development density and intensity is determined with sufficient certainty, the District must allocate a portion of its debt to the parcel according to the procedures outlined in Section 3.2 above. In addition, the District must also prevent any buildup of debt on land that has not yet been developed. Otherwise, the land could be fully subdivided without all of the debt being allocated.

To preclude this, a test is conducted when development thresholds are reached within the District. As long as the development at these thresholds does not cause the debt on the remaining land to increase above a debt "Ceiling Level" illustrated in Table 8 below, then no further action is necessary. However, if the debt on the remaining land does increase, a debt reduction payment will be necessary.

The ceiling level of debt is established at the time each series of bonds is issued. For example, the District may issue up to \$190,010,000 in Bonds to fund the CIP. According to the Engineer's Report, there are approximately 1,295.5 gross acres of land within the District. Each of these acres will be assigned an equal assessment of the \$190,010,000 in remaining unassigned bond debt assessments. Therefore, and assuming for purposes of this illustration that all \$190,010,000 in anticipated bond debt is issued by the District to fund its CIP, the ceiling level of debt for developable and assessable properties would be \$146,669 per acre ($\$190,010,000 / 1,295.5$). This ceiling level is based upon the best information available at the time of this report, is subject to change, and will only be finalized at the time of the District's first bond issuance.

A test will be conducted when 25%, 50%, 75%, and 90% of the acreage within the District has been developed. The ceiling amount of debt is determined at the time any District bond issuance is closed. The ceiling amount is the ratio of the amount of debt outstanding divided by the number of acres of land for which no debt allocation has occurred as per this methodology. Table 8 below illustrates when the true-up test will be applied to determine if debt reduction payments are required. However, a true-up payment may be suspended at the District's discretion. If the property owner can demonstrate to the District, and the District finds in its discretion (consistent with the opinion of the District Engineer), that all necessary land use approvals, including applicable zoning, can reasonably and economically support development totaling greater than or equal to 2,880 units for the District on the remaining unplatted developable acreage within the remaining acres, a true-up payment may be suspended.



Table 8. True- Up Thresholds

<u>Category</u>	<u>25%</u>	<u>50%</u>	<u>75%</u>	<u>90%</u>	<u>100%</u>
Platted Developable Acres	323.9	647.8	971.6	1,166.0	1,295.5
Unplatted Developable Acres	971.6	647.8	323.9	129.6	-
Debt Ceiling per Acre	\$146,669	\$146,669	\$146,669	\$146,669	\$146,669

In the event that additional land not currently subject to the assessments required to repay the debt associated with the CIP is developed in such a manner as to receive special benefit from the CIP, it is contemplated that this Methodology will be re-applied to include such new parcels. The additional land, as a result of applying this Methodology, will be allocated an appropriate share of the special assessments, with all previously-assessed parcels receiving a relative adjustment in their assessment levels.

4.0 Contribution of District Infrastructure and/or Improvements

The costs of the District's CIP will likely be funded by two mechanisms. The first mechanism is the issuance of special assessment bonds. The second mechanism is the contribution of funds or CIP components to the District ("Contribution"). Property owners within the District will have the opportunity to make such a Contribution upon approval by the District.

A District property owner's Contribution will give rise to assessment credits that can be applied by the property owner to reduce or eliminate bond debt service assessments that would otherwise be assigned to lands within the District to fund the costs of the CIP. Prior to a property owner reducing or eliminating bond debt service assessments through a Contribution, it must be shown that the improvements funded or contributed by the property owner are a component of the CIP, as outlined in the Engineer's Report. The property owner will be permitted to apply assessment credits equal to the value of the Contribution plus the costs of financing the improvement(s) that would otherwise have been incurred by the District if the District were required to issue bonds to fund or acquire the improvement(s) (such that the property would not be responsible for bond financing costs if the Contribution was made prior to the District's issuance of special assessment bonds). A property owner possessing assessment credits due to a Contribution will, in the District's discretion, have the opportunity to use the assessment credits to adjust bond debt service assessment levels of Development Units.



5.0 Assessment Roll

Table 9 outlines the maximum bond principal assessment per assessable acre for the lands within the District. A description of the land within the District, which will be assessed to secure the repayment of the District's bonds, is found in Exhibit "A", below. The assessments shall be paid in not more than thirty (30) annual installments.

Table 9. Assessment Roll

<u>Parcel ID Numbers</u>	<u>Assessable Acreage</u>	<u>Bond Principal Assessment</u>	<u>Bond Principal Assessment per Acre</u>	<u>Net Total Bond Annual Assessment</u>	<u>Net Annual Assessment per Acre</u>	<u>Bond Gross Annual Assessment (1)</u>	<u>Bond Gross Annual Assessment per Acre (1)</u>
Exhibit "A"	1,295.50	\$190,010,000	\$146,669	\$13,073,712	\$10,092	\$14,057,755	\$10,851

Source: PFM Financial Advisors LLC

(1) Gross assessments represent the assessment placed on the County tax roll each year, if the District elects to use the Uniform Method of collecting non-ad valorem assessments authorized by Chapter 197 of the Florida Statutes. Gross assessments include a 7.0% gross-up to account for the fees of the County Property Appraiser and Tax Collector and the statutory early payment discount.

Source: PFM Financial Advisors LLC



EXHIBIT "A"
LEGAL DESCRIPTION OF LAND LOCATED WITHIN THE DISTRICT

DESCRIPTION (as prepared by the certifying Surveyor and Mapper):

A tract of land being portions of Blocks 1, 2, 3 and 4, Section 7, Township 33 South, Range 19 East, Blocks 1, 2, 3 and 4, Section 8, Township 33 South, Range 19 East, Block 3, Section 9, Township 33 South, Range 19 East, Block 2, Section 16, Township 33 South, Range 19 East, Blocks 1, 2, 3 and 4, Section 17, Township 33 South, Range 19 East, and Blocks 1, 2, 3 and 4, Section 18, Township 33 South, Range 19 East, all in Manatee River Farms, Unit 1 as recorded in Plat Book 6, Page 45, Public Records of Manatee County, Florida, and described as follows:

BEGIN at the southwest corner of said Section 7; thence N.00°13'29"E. along the west line of said Section 7, a distance of 1,809.08 feet; thence N.90°00'00"E., a distance of 272.18 feet to the point of curvature of a curve to the left having a radius of 1,000.00 feet and a central angle of 48°54'32"; thence northeasterly along the arc of said curve, a distance of 853.62 feet to the point of reverse curvature of a curve to the right having a radius of 1,962.46 feet and a central angle of 97°43'17"; thence easterly along the arc of said curve, a distance of 3,347.09 feet to the point of reverse curvature of a curve to the left having a radius of 1,500.00 feet and a central angle of 48°48'45"; thence southeasterly along the arc of said curve, a distance of 1,277.91 feet to the point of tangency of said curve; thence N.90°00'00"E., a distance of 1,220.57 feet to the point of curvature of a curve to the left having a radius of 1,100.00 feet and a central angle of 49°18'03"; thence northeasterly along the arc of said curve, a distance of 946.51 feet to the point of reverse curvature of a curve to the right having a radius of 1,990.00 feet and a central angle of 108°30'13"; thence easterly along the arc of said curve, a distance of 3,768.56 feet to the point of reverse curvature of a curve to the left having a radius of 1,400.00 feet and a central angle of 67°34'16"; thence southeasterly along the arc of said curve, a distance of 1,651.07 feet to the point of reverse curvature of a curve to the right having a radius of 1,000.00 feet and a central angle of 44°28'10"; thence easterly along the arc of said curve, a distance of 776.14 feet to the point of tangency of said curve; thence S.53°53'56"E., a distance of 509.73 feet to a point on the northwest right-of-way line of State Road 43 (U.S.301 Section 1302-203, 200.00' wide public right-of-way); thence S.36°06'04"W. along said northwest right-of-way line, a distance of 1,512.28 feet to a point on the north line of Brookstone Community Development District as recorded in Official Records Book 2607, Page 861 of said Public Records; the following nine (9) calls are along said north line: (1) thence N.89°59'54"W., a distance of 4,022.59 feet; (2) thence S.27°47'24"W., a distance of 1,049.93 feet; (3) thence N.68°30'43"W., a distance of 1,332.96 feet; (4) thence N.00°11'16"E., a distance of 383.27 feet; (5) thence N.89°43'15"W., a distance of 719.63 feet; (6) thence S.00°35'38"W., a distance of 2,551.98 feet to the point of curvature of a curve to the right having a radius of 795.00 feet and a central angle of 48°08'26"; (7) thence southwesterly along the arc of said curve, a distance of 667.97 feet to the point of tangency of said curve; (8) thence S.48°44'04"W., a distance of 213.94 feet to the point of curvature of a curve to the left having a radius of 1,355.00 feet and a central angle of 36°48'01"; (9) thence southwesterly along the arc of said curve, a distance of 870.29 feet to the a point on the north line of Fieldstone Community Development District as recorded in Official Records Book 2564, Page 6898 of said Public Records; the following five (5) calls are along said north line: (1) thence N.89°39'17"W., a distance of 1,622.48 feet; (2) thence N.00°51'43"E., a distance of 54.26 feet; (3) thence N.89°32'06"W., a distance of 674.93 feet; (4) thence N.89°30'19"W., a distance of 2,402.18 feet; (5) thence S.89°39'04"W., a distance of 3.35 feet to the west line of said Section 18; thence N.00°07'49"E., along said west line, a distance of 4,609.93 feet to the POINT OF BEGINNING.

Said tract contains 56,432,242 square feet or 1,295.5060 acres, more or less.

**North River Ranch
Community Development District**

Consideration of Resolution 2020-02,
Bond Resolution

RESOLUTION NO. 2020-02

A RESOLUTION OF NORTH RIVER RANCH COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$195,000,000 PRINCIPAL AMOUNT OF NORTH RIVER RANCH COMMUNITY DEVELOPMENT DISTRICT BONDS IN ONE OR MORE SERIES, FOR THE PURPOSE OF FINANCING THE CONSTRUCTION AND/OR ACQUISITION BY THE DISTRICT OF THE PUBLIC IMPROVEMENTS AND COMMUNITY FACILITIES PERMITTED BY THE PROVISIONS OF CHAPTER 190, FLORIDA STATUTES, AS AMENDED, AND THE ORDINANCE CREATING THE DISTRICT; APPROVING A FORM OF A MASTER TRUST INDENTURE; APPROVING AND APPOINTING A TRUSTEE; AUTHORIZING THE COMMENCEMENT OF VALIDATION PROCEEDINGS RELATING TO THE FOREGOING BONDS; AUTHORIZING AND APPROVING OTHER MATTERS RELATING TO THE FOREGOING BONDS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, North River Ranch Community Development District (the "District") is a local unit of special-purpose government organized and existing in accordance with the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), created by Ordinance No. 18-08 of the Board of County Commissioners of Manatee County, Florida (the "County"), enacted on and effective on April 5, 2018;

WHEREAS, the District was created for the purpose of delivering certain community development services and facilities within and outside its jurisdiction, and the District has decided to undertake the design, acquisition and/or construction of certain improvements pursuant to the Act (the "Project");

WHEREAS, the District desires to authorize the issuance of not to exceed \$195,000,000 aggregate principal amount of its North River Ranch Community Development District Bonds, Series to be designated, in one or more series (collectively, the "Bonds"), in order to pay all or a portion of the design, acquisition and/or construction costs of the Project;

WHEREAS, the District desires to provide the terms and conditions under which the District will acquire and cause to be constructed the improvements on District lands;

WHEREAS, authority is conferred upon the District by the Constitution and laws of the State of Florida, specifically pursuant to Sections 190.011(9), 190.011(14), 190.016(1), 190.016(2), 190.016(8), 190.016(13), 190.022 and 190.023 of the Act, to issue the Bonds;

WHEREAS, the District desires to appoint a trustee for the Bonds; and

WHEREAS, the District desires to authorize and approve various instruments to be executed and delivered in connection with the Bonds and to provide for the judicial validation of the Bonds pursuant to Section 190.016(12), Florida Statutes.

NOW, THEREFORE, BE IT RESOLVED by the North River Ranch Community Development District, as follows:

Section 1. Authorization of Bonds. The District hereby authorizes the issuance of not to exceed \$195,000,000 aggregate principal amount of the Bonds in one or more series to pay costs of the Project. Pursuant to Section 190.016(1), the Bonds may be issued and delivered by the District in payment of all or a portion of the purchase price of the Project or may be sold at public or private sale.

Section 2. Certain Details of the Bonds. The Bonds, and the interest thereon, shall not be deemed to constitute a debt, liability or obligation of the District, of the County or of the State of Florida (the "State"), or of any other political subdivision thereof, but shall be payable solely from the Special Assessments (as defined in the form of Indenture hereinafter referred to) levied by the District on property within the District benefited by the Project and subject to assessment, as set forth in the Indenture, and neither the faith and credit nor any taxing power of the District, the County, or the State, or of any other political subdivision thereof, is pledged to the payment of the principal of or interest on the Bonds, except for Special Assessments to be assessed and levied by the District to secure and pay the Bonds.

The Bonds shall:

(i) be issued in one or more series and may be delivered in payment of the purchase price of all or a portion of the Project or sold at public or private sale, as provided in Section 190.016(1), each series in an aggregate principal amount to be determined by subsequent resolution or resolutions of the District; provided, however, that the total aggregate principal amount of the Bonds issued may not exceed \$195,000,000;

(ii) be issued in fully registered form in such principal denominations of \$5,000 or any integral multiple thereof, except as otherwise provided in a Supplemental Indenture;

(iii) bear interest at an average annual rate not exceeding the maximum rate as may then be permitted by the laws of the State as more particularly provided in a resolution adopted by the District prior to the issuance and delivery of the Bonds;

(iv) be payable in not more than thirty (30) annual principal installments; and

(v) be dated as provided in a resolution adopted by the District prior to the issuance and delivery thereof.

The final maturity date or dates of the Bonds and the interest rate or rates thereon shall be determined, within the foregoing limits, and any optional, mandatory and extraordinary redemption provisions thereof shall be fixed by the Indenture hereinafter referred to, as supplemented from time to time, or by one or more resolutions of the District to be adopted prior to the delivery of the Bonds. In other respects, the Bonds shall be in the form, shall be executed and authenticated, shall be subject to replacement and shall be delivered as provided in the Indenture hereinafter referred to, the form of which is set out as **Exhibit "A"** attached hereto.

Prior to the issuance and delivery of the Bonds, the District shall have undertaken and, to the extent then required under applicable law, completed all necessary proceedings, including, without limitation, the approval of assessment rolls, the holding of public hearings, the adoption of resolutions and the establishment of all necessary collection proceedings, in order to levy and collect Special Assessments upon the lands within the District subject to assessment, all as more specifically required and provided for by the Act and Chapters 170, 190 and 197, Florida Statutes, as the same may be amended from time to time, or any successor statutes thereto.

Section 3. Designation of Attesting Members. The Chairman and Secretary of the Board of Supervisors (the "Board") of the District, or in the case of the Chairman's and Secretary's absence or inability to act, the Vice Chairman or any Assistant Secretary and members of the Board (each individually a "Designated Member"), are hereby designated and authorized on behalf of the Board to attest to the seal of the Board and to the signature of the Designated Member of the Board as they appear on the Bonds, the Indenture and any other documents which may be necessary or helpful in connection with the issuance and delivery of the Bonds and in connection with the application of the proceeds thereof.

Section 4. Authorization of Execution and Delivery of Master Trust Indenture. The District does hereby authorize and approve the execution and delivery by the Chairman and any Designated Member of a Master Trust Indenture (the "Indenture") for the Bonds, between the District and the trustee appointed pursuant to Section 6 of this Resolution (the "Trustee"). The Indenture shall provide for the security of the Bonds and express the contract between the District and the owners of such Bonds. The Indenture shall be in substantially the form attached hereto and marked **Exhibit "A"** and is hereby approved, with such changes therein as are necessary or desirable to reflect the terms of the sale of the Bonds as shall be approved by the Chairman or such other Designated Member executing the same, with such execution to constitute conclusive evidence of such officer's approval and the District's approval of any changes therein from the form of Indenture attached hereto.

Section 5. Sale of Bonds. Pursuant to the provisions of Section 190.016(1) of the Act, the Bonds may be delivered in payment of all or a portion of the purchase price of the Project or may be sold at public or private sale after such advertisement, if any, as the Board may deem advisable but not in any event at less than 90 percent of the par value thereof, together with accrued interest thereon, in conformance with the provisions of the Act.

Section 6. Appointment of Trustee. The District hereby appoints U.S. Bank National Association as Trustee for the Bonds. The Trustee shall also serve as the Paying Agent, Registrar and Authenticating Agent under the Indenture.

Section 7. Bond Validation. District Counsel and Bond Counsel to the District are hereby authorized and directed to take appropriate proceedings in the Circuit Court of the Twelfth Judicial Circuit of Florida, in and for Manatee County, Florida, for validation and the proceedings incident thereto for the Bonds and for the Special Assessments to the extent required by and in accordance with Section 190.016(12), Florida Statutes. The Chairman or any Designated Member is authorized to sign any pleadings and to offer testimony in any such proceedings for and on behalf of the District. The other members of the Board, the officers of the District and the agents and employees of the District, including, without limitation, the District Manager, the engineer or engineering firm serving as engineer to the District, and the District's Assessment Consultant are hereby also authorized to offer testimony for and on behalf of the District in connection with any such validation proceedings.

Section 8. Authorization and Ratification of Prior and Subsequent Acts. The members of the Board, the officers of the District, and the agents and employees of the District, are hereby authorized and directed to do all such acts and things and to execute all such documents, including, without limitation, the execution and delivery of any closing documents, as may be necessary to carry out and comply with the provisions of this resolution, the Indenture, and all of the acts and doings of such members of the Board, the officers of the District, and the agents and employees of the District, which are in conformity with the intent and purposes of this resolution, whether heretofore or hereafter taken or done, shall be and are hereby ratified, confirmed and approved.

Section 9. Subsequent Resolution(s) Required. Notwithstanding anything to the contrary contained herein, no series of Bonds may be issued or delivered until the District adopts a subsequent resolution and/or supplemental indenture for each such series fixing the details of such series of Bonds remaining to be specified or delegating to a Designated Member the authority to fix such details.

Section 10. Severability. If any section, paragraph, clause or provision of this resolution shall be held to be invalid or ineffective for any reason, the remainder of this resolution shall continue in full force and effect, it being expressly hereby found and declared that the remainder of this resolution would have been adopted despite the invalidity or ineffectiveness of such section, paragraph, clause or provision.

Section 11. Effective Date. This resolution shall take effect immediately upon its adoption, and any provisions of any previous resolutions in conflict with the provisions hereof are hereby superseded.

PASSED in Public Session of the Board of Supervisors of the North River Ranch Community Development District, this 11th day of March, 2020.

[SEAL]

**NORTH RIVER RANCH COMMUNITY
DEVELOPMENT DISTRICT**

ATTEST:

Secretary, Board of Supervisors

Chairman, Board of Supervisors

EXHIBIT A

FORM OF MASTER TRUST INDENTURE

MASTER TRUST INDENTURE

NORTH RIVER RANCH
COMMUNITY DEVELOPMENT DISTRICT

TO
U.S. BANK NATIONAL ASSOCIATION,
AS TRUSTEE

Dated as of [_____] 1, 2020

TABLE OF CONTENTS

ARTICLE I DEFINITIONS

SECTION 101.	MEANING OF WORDS AND TERMS	3
SECTION 102.	RULES OF CONSTRUCTION	16

ARTICLE II FORM, EXECUTION, DELIVERY AND DESIGNATION OF BONDS

SECTION 201.	ISSUANCE OF BONDS	16
SECTION 202.	DETAILS OF BONDS.....	17
SECTION 203.	EXECUTION AND FORM OF BONDS.....	18
SECTION 204.	NEGOTIABILITY, REGISTRATION AND TRANSFER OF BONDS	18
SECTION 205.	OWNERSHIP OF BONDS	18
SECTION 206.	SPECIAL OBLIGATIONS	19
SECTION 207.	AUTHORIZATION OF BONDS.....	19
SECTION 208.	MUTILATED, DESTROYED OR LOST BONDS.....	20
SECTION 209.	PARITY OBLIGATIONS UNDER CREDIT AGREEMENTS.....	21
SECTION 210.	BOND ANTICIPATION NOTES	21
SECTION 211.	TAX STATUS OF BONDS	21

ARTICLE III REDEMPTION OF BONDS

SECTION 301.	REDEMPTION GENERALLY	22
SECTION 302.	NOTICE OF REDEMPTION; PROCEDURE FOR SELECTION.....	23
SECTION 303.	EFFECT OF CALLING FOR REDEMPTION	24
SECTION 304.	CANCELLATION.....	24

ARTICLE IV ACQUISITION AND CONSTRUCTION FUND

SECTION 401.	ACQUISITION AND CONSTRUCTION FUND.....	24
SECTION 402.	PAYMENTS FROM ACQUISITION AND CONSTRUCTION FUND	24
SECTION 403.	COST OF A SERIES PROJECT	24
SECTION 404.	DISPOSITION OF BALANCES IN ACQUISITION AND CONSTRUCTION FUND.....	26

ARTICLE V ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF

SECTION 501.	LIEN	27
SECTION 502.	ESTABLISHMENT OF FUNDS	27
SECTION 503.	ACQUISITION AND CONSTRUCTION FUND.....	28
SECTION 504.	REVENUE FUND	29
SECTION 505.	DEBT SERVICE FUND	29
SECTION 506.	OPTIONAL REDEMPTION.....	31
SECTION 507.	REBATE FUND	33

SECTION 508.	INVESTMENT OF FUNDS AND ACCOUNTS.....	34
SECTION 509.	DEFICIENCIES AND SURPLUSES IN FUNDS AND ACCOUNTS.....	36
SECTION 510.	INVESTMENT INCOME	36
SECTION 511.	CANCELLATION OF BONDS.....	37

**ARTICLE VI
CONCERNING THE TRUSTEE**

SECTION 601.	ACCEPTANCE OF TRUST	37
SECTION 602.	NO RESPONSIBILITY FOR RECITALS	37
SECTION 603.	TRUSTEE MAY ACT THROUGH AGENTS; ANSWERABLE ONLY FOR WILLFUL MISCONDUCT OR GROSS NEGLIGENCE.....	37
SECTION 604.	COMPENSATION AND INDEMNITY	37
SECTION 605.	NO DUTY TO RENEW INSURANCE.....	38
SECTION 606.	NOTICE OF DEFAULT; RIGHT TO INVESTIGATE.....	38
SECTION 607.	OBLIGATION TO ACT ON DEFAULT	38
SECTION 608.	RELIANCE BY TRUSTEE	38
SECTION 609.	TRUSTEE MAY DEAL IN BONDS	39
SECTION 610.	CONSTRUCTION OF AMBIGUOUS PROVISION	39
SECTION 611.	RESIGNATION OF TRUSTEE.....	39
SECTION 612.	REMOVAL OF TRUSTEE	39
SECTION 613.	APPOINTMENT OF SUCCESSOR TRUSTEE.....	40
SECTION 614.	QUALIFICATION OF SUCCESSOR TRUSTEE.....	40
SECTION 615.	INSTRUMENTS OF SUCCESSION	40
SECTION 616.	MERGER OF TRUSTEE.....	41
SECTION 617.	RESIGNATION OF PAYING AGENT OR BOND REGISTRAR.....	41
SECTION 618.	REMOVAL OF PAYING AGENT OR BOND REGISTRAR	41
SECTION 619.	APPOINTMENT OF SUCCESSOR PAYING AGENT OR BOND REGISTRAR.....	41
SECTION 620.	QUALIFICATIONS OF SUCCESSOR PAYING AGENT OR BOND REGISTRAR.....	42
SECTION 621.	ACCEPTANCE OF DUTIES BY SUCCESSOR PAYING AGENT OR BOND REGISTRAR....	42
SECTION 622.	SUCCESSOR BY MERGER OR CONSOLIDATION	42
SECTION 623.	BROKERAGE STATEMENTS	42
SECTION 624.	PATRIOT ACT REQUIREMENTS OF THE TRUSTEE	43

**ARTICLE VII
FUNDS CONSTITUTE TRUST FUNDS**

SECTION 701.	TRUST FUNDS.....	43
--------------	------------------	----

**ARTICLE VIII
COVENANTS AND AGREEMENTS OF THE DISTRICT**

SECTION 801.	PAYMENT OF BONDS	44
SECTION 802.	EXTENSION OF PAYMENT OF BONDS.....	44
SECTION 803.	FURTHER ASSURANCE.....	44
SECTION 804.	POWER TO ISSUE BONDS AND CREATE A LIEN	44

SECTION 805.	POWER TO UNDERTAKE SERIES PROJECTS AND TO COLLECT PLEDGED REVENUES	44
SECTION 806.	SALE OF SERIES PROJECTS	45
SECTION 807.	COMPLETION AND MAINTENANCE OF SERIES PROJECTS	45
SECTION 808.	ACCOUNTS AND REPORTS	45
SECTION 809.	ARBITRAGE AND OTHER TAX COVENANTS	46
SECTION 810.	ENFORCEMENT OF PAYMENT OF ASSESSMENT.....	47
SECTION 811.	METHOD OF COLLECTION OF ASSESSMENTS AND BENEFIT SPECIAL ASSESSMENTS.....	47
SECTION 812.	DELINQUENT ASSESSMENTS	47
SECTION 813.	DEPOSIT OF PROCEEDS FROM SALE OF TAX CERTIFICATES.....	47
SECTION 814.	SALE OF TAX DEED OR FORECLOSURE OF ASSESSMENT OR BENEFIT SPECIAL ASSESSMENT LIEN	48
SECTION 815.	OTHER OBLIGATIONS PAYABLE FROM ASSESSMENTS OR BENEFIT SPECIAL ASSESSMENTS.....	48
SECTION 816.	RE-ASSESSMENTS.....	48
SECTION 817.	GENERAL.....	49
SECTION 818.	CONTINUING DISCLOSURE	49

**ARTICLE IX
EVENTS OF DEFAULT AND REMEDIES**

SECTION 901.	EXTENSION OF INTEREST PAYMENT	50
SECTION 902.	EVENTS OF DEFAULT	50
SECTION 903.	ACCELERATION OF MATURITIES OF BONDS OF A SERIES UNDER CERTAIN CIRCUMSTANCES	51
SECTION 904.	ENFORCEMENT OF REMEDIES	52
SECTION 905.	PRO RATA APPLICATION OF FUNDS AMONG OWNERS OF A SERIES OF BONDS.....	53
SECTION 906.	EFFECT OF DISCONTINUANCE OF PROCEEDINGS	55
SECTION 907.	RESTRICTION ON INDIVIDUAL OWNER ACTIONS.....	55
SECTION 908.	NO REMEDY EXCLUSIVE.....	55
SECTION 909.	DELAY NOT A WAIVER	55
SECTION 910.	RIGHT TO ENFORCE PAYMENT OF BONDS	55
SECTION 911.	NO CROSS DEFAULT AMONG SERIES	55
SECTION 912.	INDEMNIFICATION	56
SECTION 913.	PROVISIONS RELATING TO BANKRUPTCY OR INSOLVENCY OF LANDOWNER.....	56

**ARTICLE X
EXECUTION OF INSTRUMENTS BY OWNERS AND PROOF OF OWNERSHIP OF BONDS**

SECTION 1001.	EXECUTION OF INSTRUMENTS BY OWNERS AND PROOF OF OWNERSHIP OF BONDS	58
SECTION 1002.	DEPOSIT OF BONDS.....	58

**ARTICLE XI
SUPPLEMENTAL INDENTURES**

SECTION 1101.	SUPPLEMENTAL INDENTURES WITHOUT OWNER CONSENT.....	59
SECTION 1102.	SUPPLEMENTAL INDENTURES WITH OWNER CONSENT.....	59
SECTION 1103.	OPINION OF BOND COUNSEL WITH RESPECT TO SUPPLEMENTAL INDENTURE.....	61
SECTION 1104.	SUPPLEMENTAL INDENTURE PART OF INDENTURE.....	61
SECTION 1105.	INSURER OR ISSUER OF A CREDIT FACILITY OR LIQUIDITY FACILITY AS OWNER OF BONDS.....	61

**ARTICLE XII
DEFEASANCE**

SECTION 1201.	DEFEASANCE AND DISCHARGE OF THE LIEN OF THIS MASTER INDENTURE AND SUPPLEMENTAL INDENTURES.....	62
SECTION 1202.	MONEYS HELD IN TRUST	66

**ARTICLE XIII
MISCELLANEOUS PROVISIONS**

SECTION 1301.	EFFECT OF COVENANT	66
SECTION 1302.	MANNER OF GIVING NOTICE TO THE DISTRICT AND THE TRUSTEE	67
SECTION 1303.	MANNER OF GIVING NOTICE TO THE OWNERS.....	67
SECTION 1304.	SUCCESSORSHIP OF DISTRICT OFFICERS.....	67
SECTION 1305.	INCONSISTENT PROVISIONS	68
SECTION 1306.	FURTHER ACTS; COUNTERPARTS	68
SECTION 1307.	HEADINGS NOT PART OF INDENTURE	68
SECTION 1308.	EFFECT OF PARTIAL INVALIDITY	68
SECTION 1309.	ATTORNEYS' FEES	68
SECTION 1310.	EFFECTIVE DATE.....	69

EXHIBIT A – FORM OF REQUISITION

MASTER TRUST INDENTURE

THIS MASTER TRUST INDENTURE is dated as of [_____] 1, 2020, by and between **NORTH RIVER RANCH COMMUNITY DEVELOPMENT DISTRICT**, a local unit of special-purpose government organized and existing under the laws of the State of Florida (the "District"), and **U.S. BANK NATIONAL ASSOCIATION**, as trustee (the "Trustee"), a national banking association and having the authority to exercise corporate trust powers, with its designated corporate trust office located at 500 West Cypress Creek Road, Suite 460, Fort Lauderdale, Florida 33309, Attention: Corporate Trust Department.

WHEREAS, the District is a community development district duly organized and existing under the provisions of Chapter 190, Florida Statutes (the "Act"), for the purpose, among other things, of financing and managing the acquisition, construction, installation, maintenance, and operation of the major infrastructure within and without the boundaries of the District; and

WHEREAS, the District has the power and authority under the Act to issue special assessment bonds and revenue bonds and to use the proceeds thereof to finance the cost of acquiring and constructing assessable improvements (as defined in the Act) and, by virtue of Section 190.022 of the Act, to levy and collect special assessments therefor as provided in Chapter 170, Florida Statutes, and to levy and collect user charges and fees therefor as provided in Section 190.011, Florida Statutes; and

WHEREAS, the District has the power and authority under and by virtue of Section 190.021 of the Act to levy and collect Benefit Special Assessments (hereinafter defined); and

WHEREAS, the District has found and determined and does hereby find and determine, that acquisition and construction of the Series Projects (hereinafter defined) is and will be necessary and desirable in serving the District's goal of properly managing the acquisition, construction, installation and operation of portions of the infrastructure within and without the boundaries of the District; and

WHEREAS, the execution and delivery of the Bonds (hereinafter defined) and of this Master Indenture have been duly authorized by the Governing Body of the District and all things necessary to make the Bonds, when executed by the District and authenticated by the Trustee, valid and binding legal obligations of the District and to make this Master Indenture a valid and binding agreement and a valid and binding lien on the Trust Estate (hereinafter defined) have been done;

NOW, THEREFORE, THIS MASTER TRUST INDENTURE WITNESSETH:

GRANTING CLAUSES

That the District, in consideration of the premises and acceptance by the Trustee of the trusts hereby created and the purchase and acceptance of the Bonds by the Owners (hereinafter

defined), and of the sum of ten dollars (\$10.00), lawful money of the United States of America, to it duly paid by the Trustee at or before the execution and delivery of this Master Indenture (hereinafter defined), and for other good and valuable consideration, the receipt of which is hereby acknowledged, in order to secure the payment of the principal of, premium, if any, and interest on the Bonds of a Series (hereinafter defined) issued hereunder according to their tenor and effect and to secure the performance and observance by the District of all of the covenants expressed or implied herein, in the Supplemental Indenture authorizing the issuance of such Series of Bonds and in the Bonds of such Series, does hereby assign and grant a security interest in the following (herein called the "Trust Estate") to the Trustee and its successors in trust, and assigns forever, for the securing of the performance of the obligations of the District herein set forth: (a) the Pledged Revenues (hereinafter defined) and Pledged Funds (hereinafter defined); and (b) any and all property of every kind or description which may from time to time hereafter be sold, transferred, conveyed, assigned, hypothecated, endorsed, deposited, pledged, granted or delivered to, or deposited with, the Trustee as security for any Series of Bonds issued pursuant to this Master Indenture by the District or anyone on its behalf or with its consent, or which pursuant to any of the provisions hereof or of the Supplemental Indenture securing such Series of Bonds may come into the possession or control of the Trustee or of a lawfully appointed receiver, as such additional security, and the Trustee is hereby authorized to receive any and all such property as and for security for the payment of such Series of Bonds and the interest and premium, if any, thereon, and to hold and apply all such property subject to the terms hereof, it being expressly understood and agreed that except as otherwise provided herein or in a Supplemental Indenture, the Trust Estate established and held hereunder for Bonds of a Series shall be held separate and in trust solely for the benefit of the Owners of the Bonds of such Series and for no other Series;

TO HAVE AND TO HOLD the Trust Estate, whether now owned or held or hereafter acquired, forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth (a) for the equal and proportionate benefit and security of all present and future Owners of the Bonds of a Series, without preference of any Bond of such Series over any other Bond of such Series, (b) for enforcement of the payment of the Bonds of a Series, in accordance with their terms and the terms of this Master Indenture and the Supplemental Indenture authorizing the issuance of such Series of Bonds, and all other sums payable hereunder, under the Supplemental Indenture authorizing such Series of Bonds or on the Bonds of such Series, and (c) for the enforcement of and compliance with the obligations, covenants and conditions of this Master Indenture except as otherwise expressly provided herein, as if all the Bonds at any time Outstanding (hereinafter defined) had been authenticated, executed and delivered simultaneously with the execution and delivery of this Master Indenture, all as herein set forth.

IT IS HEREBY COVENANTED, DECLARED AND AGREED that (a) this Master Indenture creates a continuing lien equally and ratably to secure the payment in full of the principal of, premium, if any, and interest on all Bonds of a Series which may from time to time be Outstanding hereunder, except as otherwise expressly provided herein, (b) the Trust Estate

shall immediately be subject to the lien of this pledge and assignment without any physical delivery thereof or further act, (c) the lien of this pledge and assignment shall be a first lien and shall be valid and binding against all parties having any claims of any kind in tort, contract or otherwise against the District, irrespective of whether such parties have notice thereof, (d) the Bonds of a Series are to be issued, authenticated and delivered, and (e) the Trust Estate is to be held, dealt with, and disposed of by the Trustee, upon and subject to the terms, covenants, conditions, uses, agreements and trusts set forth in this Master Indenture and the District covenants and agrees with the Trustee, for the equal and proportionate benefit of the respective Owners from time to time of the Bonds of each respective Series, as follows:

ARTICLE I DEFINITIONS

Section 101. Meaning of Words and Terms. The following words and terms used in this Master Indenture shall have the following meanings, unless some other meaning is plainly intended:

"Accountant" shall mean the independent certified public accountant or independent certified public accounting firm retained by the District to perform the duties of the Accountant under this Master Indenture.

"Accountant's Certificate" shall mean an opinion signed by an independent certified public accountant or firm of certified public accountants (which may be the Accountant) from time to time selected by the District.

"Accounts" shall mean all accounts, except the Series Rebate Account within the Rebate Fund, created pursuant to Section 502 hereof or a Supplemental Indenture.

"Accreted Value" shall mean, as of the date of computation with respect to any Capital Appreciation Bonds, an amount (truncated to three (3) decimal places) equal to the original principal amount of such Capital Appreciation Bonds at the date of issuance plus the interest accrued on such Capital Appreciation Bonds from the date of original issuance of such Capital Appreciation Bonds to the date of computation, such interest to accrue at the rate of interest per annum of the Capital Appreciation Bonds (or in accordance with a table of compound accreted values set forth in such Capital Appreciation Bonds), compounded semi-annually on each Interest Payment Date; provided, however, that if the date with respect to which any such computation is made is not an Interest Payment Date, the Accreted Value of any Capital Appreciation Bond as of such date shall be the amount determined by compounding the Accreted Value of such Capital Appreciation Bond as of the immediately preceding Interest Payment Date (or the date of original issuance if the date of computation is prior to the first Interest Payment Date succeeding the date of original issuance) at the rate of interest per annum of the Capital Appreciation Bonds for the partial semi-annual compounding period determined by dividing (x) the number of days elapsed (determined on the basis of a three hundred sixty (360) day year comprised of twelve (12) thirty (30) day months) from the immediately preceding

Interest Payment Date (or the date of original issuance if the date of computation is prior to the first Interest Payment Date succeeding the date of original issuance), by (y) one hundred eighty (180). A table of Accreted Values for the Capital Appreciation Bonds shall be incorporated in a Supplemental Indenture executed by the District upon issuance of any Capital Appreciation Bonds.

"Acquisition and Construction Fund" shall mean the fund so designated in, and created pursuant to, Section 502 hereof.

"Act" shall mean Chapter 190, Florida Statutes, as amended from time to time.

"Additional Bonds" shall mean Bonds of a Series authenticated and delivered pursuant to the terms of a Supplemental Indenture providing for the issuance of parity Additional Bonds of such Series.

"Additional Series Project" shall mean the acquisition and/or construction of any additions, extensions, improvements and betterments to and reconstructions of a Series Project to be financed, in whole or in part, from the proceeds of any Subordinate Debt.

"Amortization Installments" shall mean the moneys required to be deposited in a Series Sinking Fund Account within a Series Debt Service Account within the Debt Service Fund for the purpose of redeeming and paying when due any Term Bonds, the specific amounts and dates of such deposits to be set forth in a Supplemental Indenture.

"Assessments" shall mean all assessments levied and collected by or on behalf of the District pursuant to Section 190.022 of the Act, together with the interest specified by resolution adopted by the Governing Body, the interest specified in Chapter 170, Florida Statutes, if any such interest is collected by or on behalf of the Governing Body, and any applicable penalties collected by or on behalf of the District, together with any and all amounts received by the District from the sale of tax certificates or otherwise from the collection of Delinquent Assessments and which are referred to as such and pledged to a Series of Bonds pursuant to the Supplemental Indenture authorizing the issuance of such Series of Bonds.

"Authorized Denomination" shall, except as provided in any Supplemental Indenture relating to a Series of Bonds, mean the denomination of \$5,000 or any integral multiple thereof.

"Authorized Officer" shall mean any person authorized by the District in writing directed to the Trustee to perform the act or sign the document in question.

"Beneficial Owners" shall have the meaning given such term by DTC so long as it is the registered Owner through its nominee, Cede & Co., of the Bonds as to which such reference is made to enable such Bonds to be held in book-entry only form, and, shall otherwise mean the registered Owner on the registration books of the District maintained by the Bond Registrar.

"Benefit Special Assessments" shall mean benefit special assessments levied and collected in accordance with Section 190.021(2), Florida Statutes, together with any and all amounts received by the District from the sale of tax certificates or otherwise from the collection of Benefit Special Assessments which are not paid in full when due and which are referred to as such and pledged to a Series of Bonds pursuant to the Supplemental Indenture authorizing the issuance of such Series of Bonds.

"Bond Anticipation Notes" shall mean bond anticipation notes issued pursuant to a Supplemental Indenture in anticipation of the sale of an authorized Series of Bonds and in a principal amount not exceeding the principal amount of such anticipated Series of Bonds.

"Bond Counsel" shall mean an attorney or firm of attorneys of nationally recognized standing in the field of law relating to municipal bonds selected by the District.

"Bond Registrar" shall mean the bank or trust company designated as such by Supplemental Indenture with respect to a Series of Bonds for the purpose of maintaining the registration books of the District reflecting the names, addresses, and other identifying information of Owners of Bonds of such Series.

"Bond Year" shall mean, unless otherwise provided in the Supplemental Indenture authorizing a Series of Bonds, the period commencing on the first day of May in each year and ending on the last day of April of the following year.

"Bonds" shall mean the Outstanding Bonds of all Series.

"Business Day" shall mean any day excluding Saturday, Sunday or any other day on which banks in the cities in which the designated corporate trust office of the Trustee or the Paying Agent are located are authorized or required by law or other governmental action to close and on which the Trustee or Paying Agent, or both, is closed.

"Capital Appreciation Bonds" shall mean Bonds issued under this Master Indenture and any Supplemental Indenture as to which interest is compounded periodically on each of the applicable periodic dates designated for compounding and payable in an amount equal to the then-current Accreted Value only at the maturity or earlier redemption thereof, all as so designated in a Supplemental Indenture of the District providing for the issuance thereof.

"Capitalized Interest" shall mean, with respect to the interest due or to be due on a Series of Bonds prior to, during and for a period not exceeding one year after the completion of the Series Project to be funded by such Series, all or part of such interest which will be paid, or is expected to be paid, from the proceeds of such Series.

"Chair" shall mean the Chair or Vice Chair of the Governing Body of the District, or his or her designee, or the person succeeding to his or her principal functions.

"Code" shall mean the Internal Revenue Code of 1986, as amended, or any successor provisions thereto and the regulations promulgated thereunder or under the Internal Revenue Code of 1954, as amended, if applicable, or any successor provisions thereto.

"Completion Bonds" shall mean Bonds issued pursuant to a Supplemental Indenture ranking on a parity with the Series of Bonds issued under such Supplemental Indenture, the proceeds of which are to be used to complete the Series Project.

"Connection Fees" shall mean all fees and charges assessed by the District to users for the actual costs of connecting to a utility system of the District.

"Consulting Engineer" shall mean the independent engineer or engineering firm or corporation employed by the District in connection with any Series Project to perform and carry out the duties of the Consulting Engineer under this Master Indenture or any Supplemental Indenture.

"Continuing Disclosure Agreement" shall mean a Continuing Disclosure Agreement, by and among the District, the dissemination agent named therein, and any other "obligated person" under the Rule, in connection with the issuance of one or more Series of Bonds hereunder, pursuant to the requirements of the Rule.

"Cost" or "Costs" as applied to a Series Project or Additional Series Project, shall include the cost of acquisition and construction thereof and all obligations and expenses relating thereto including, but not limited to, those items of cost which are set forth in Section 403 hereof.

"Credit Facility" or "Liquidity Facility" shall mean a letter of credit, a municipal bond insurance policy, a surety bond or other similar agreement issued by a banking institution or other entity satisfactory to the District and providing for the payment of the principal of, interest on or purchase price of a Series of Bonds or any alternate or substitute Credit Facility or Liquidity Facility if then in effect.

"Current Interest Bonds" shall mean Bonds of a Series the interest on which is payable at least annually.

"Date of Completion" with respect to a Series Project or Additional Series Project shall mean: (a) the date upon which such Project and all components thereof have been acquired or constructed and are capable of performing the functions for which they were intended, as evidenced by a certificate of the Consulting Engineer filed with the Trustee and the District; or (b) the date on which the District determines, upon the recommendation of or in consultation with the Consulting Engineer, that it cannot complete such Project in a sound and economical manner within a reasonable period of time as evidenced by a certificate of the Consulting Engineer of the District filed with the Trustee and the District; provided that in each case such certificate of the Consulting Engineer shall set forth the amount of all Costs of such Project

which has theretofore been incurred, but which on the Date of Completion is or will be unpaid or unreimbursed.

"Debt Service" shall mean collectively the principal (including Amortization Installments), interest, and redemption premium, if any, payable with respect to the Bonds.

"Debt Service Fund" shall mean the fund so designated in, and created pursuant to, Section 502 hereof.

"Delinquent Assessments" shall mean, collectively, any and all installments of any Assessments which are not paid when due, including any applicable grace period under State law or District proceedings.

"Depository" shall mean any bank or trust company duly authorized by law to engage in the banking business and designated by the District as a depository of moneys subject to the provisions of this Master Indenture.

"Direct Billed" shall mean Assessments or Operation and Maintenance Assessments, as applicable within the context in which such reference is made, which are billed directly by the District rather than collected on the tax bill using the Uniform Method.

"District" shall mean the North River Ranch Community Development District, a community development district established pursuant to the Act, or any successor thereto which succeeds to the obligations of the District hereunder.

"DTC" shall mean The Depository Trust Company, New York, New York, and its successors and assigns.

"Engineer's Certificate" shall mean a certificate of the Consulting Engineer or of such other engineer or firm of engineers having a favorable repute for skill and experience in the engineering matters with respect to which such certification is required by this Master Indenture.

"Event of Default" shall mean any of the events described in Section 902 hereof.

"Federal Securities" shall mean, to the extent permitted by law for investment as contemplated in this Master Indenture and any Supplemental Indenture, (a) Government Obligations, (b) any Tax Exempt Obligations which are fully secured as to principal and interest by an irrevocable pledge of Government Obligations, which Government Obligations are segregated in trust and pledged for the benefit of the holders of the Tax Exempt Obligations, (c) certificates of ownership of the principal or interest of Government Obligations, which Government Obligations are held in trust, and (d) investment agreements at least 100% collateralized by obligations described in clauses (a), (b) or (c) above.

"Fiscal Year" shall mean the fiscal year of the District in effect from time to time, which shall initially mean the period commencing on the first day of October of any year and ending on the last day of September of the following year.

"Funds" shall mean all funds, except the Rebate Fund, created pursuant to Section 502 hereof.

"Governing Body" shall mean the Board of Supervisors of the District.

"Government Obligations" shall mean direct obligations of, or obligations the payment of which is unconditionally guaranteed by, the United States of America.

"Indenture" shall mean this Master Indenture, as amended and supplemented from time to time by a Supplemental Indenture or indentures, and shall mean when used with respect to a Series of Bonds issued hereunder, this Master Indenture, as amended and supplemented by the Supplemental Indenture relating to such Series of Bonds.

"Insurer" shall mean the issuer of any municipal bond insurance policy insuring the timely payment of the principal of and interest on Bonds or any Series of Bonds.

"Interest Payment Date" shall mean the dates specified in a Supplemental Indenture with respect to a Series of Bonds upon which the principal of and/or interest on Bonds of such Series shall be due and payable in each Bond Year.

"Investment Obligations" shall mean and include, except as otherwise provided in the Supplemental Indenture providing for the authorization of Bond Anticipation Notes or Bonds, mean and includes any of the following securities, if and to the extent that such securities are legal investments for funds of the District;

(a) Government Obligations;

(b) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies or such other government - sponsored agencies which may presently exist or be hereafter created; provided that, such bonds, debentures, notes or other evidences of indebtedness are fully guaranteed as to both principal and interest by the Government National Mortgage Association (including participation certificates issued by such association); Fannie Mae (including participation certificates issued by such entity); Federal Home Loan Banks; Federal Farm Credit Banks; Tennessee Valley Authority; Federal Home Loan Mortgage Corporation and repurchase agreements secured by such obligations, which funds are rated in the highest categories for such funds by both Moody's and S&P at the time of purchase;

(c) Direct and general obligations of any state of the United States, to the payment of the principal of and interest on which the full faith and credit of such state is pledged, if at the time of their purchase such obligations are rated in either of the two highest rating categories without regard to gradations within any such categories by either S&P or Moody's;

(d) Money market deposit accounts, time deposits, and certificates of deposits issued by commercial banks, savings and loan associations or mutual savings banks whose short-term obligations are rated, at the time of purchase, in one of the two highest rating categories, without regard to gradation, by Moody's and S & P;

(e) Bank or broker repurchase agreements fully secured by securities specified in (a) or (b) above, which may include repurchase agreements with the commercial banking department of the Trustee, provided that such securities are deposited with the Trustee, with a Federal Reserve Bank or with a bank or trust company (other than the seller of such securities) having a combined capital and surplus of not less than \$100,000,000;

(f) A promissory note of a bank holding company rated in either of the two highest rating categories without regard to gradations within any such categories by either S&P or Moody's;

(g) Any short term government fund or any money market fund whose assets consist of (a), (b) and (c) above;

(h) Commercial paper (having maturities of not more than 270 days) rated, at the time of purchase, in one of the two highest rating categories, without regard to gradation, by Moody's and S & P;

(i) Certificates evidencing a direct ownership interest in non-callable Government Obligations or in future interest or principal payments thereon held in a custody account by a custodian satisfactory to the Trustee;

(j) Obligations of any state of the United States of America or any political subdivision, public instrumentality or public authority of any such state which are not subject to redemption prior to the date on which the proceeds attributable to the principal of such obligations are to be used and which are fully secured by and payable solely from non-callable Government Obligations held pursuant to an escrow agreement; and

(k) The Local Government Surplus Funds Trust Fund as described in Section 218.405, Florida Statutes, or the corresponding provisions of subsequent laws.

Under all circumstances, the Trustee shall be entitled to rely on the direction of an Authorized Officer that any investment directed by the District is permitted under the Indenture and is a legal investment for funds of the District.

"Letter of Credit Agreement" shall mean any financing agreement relating to a Credit Facility for so long as such agreement will be in effect.

"Liquidity Agreement" shall mean any financing agreement relating to a Liquidity Facility for so long as such agreement will be in effect.

"Majority Owners" shall mean the Beneficial Owners of more than fifty percent (50%) of the aggregate principal amount of the Bonds of a Series then Outstanding or all of the Bonds then Outstanding, as applicable in the context within which such reference is made.

"Master Indenture" shall mean this Master Trust Indenture, as amended and supplemented from time to time in accordance with the provisions hereof.

"Maturity Amount" shall mean the amount due at maturity with respect to a Capital Appreciation Bond.

"Maximum Annual Debt Service Requirement" shall mean, at any given time of determination, the greatest amount of principal, interest and Amortization Installments coming due in any current or future Bond Year with regard to the Series of Bonds for which such calculation is made; provided, the amount of interest coming due in any Bond Year shall be reduced to the extent moneys derived from the proceeds of Bonds are used to pay interest in such Bond Year.

"Moody's" shall mean Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such corporation is dissolved or liquidated or no longer performs the functions of a securities rating agency, Moody's will be deemed to refer to any other nationally recognized securities rating agency designated by the District by written notice to the Trustee.

"Operation and Maintenance Assessments" shall mean assessments described in Section 190.021(3), Florida Statutes, for the maintenance of District facilities or the operations of the District.

"Option Bonds" shall mean Current Interest Bonds, which may be either Serial or Term Bonds, which by their terms may be tendered by and at the option of the Owner for purchase prior to the stated maturity thereof.

"Outstanding" when used with reference to Bonds, shall mean, as of a particular date, all Bonds theretofore authenticated and delivered under this Master Indenture, except:

(a) Bonds theretofore canceled by the Trustee or delivered to the Trustee for cancellation;

(b) Bonds (or portions of Bonds) for the payment or redemption of which moneys, equal to the principal amount or Redemption Price thereof, as the case may be, with interest to the date of maturity or redemption date, shall be held in trust under this Master Indenture or Supplemental Indenture with respect to Bonds of any Series and set aside for such payment or redemption (whether at or prior to the maturity or redemption date), provided that if such Bonds (or portions of Bonds) are to be redeemed, notice of such redemption shall have been given or provision satisfactory to the Trustee shall have been made for the giving of such notice

as provided in Article III hereof or in the Supplemental Indenture relating to the Bonds of any Series;

(c) Bonds in lieu of or in substitution for which other Bonds shall have been authenticated and delivered pursuant to this Master Indenture and the Supplemental Indenture with respect to Bonds of a Series unless proof satisfactory to the Trustee is presented that any such Bonds are held by a bona fide purchaser in due course; and

(d) Bonds paid or deemed to have been paid as provided in this Master Indenture or in a Supplemental Indenture with respect to Bonds of a Series, including Bonds with respect to which payment or provision for payment has been made in accordance with Article XII hereof.

In addition, Bonds actually known by the Trustee to be held by or for the District will not be deemed to be Outstanding for the purposes and within the purview of Article IX and Article XI of this Master Indenture.

"Owner" or *"Owners"* shall mean the registered owners from time to time of Bonds.

"Paying Agent" shall mean the bank or trust company designated by Supplemental Indenture with respect to a Series of Bonds as the place where Debt Service shall be payable with respect to such Series of Bonds and which accepts the duties of Paying Agent under this Master Indenture and under such Supplemental Indenture.

"Pledged Funds" shall mean all of the Series Pledged Funds.

"Pledged Revenues" shall mean all of the Series Pledged Revenues.

"Prepayments" shall mean any Assessments or Benefit Special Assessments, or portions thereof, which shall be paid to the District prior to the time such amounts become due. Prepayments shall not include any interest paid on such Assessments.

"Principal and Interest Requirement" shall mean with respect to a Series of Bonds, the respective amounts which are required in each Bond Year to provide:

(a) for paying the interest on all Bonds of such Series then Outstanding which is payable in such Bond Year;

(b) for paying the principal or Maturity Amount of all Serial Bonds of such Series then Outstanding which is payable in such Bond Year; and

(c) for paying the Amortization Installments of all Term Bonds of such Series then Outstanding which is payable in such Bond Year.

"Property Appraiser" shall mean the Property Appraiser of Manatee County, Florida, or the person succeeding to such officer's principal functions.

"Rebate Amount" shall mean the amount, if any, required to be rebated to the United States pursuant to Section 148(f) of the Internal Revenue Code of 1986, as amended, and the regulations and rulings thereunder.

"Rebate Analyst" shall mean the person or firm selected by the District to calculate the Rebate Amount, which person or firm shall have recognized expertise in the calculation of the Rebate Amount.

"Rebate Fund" shall mean the fund so designated in, and created pursuant to, Section 502 hereof.

"Record Date" shall mean the fifteenth (15th) day of the calendar month next preceding any Debt Service payment date or, in the case of any proposed redemption of Bonds, the fifth (5th) day next preceding the date of mailing of notice of such redemption, or if either of the foregoing days is not a Business Day, then the Business Day immediately preceding such day.

"Redemption Price" shall mean the principal of, premium, if any, and interest accrued to the date fixed for redemption of any Bond called for redemption pursuant to the provisions thereof, hereof and of the Supplemental Indenture pursuant to which such Bond is issued.

"Refunding Bonds" shall mean Bonds issued pursuant to provisions of this Master Indenture, the proceeds of which are used to refund one or more Series of Bonds then Outstanding.

"Reserve Fund" shall mean the fund so designated in, and created pursuant to, Section 502 hereof.

"Revenue Fund" shall mean the fund so designated in, and created pursuant to, Section 502 hereof.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"S&P" shall mean S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC, a limited liability company organized and existing under the laws of the State of Delaware, its successors and its assigns, and, if such entity is dissolved or liquidated or no longer performs the functions of a securities rating agency, S&P will be deemed to refer to any other nationally recognized securities rating agency designated by the District by written notice to the Trustee.

"Secretary" shall mean the Secretary or any Assistant Secretary to the Governing Body, or his or her designee, or the person succeeding to his or her principal functions.

"Serial Bonds" shall mean Bonds (other than Term Bonds) that mature in annual or semi-annual installments.

"Series" shall mean all of the Bonds authenticated and delivered on original issuance of a stipulated aggregate principal amount in a simultaneous transaction under and pursuant to the same Supplemental Indenture and any Bonds thereafter authenticated and delivered in lieu of or in substitution therefor pursuant to this Master Indenture and such Supplemental Indenture regardless of variations in maturity, interest rate or other provisions; provided, however, two or more Series of Bonds may be issued simultaneously under the same Supplemental Indenture if designated as separate Series of Bonds by the District upon original issuance.

"Series Acquisition and Construction Account" shall mean the account within the Acquisition and Construction Fund with respect to a Series of Bonds so designated in, and created pursuant to, a Supplemental Indenture.

"Series Capitalized Interest Account" shall mean the account within a Series Debt Service Account with respect to a Series of Bonds so designated in, and created pursuant to, a Supplemental Indenture.

"Series Costs of Issuance Account" shall mean the account within the Acquisition and Construction Fund with respect to a Series of Bonds so designated in, and created pursuant to, a Supplemental Indenture.

"Series Debt Service Account" shall mean the account within the Debt Service Fund with respect to a Series of Bonds so designated in, and created pursuant to, a Supplemental Indenture.

"Series Interest Account" shall mean the account within a Series Debt Service Account with respect to a Series of Bonds so designated in, and created pursuant to, a Supplemental Indenture.

"Series Optional Redemption Subaccount" shall mean the subaccount within a Series Redemption Account with respect to a Series of Bonds so designated in, and created pursuant to, a Supplemental Indenture.

"Series Pledged Funds" shall mean all amounts on deposit from time to time in the Funds and Accounts and designated in the Supplemental Indenture relating to such Series of Bonds as pledged to the payment of such Series of Bonds; provided, however, such term shall not include any amounts on deposit in a Series Rebate Account in the Rebate Fund.

"Series Pledged Revenues" shall mean the revenues designated as such by Supplemental Indenture and which shall constitute the security for and source of payment of a Series of Bonds and may consist of Assessments, Benefit Special Assessments, Connection Fees or other user

fees or other revenues or combinations thereof imposed or levied by the District in accordance with the Act.

"Series Prepayment Subaccount" shall mean the subaccount within a Series Redemption Account with respect to a Series of Bonds so designated in, and created pursuant to, a Supplemental Indenture.

"Series Principal Account" shall mean the account within a Series Debt Service Account with respect to a Series of Bonds so designated in, and created pursuant to, a Supplemental Indenture.

"Series Project" or *"Series Projects"* shall mean the acquisition, construction, equipping and/or improvement of capital projects to be located within or without the District for the benefit of the District to be financed with all or a part of the proceeds of a Series of Bonds as shall be described in the Supplemental Indenture authorizing such Series of Bonds.

"Series Rebate Account" shall mean the account within the Rebate Fund with respect to a Series of Bonds so designated in, and created pursuant to, a Supplemental Indenture.

"Series Redemption Account" shall mean the account within a Series Debt Service Account with respect to a Series of Bonds so designated in, and created pursuant to, a Supplemental Indenture.

"Series Reserve Account" shall mean the account within the Reserve Fund with respect to a Series of Bonds so designated in, and created pursuant to, a Supplemental Indenture.

"Series Reserve Account Requirement" shall mean the amount of money or other security which may be in the form of a reserve fund insurance policy or other security as may be required by the terms of a Supplemental Indenture to be deposited in or credited to a Series Reserve Account for a Series of Bonds provided, however, that unless otherwise provided in the Supplemental Indenture relating to a Series of Bonds, as of any date of calculation for a particular Series Reserve Account, the "Series Reserve Account Requirement" shall be an amount equal to the lesser of (a) the Maximum Annual Debt Service Requirement for all Bonds of such Series then Outstanding, (b) 125% of the average annual debt service for all Bonds of such Series then Outstanding, or (c) the aggregate of 10% of the proceeds of the Bonds of such Series calculated as of the date of original issuance thereof. In computing the Series Reserve Account Requirement in respect of any Series of Bonds that constitute Variable Rate Bonds, the interest rate on such Bonds shall be assumed to be the greater of (y) 110% of the daily average interest rate on such Variable Rate Bonds during the 12 months ending with the month preceding the date of calculation, or such shorter period of time that such Series of Bonds shall have been Outstanding, or (z) the actual rate of interest borne by such Variable Rate Bonds on such date of calculation; provided, in no event shall the Series Reserve Account Requirement as adjusted on such date of calculation exceed the lesser of the amounts specified in the immediately preceding sentence. In computing the Series Reserve Account Requirement in accordance with clause (c) of this definition in respect of any Capital Appreciation Bonds, the

principal amount of such Bonds shall be the original principal amount thereof, not the Accreted Value. A Supplemental Indenture may provide that the Series Reserve Account Requirement for a Series is zero.

"Series Revenue Account" shall mean the account within the Revenue Fund with respect to a Series of Bonds so designated in, and created pursuant to, a Supplemental Indenture.

"Series Sinking Fund Account" shall mean the account within a Series Debt Service Account with respect to a Series of Bonds so designated in, and created pursuant to, a Supplemental Indenture.

"Series Trust Estate" shall mean the Trust Estate for a Series of Bonds established by Supplemental Indenture for such Series of Bonds.

"State" shall mean the State of Florida.

"Subordinate Debt" shall mean indebtedness secured hereby or by any Supplemental Indenture which is by its terms expressly subordinate and inferior hereto both in lien and right of payment.

"Supplemental Indenture" shall mean an indenture supplemental hereto authorizing the issuance of a Series of Bonds hereunder and establishing the terms thereof and the security therefor and shall also mean any indenture supplementary hereto entered into for the purpose of amending the terms and provisions hereof with respect to all Bonds in accordance with Article XI hereof.

"Tax Certificate" shall mean the certificate of the District delivered at the time of issuance of Tax Exempt Bonds setting forth the expectations of the District with respect to the use of the proceeds of such Tax Exempt Bonds, including the Tax Regulatory Covenants.

"Tax Collector" shall mean the Tax Collector of Manatee County, Florida, or the person succeeding to such officer's principal functions.

"Tax Exempt Bonds" shall mean Bonds of a Series the interest on which, in the opinion of Bond Counsel on the date of original issuance thereof, is excludable from gross income for federal income tax purposes.

"Tax Exempt Obligations" shall mean any bond, note or other obligation issued by any person, the interest on which is excludable from gross income for federal income tax purposes.

"Tax Regulatory Covenants" shall mean the covenants of the District necessary for the preservation of the excludability of interest thereon from gross income for federal income tax purposes, as such covenants shall be amended from time to time upon written instructions from Bond Counsel.

"Taxable Bonds" shall mean Bonds of a Series which are not Tax Exempt Bonds.

"Term Bonds" shall mean Bonds that mature on one date and that are subject to mandatory redemption from Amortization Installments or are subject to extraordinary mandatory or mandatory redemption upon receipt of unscheduled Pledged Revenues.

"Time Deposits" shall mean time deposits, certificates of deposit or similar arrangements with any bank or trust company, including the Trustee or an affiliate thereof, which is a member of the Federal Deposit Insurance Corporation and any federal or State savings and loan association which is a member of the Federal Deposit Insurance Corporation or its successors and which are secured or insured in the manner required by State law.

"Trust Estate" shall have the meaning ascribed to such term in the granting clauses hereof, including, but not limited to, the Pledged Revenues and Pledged Funds.

"Trustee" shall mean U.S. Bank National Association with its designated office in Fort Lauderdale, Florida and any successor trustee appointed or serving pursuant to Article VI hereof.

"Uniform Method" shall mean the uniform method for the levy, collection and enforcement of Assessments afforded by Sections 197.3631, 197.3632 and 197.3635, Florida Statutes, or any successor statutes.

"Variable Rate Bonds" shall mean Current Interest Bonds, which may be either Serial Bonds or Term Bonds, issued with a variable, adjustable, convertible or other similar interest rate which is not fixed in percentage for the entire term thereof at the date of issue, which Bonds may also be Option Bonds.

Section 102. Rules of Construction. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the words "Bond," "Owner," "person," "Paying Agent," and "Bond Registrar" shall include the plural as well as the singular number and the word "person" shall mean any individual, corporation partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof. All references to Florida Statutes or other provisions of State law shall be deemed to include any and all amendments thereto.

ARTICLE II FORM, EXECUTION, DELIVERY AND DESIGNATION OF BONDS

Section 201. Issuance of Bonds. For the purpose of providing funds for paying all or part of the Cost of a Series Project, Bonds of a Series, without limitation as to aggregate principal amount, may be issued under this Master Indenture subject to the conditions hereinafter provided in Section 207 of this Article. Debt Service on each Series of Bonds shall be

payable solely from the Pledged Revenues and Pledged Funds pledged to such Series of Bonds in the Supplemental Indenture authorizing the issuance of such Series of Bonds and, as may be provided in such Supplemental Indenture, all of the provisions of this Master Indenture shall be for the benefit and security of the present and future Owners of such Series of Bonds so issued, without preference, priority or distinction, as to lien or otherwise, of any one Bond of such Series over any other Bond of such Series. The District may also issue from time to time, Additional Bonds, Completion Bonds and Refunding Bonds of a Series under and pursuant to the terms of the Supplemental Indenture authorizing the issuance of such Series of Bonds.

Section 202. Details of Bonds. Bonds of a Series shall be in such denominations, numbered consecutively, shall bear interest from their date until their payment at rates not exceeding the maximum rate permitted by law, shall be dated, shall be stated to mature in such year or years in accordance with the Act, and shall be subject to redemption prior to their respective maturities, subject to the limitations hereinafter provided, as provided for in the Supplemental Indenture authorizing the issuance of such Series of Bonds. Bonds of a Series may be Current Interest Bonds, Variable Rate Bonds, Capital Appreciation Bonds, Option Bonds or any combination thereof and may be secured by a Credit Facility or Liquidity Facility, all as shall be provided in the Supplemental Indenture authorizing the issuance of such Series of Bonds. Bonds of a Series (or a part of a Series) may be in book-entry form at the option of the District as shall be provided in the Supplemental Indenture authorizing the issuance of such Series of Bonds.

Debt Service shall be payable in any coin or currency of the United States of America which, at the date of payment thereof, is legal tender for the payment of public and private debts. Interest shall be paid to the registered Owner of Bonds at the close of business on the Record Date for such interest; provided, however, that on or after the occurrence and continuance of an Event of Default under clause (a) of Section 902 hereof, the payment of interest and principal or Redemption Price or Amortization Installments pursuant hereto shall be made by the Paying Agent to such person who, on a special record date which is fixed by the Trustee, which shall be not more than fifteen (15) and not less than ten (10) days prior to the date of such proposed payment, appears on the registration books of the Bond Registrar as the registered Owner of a Bond. Any payment of principal, Maturity Amount or Redemption Price shall be made only upon presentation of the Bond at the designated corporate trust office of the Paying Agent in Fort Lauderdale, Florida; provided, however, that presentation shall not be required if the Bonds are in book-entry only form. Payment of interest shall be made by check or draft (or by wire transfer to the registered Owner if such Owner requests such method of payment by delivery of written notice to the Paying Agent prior to the Record Date for the respective interest payment to such account as shall be specified in such request, but only if the registered Owner owns not less than \$1,000,000 in aggregate principal amount of the Bonds or, if less than such amount, all of the Bonds then Outstanding). Unless otherwise provided in the Supplemental Indenture authorizing a Series of Bonds, interest on a Series of Bonds will be computed on the basis of a 360-day year of twelve 30-day months.

Section 203. Execution and Form of Bonds. The Bonds shall be signed by or bear the facsimile signature of the Chair, shall be attested and countersigned by the Secretary, and the certificate of authentication appearing on the face of the Bonds shall be signed by the Trustee; provided, however, that each Bond shall be manually signed by either the Chair, the Secretary or the Trustee. The official seal of the District shall be imprinted or impressed on each Bond. In case any officer whose signature or a facsimile of whose signature appears on any Bond shall cease to be such officer before the delivery of such Bond, such signature or such facsimile shall nevertheless be valid for all purposes the same as if he or she had remained in office until such delivery. Any Bond may bear the facsimile signature of, or may be signed by, such persons as at the actual time of the execution of such Bond shall be proper officers to execute such Bond although at the date of such Bond such persons may not have been such officers. The Bonds, and the provisions for registration and transfer to be endorsed on such Bonds, shall be substantially in the form set forth in a Supplemental Indenture. The Trustee may appoint one or more authenticating agents.

Section 204. Negotiability, Registration and Transfer of Bonds. The District shall cause books for the registration and for the transfer of the Bonds as provided in this Master Indenture to be kept by the Bond Registrar. All Bonds shall be registered as to both principal and interest. Any Bond may be transferred only upon an assignment duly executed by the registered owner or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar, such transfer to be made on such books and endorsed on the Bond by the Bond Registrar. No charge shall be made to any Owner for registration and transfer as hereinabove provided, but any Owner requesting any such registration or transfer shall pay any tax or other governmental charge required to be paid with respect thereto. The Bond Registrar shall not be required to transfer any Bond during the period between the Record Date and the Interest Payment Date next succeeding the Record Date of such Bond, during the period between the Record Date for the mailing of a notice of redemption and the date of such mailing, nor after such Bond has been selected for redemption. The Bonds shall be and have all the qualities and incidents of negotiable instruments under the laws of the State, and each successive Owner, in accepting any of the Bonds, shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the laws of the State.

Section 205. Ownership of Bonds. The person in whose name any Bond shall be registered shall be deemed the absolute Owner thereof for all purposes, and payment of Debt Service shall be made only to or upon the order of the registered Owner thereof or his attorney or legal representative as herein provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid. The Trustee, the District, the Bond Registrar and the Paying Agent may deem and treat the registered Owner of any Bond as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment thereof and for all other purposes whatsoever, and neither the Trustee, the District, the Bond Registrar nor the Paying Agent shall be affected by any notice to the contrary.

Section 206. Special Obligations. Each Series of Bonds shall be a special and direct obligation of the District. Neither the Bonds nor the interest and premium, if any, payable thereon shall constitute a general obligation or general indebtedness of the District within the meaning of the Constitution and laws of the State. The Bonds and the interest and premium, if any, payable thereon do not constitute either a pledge of the full faith and credit of the District or a lien upon any property of the District other than as provided herein or in the Supplemental Indenture authorizing the issuance of such Series of Bonds. No Owner or any other person shall ever have the right to compel the exercise of any ad valorem taxing power of the District or any other public authority or governmental body to pay Debt Service or to pay any other amounts required to be paid pursuant to this Master Indenture, any Supplemental Indenture, or the Bonds. Rather, Debt Service and any other amounts required to be paid pursuant to this Master Indenture, any Supplemental Indenture, or the Bonds, shall be payable solely from, and shall be secured solely by, the Series Pledged Revenues and the Series Pledged Funds pledged to such Series of Bonds, all as provided herein and in such Supplemental Indenture.

Section 207. Authorization of Bonds.

(a) There shall be issued from time to time in Series, under and secured by this Master Indenture, Bonds without limitation as to aggregate principal amount for the purposes of:

- (i) paying all or part of the Cost of a Series Project or Series Projects or refunding a Series of Bonds or any portion thereof then Outstanding; and
- (ii) depositing the Series Reserve Account Requirement to the Series Reserve Account for such Series of Bonds.

(b) Each Series of Bonds, upon initial issuance thereof, shall be executed by the District for delivery to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the District or upon its order, but only upon the further receipt by the Trustee of the following:

- (i) an executed and attested original or certified copy of this Master Indenture;
- (ii) an executed and attested original or certified copy of the Supplemental Indenture fixing the amount of and security for the Series of Bonds authorized to be issued thereby and establishing, among other things, the dates on which, and the amounts in which, such Series of Bonds will mature (provided that the final maturity date of such Series of Bonds shall be not later than permitted by the Act with respect to such Series of Bonds), designating the Paying Agent and Bond Registrar, fixing the Amortization Installments, if any, for the Term Bonds of such Series, awarding the Series of Bonds, specifying the interest rates or the method for calculating such interest rates with respect to such Series of Bonds, specifying the redemption provisions and prices thereupon, specifying other details of such Series of Bonds, and directing the delivery of

such Series of Bonds to or upon the order of the initial purchaser thereof upon payment of the purchase price therefor set forth in such Supplemental Indenture;

(iii) an opinion of counsel for the District substantially to the effect that the signer is of the opinion that this Master Indenture and the Supplemental Indenture relating to such Series of Bonds have been duly and validly authorized in accordance with the terms hereof and of the Act, and have been duly approved and adopted, that the issuance of such Series of Bonds has been duly authorized, and that this Master Indenture and the Supplemental Indenture constitute binding obligations of the District, enforceable against the District in accordance with their terms except as enforcement thereof may be affected by bankruptcy and other similar laws relating to creditor's rights generally; and

(iv) an opinion of Bond Counsel for the District substantially to the effect that the signer is of the opinion that the Bonds of such Series are valid, binding and enforceable obligations of the District and, if such Series of Bonds are Tax Exempt Bonds, that interest thereon is excludable from gross income of the Owners under the income tax laws of the United States in effect on the date such Series of Bonds are delivered to the initial purchasers.

Execution of a Series of Bonds by the District shall be conclusive evidence of satisfaction of the conditions precedent set forth in this Section 207(b) as to the District and payment to the Trustee of the initial purchase price for a Series of Bonds shall be conclusive evidence of satisfaction of the conditions precedent set forth in this Section 207(b) as to the underwriter of such Series of Bonds.

The Trustee shall be provided with reliance letters with respect to the opinions required in paragraphs (iii) and (iv) above. When the documents mentioned in subsections (i) through (iv) above shall have been received, and when the Bonds of such Series shall have been executed and authenticated as required by this Master Indenture, such Series of Bonds shall be delivered to, or upon the order of, the District, but only upon payment to the Trustee of the purchase price of such Series of Bonds, together with accrued interest, if any, thereon as set forth in a certificate of delivery and payment executed by the Chair of the District.

(c) The proceeds (including accrued interest and any premium) of each Series of Bonds shall be applied as soon as practicable upon delivery thereof to the Trustee as provided by the Supplemental Indenture for such Series of Bonds.

Section 208. Mutilated, Destroyed or Lost Bonds. If any Bonds become mutilated, destroyed or lost, the District may cause to be executed and delivered a new Bond in substitution therefor upon the cancellation of such mutilated Bond or in lieu of and in substitution for such Bond destroyed or lost, and upon payment by the Owner of the reasonable expenses and charges of the District and the Trustee in connection therewith and, in the case of a Bond destroyed or lost, upon the Owner filing with the Trustee evidence satisfactory to it that

such Bond was destroyed or lost and of his or her ownership thereof, and upon furnishing the District and the Trustee with indemnity satisfactory to them.

Section 209. Parity Obligations Under Credit Agreements. As may be provided for or required in any Supplemental Indenture, the District may incur financial obligations under a Letter of Credit Agreement or a Liquidity Agreement payable on parity with respect to the lien on the Trust Estate pledged to a Series of Bonds issued under this Master Indenture and a Supplemental Indenture, without meeting any financial test or requirement set forth in this Master Indenture or the corresponding Supplemental Indenture, but only if the Letter of Credit Agreement or Liquidity Agreement supports a related Series of Bonds then being issued which does meet such tests or requirements.

Section 210. Bond Anticipation Notes. Whenever the District shall authorize the issuance of a Series of Bonds, the District may by resolution authorize the issuance of Bond Anticipation Notes in anticipation of the sale of such authorized Series of Bonds in a principal amount not exceeding the principal amount of such Series. The aggregate principal amount of Bonds of such Series and all other Bonds previously authenticated and delivered to pay the Cost of the Series Project or Series Projects for which the proceeds of the Bond Anticipation Notes will be applied shall not exceed such Cost. The interest on such Bond Anticipation Notes may be payable out of the related Series Interest Account to the extent provided in the resolution of the District authorizing such Bond Anticipation Notes. The principal of and interest on such Bond Anticipation Notes and renewals thereof shall be payable from any moneys of the District available therefor or from the proceeds of the sale of the Series of Bonds in anticipation of which such Bond Anticipation Notes are issued. The proceeds of sale of Bond Anticipation Notes shall be applied to the purposes for which the Bonds anticipated by such Bond Anticipation Notes are authorized and shall be deposited in the appropriate Fund or Account established by the Indenture for such purposes; provided, however, that the resolution or resolutions authorizing such Bond Anticipation Notes may provide for the payment of interest on such Bond Anticipation Notes from the proceeds of sale of such Bond Anticipation Notes and for the deposit, in the related Series Capitalized Interest Account. In the event that the District adopts a resolution authorizing the issuance of Bond Anticipation Notes, the District will promptly furnish to the Trustee a copy of such resolution, certified by an Authorized Officer, together with such information with respect to such Bond Anticipation Notes as the Trustee may reasonably request, including, without limitation, information as to the paying agent or agents for such Bond Anticipation Notes. The Trustee shall have no duties or obligations to the holders of such Bond Anticipation Notes unless specifically so authorized by the resolution of the District authorizing the issuance of such Bond Anticipation Notes and unless the Trustee accepts in writing such duties and obligations.

Section 211. Tax Status of Bonds. Any Series of Bonds issued under this Master Indenture may be issued either as Tax Exempt Bonds or Taxable Bonds. The intended tax status of any Series of Bonds to be issued may be referenced in any Supplemental Indenture authorizing the issuance of such Series of Bonds.

ARTICLE III REDEMPTION OF BONDS

Section 301. Redemption Generally. The Bonds of any Series shall be subject to redemption, either in whole on any date or in part on any Interest Payment Date, and at such times, in the manner and at such prices, as may be provided by the Supplemental Indenture authorizing the issuance of such Series of Bonds. The District shall provide written notice to the Trustee of any optional redemption on or before the forty-fifth (45th) day next preceding the date to be fixed for such optional redemption. Notwithstanding any other provision of this Master Indenture, notice of optional redemption may be conditioned upon the occurrence or non-occurrence of such event or events or upon the later deposit of moneys therefor as shall be specified in such notice of optional redemption and may also be subject to rescission by the District if expressly set forth in such notice.

Unless otherwise provided in the Supplemental Indenture relating to a Series of Bonds, if less than all of the Bonds of a Series shall be called for redemption, the particular Bonds of such Series to be redeemed shall be selected by lot in such reasonable manner as the Bond Registrar in its discretion may determine. The portion of any Series of Bonds to be redeemed shall be in an Authorized Denomination and, in selecting the Bonds of such Series to be redeemed, the Bond Registrar shall treat each such Bond as representing that number of Bonds of such Series which is obtained by dividing the principal amount of such Bond by an Authorized Denomination (such amount being hereinafter referred to as the "unit of principal amount").

If it is determined that one or more, but not all, of the units of principal amount represented by any such Bond is to be called for redemption, then upon notice of intention to redeem such unit or units of principal amount as provided below, the registered Owner of such Bond, upon surrender of such Bond to the Paying Agent for payment to such registered Owner of the redemption price of the unit or units of principal amount called for redemption, shall be entitled to receive a new Bond or Bonds of such Series in the aggregate principal amount of the unredeemed balance of the principal amount of such Bond. New Bonds of such Series representing the unredeemed balance of the principal amount shall be issued to the Owner thereof without any charge therefor. If the Owner of any Bond of a denomination greater than the unit of principal amount to be redeemed shall fail to present such Bond to the Paying Agent for payment in exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the date fixed for redemption to the extent of the unit or units of principal amount called for redemption.

Subject to the provisions of Section 506(b) hereof, the District may purchase a Bond or Bonds of a Series in the open market at a price no higher than the highest Redemption Price (including premium) for the Bond to be so purchased with any funds legally available therefor and any such Bonds so purchased shall be credited to the amounts otherwise required to be deposited for the payment of Bonds of such Series as provided in Section 506(b) hereof or as otherwise provided in the Supplemental Indenture relating to such Series.

Section 302. Notice of Redemption; Procedure for Selection. The District shall establish each redemption date, other than in the case of a mandatory redemption, in which case the Trustee shall establish the redemption date, and the District or the Trustee, as the case may be, shall notify the Bond Registrar in writing of such redemption date on or before the forty-fifth (45th) day next preceding the date fixed for redemption, which notice shall set forth the terms of the redemption and the aggregate principal amount of Bonds so to be redeemed. Except as provided below, notice of redemption shall be given by the Bond Registrar not less than thirty (30) nor more than forty-five (45) days prior to the date fixed for redemption by first-class mail, postage prepaid, to any Paying Agent for the Bonds to be redeemed and to the registered Owner of each Bond to be redeemed, at the address of such registered Owner on the registration books maintained by the Bond Registrar (and, for any Owner of \$1,000,000 or more in principal amount of Bonds, to one additional address if written request therefor is provided to the Bond Registrar prior to the Record Date); and a second notice of redemption shall be sent by registered or certified mail at such address to any Owner who has not submitted his Bond to the Paying Agent for payment on or before the date sixty (60) days following the date fixed for redemption of such Bond, in each case stating: (a) the numbers of the Bonds to be redeemed, by giving the individual certificate number of each Bond to be redeemed (or stating that all Bonds between two stated certificate numbers, both inclusive, are to be redeemed or that all of the Bonds of one or more maturities have been called for redemption); (b) the CUSIP numbers of all Bonds being redeemed; (c) in the case of a partial redemption of Bonds, the principal amount of each Bond being redeemed; (d) the date of issue of each Bond as originally issued and the complete official name of the Bonds including the Series designation; (e) the rate or rates of interest borne by each Bond being redeemed; (f) the maturity date of each Bond being redeemed; (g) the place or places where amounts due upon such redemption will be payable; and (h) the notice date, redemption date, and Redemption Price. The notice shall require that such Bonds be surrendered at the designated corporate trust office of the Paying Agent for redemption at the Redemption Price and shall state that further interest on such Bonds will not accrue from and after the redemption date. CUSIP number identification with appropriate dollar amounts for each CUSIP number also shall accompany all redemption payments.

Notice of optional redemption may be conditioned upon the occurrence or non-occurrence of such event or events or upon the later deposit of moneys therefor as shall be specified in such notice of optional redemption and may also be subject to rescission by the District if expressly set forth in such notice.

Any required notice of redemption shall also be sent by registered mail, overnight delivery service, telecopy or other secure means, postage prepaid, to any Owner of \$1,000,000 or more in aggregate principal amount of Bonds to be redeemed, to certain municipal registered securities depositories in accordance with the then-current guidelines of the Securities and Exchange Commission which are known to the Bond Registrar to be holding Bonds thirty-two (32) days prior to the redemption date and to at least two of the national information services that disseminate securities redemption notices in accordance with the then-current guidelines of the Securities and Exchange Commission, when possible, at least thirty (30) days prior to the redemption date; provided that neither failure to send or receive any such notice nor any defect

in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of such Bonds.

Failure to give notice by mailing to the Owner of any Bond designated for redemption or to any depository or information service shall not affect the validity of the proceedings for the redemption of any other Bond.

Section 303. Effect of Calling for Redemption. On the date designated for redemption of any Bonds, notice having been filed and mailed in the manner provided above, the Bonds called for redemption shall be due and payable at the Redemption Price provided for the redemption of such Bonds on such date and, moneys for payment of the Redemption Price being held in a separate account by the Paying Agent in trust for the Owners of the Bonds to be redeemed, interest on the Bonds called for redemption shall cease to be entitled to any benefit under this Master Indenture, and the Owners of such Bonds shall have no rights in respect thereof, except to receive payment of the Redemption Price thereof, and interest, if any, accrued thereon to the redemption date, and such Bonds shall no longer be deemed to be Outstanding.

Section 304. Cancellation. Bonds called for redemption shall be canceled upon the surrender thereof.

ARTICLE IV ACQUISITION AND CONSTRUCTION FUND

Section 401. Acquisition and Construction Fund. There is created and established by Section 502 hereof a fund designated as the "Acquisition and Construction Fund" which shall be held by the Trustee and there shall be deposited to the credit of the Series Acquisition and Construction Accounts the amounts specified in the Supplemental Indenture relating to such Series of Bonds.

Section 402. Payments from Acquisition and Construction Fund. Payments of the Cost of constructing and acquiring a Series Project shall be made from the Acquisition and Construction Fund as herein provided. All such payments shall be subject to the provisions and restrictions set forth in this Article and in Article V hereof, and the District covenants that it will not request any sums to be paid from the Acquisition and Construction Fund except in accordance with such provisions and restrictions. Moneys in the Acquisition and Construction Fund shall be disbursed by check, voucher, order, draft, certificate or warrant signed by any one or more officers or employees of the Trustee legally authorized to sign such items or by wire transfer to an account specified by the payee upon satisfaction of the conditions for disbursement set forth in Section 503(b) hereof.

Section 403. Cost of a Series Project. For the purposes of this Master Indenture, the Cost of a Series Project shall include, without intending thereby to limit or to restrict or expand any proper definition of such cost under the Act, other applicable provisions of State law, or this Master Indenture, the following:

(a) ***Expenses of Bond Issuance.*** All expenses and fees relating to the issuance of the Bonds, including, but not limited to, initial Credit Facility or Liquidity Facility fees and costs, attorneys' fees, underwriting fees and discounts, the Trustee's acceptance fees and costs, Trustee's counsel fees and costs, rating agency fees, fees of financial advisors, engineer's fees and costs, administrative expenses of the District, the costs of preparing audits and engineering reports, the costs of preparing reports, surveys, and studies, and the costs of printing the Bonds and preliminary and final disclosure documents.

(b) ***Accrued and Capitalized Interest.*** Any interest accruing on the Bonds from their date through the first Interest Payment Date received from the proceeds of the Bonds (to be deposited into the related Series Interest Account) and Capitalized Interest (to be deposited into the related Series Capitalized Interest Account) as may be authorized or provided for by a Supplemental Indenture related to a Series of Bonds. Notwithstanding the deposit of Capitalized Interest into the related Series Capitalized Interest Account, Capitalized Interest shall also include any amount directed by the District to the Trustee in writing to be withdrawn from the related Series Acquisition and Construction Account and deposited into such Series Capitalized Interest Account, provided that such direction includes a certification that such amount represents earnings on amounts on deposit in the related Series Acquisition and Construction Account and that, after such deposit, the amount on deposit in such Series Acquisition and Construction Account, together with earnings thereon will be sufficient to complete the related Series Project which is to be funded from such Series Acquisition and Construction Account.

(c) ***Acquisition Expenses.*** The costs of acquiring, by purchase or condemnation, all of the land, structures, improvements, rights-of-way, franchises, easements, plans and specifications and similar items and other interests in property, whether real or personal, tangible or intangible, which themselves constitute a Series Project or which are necessary or convenient to acquire, install and construct a Series Project and payments, contributions, dedications, taxes, assessments or permit fees or costs and any other exactions required as a condition to receive any government approval or permit necessary to accomplish any District purpose.

(d) ***Construction Expense.*** All costs incurred, including interest charges, for labor and materials, including equipment, machinery and fixtures, by contractors, builders, and materialmen in connection with the acquisition, installation and construction of a Series Project, and including without limitation costs incident to the award of contracts.

(e) ***Other Professional Fees and Miscellaneous Expenses.***

(i) All legal, architectural, engineering, survey, and consulting fees, as well as all financing charges, taxes, insurance premiums, and miscellaneous expenses, not specifically referred to in this Master Indenture that are incurred in connection with the acquisition and construction of a Series Project.

- (ii) Expenses of determining the feasibility or practicality of acquisition, construction, installation, or reconstruction of a Series Project.
 - (iii) Costs of surveys, estimates, plans and specifications.
 - (iv) Costs of improvements.
 - (v) Financing charges.
 - (vi) Creation of initial reserve and debt service funds.
 - (vii) Working capital.
 - (viii) Amounts to repay Bond Anticipation Notes or loans made to finance any costs permitted under the Act.
 - (ix) Costs incurred to enforce remedies against contractors, subcontractors, any provider of labor, material, services or any other person for a default or breach under the corresponding contract, or in connection with any dispute.
 - (x) Premiums for contract bonds and insurance during construction and costs on account of personal injuries and property damage in the course of construction and insurance against the same.
 - (xi) Expenses of management and supervision of a Series Project.
 - (xii) Costs of effecting compliance with any and all governmental permits relating to a Series Project.
 - (xiii) Any other "cost" or expense as provided by the Act.
- (f) **Refinancing Costs.** All costs described in (a) through (e) above or otherwise permitted by the Act associated with refinancing or repaying any loan or other debt obligation, of the District.

Section 404. Disposition of Balances in Acquisition and Construction Fund. On the Date of Completion of a Series Project, the balance in the related Series Acquisition and Construction Account not reserved for the payment of any remaining part of the Cost of the Series Project shall be transferred by the Trustee to the credit of the Series Redemption Account, and used for the purposes set forth for such Account in the Supplemental Indenture relating to such Series of Bonds.

ARTICLE V
ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF

Section 501. Lien. There is hereby irrevocably pledged for the payment of the Bonds of each Series issued hereunder, subject only to the provisions of this Master Indenture and any Supplemental Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in this Master Indenture and any such Supplemental Indenture with respect to each Series of Bonds, the Trust Estate; provided, however, that unless otherwise specifically provided herein or in a Supplemental Indenture relating to a Series of Bonds with respect to the Series Trust Estate securing such Series of Bonds, the Pledged Funds and Pledged Revenues securing a Series of Bonds shall secure only such Series of Bonds and shall not secure any other Bonds or Series of Bonds.

The foregoing pledge shall be valid and binding from and after the date of initial delivery of the Bonds and the proceeds of sale of the Bonds and all the moneys, securities and funds set forth in this Section 501 shall immediately be subject to the lien of the foregoing pledge, which lien is hereby created, without any physical delivery thereof or further act. Such lien shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the District or the Trustee, irrespective of whether such parties have notice thereof. Such lien shall be prior and superior to all other liens now existing or hereafter created.

Section 502. Establishment of Funds. The following funds are hereby established and shall be held by the Trustee:

(a) Acquisition and Construction Fund, and within such Fund there may be established by Supplemental Indenture authorizing a Series of Bonds a separate Series Acquisition and Construction Account and a separate Series Costs of Issuance Account for each Series of Bonds issued hereunder;

(b) Revenue Fund, and within such Fund there may be established by Supplemental Indenture authorizing a Series of Bonds a separate Series Revenue Account for each Series of Bonds issued hereunder;

(c) Debt Service Fund, and within such Fund there may be established by Supplemental Indenture authorizing a Series of Bonds a separate Series Debt Service Account and within such Series Debt Service Account,

(i) a Series Interest Account,

(ii) a Series Principal Account,

(iii) a Series Sinking Fund Account,

(iv) a Series Redemption Account and therein a Series Prepayment Subaccount and a Series Optional Redemption Subaccount, and

(v) a Series Capitalized Interest Account

for each such Series of Bonds issued hereunder;

(d) Reserve Fund, and within such Fund there may be established by Supplemental Indenture authorizing a Series of Bonds a separate Series Reserve Account for each such Series of Bonds issued hereunder and any Bonds issued on a parity with any such Series of Bonds hereunder; and

(e) Rebate Fund, and within such Fund there may be established by Supplemental Indenture authorizing a Series of Bonds a separate Series Rebate Account for each such Series of Tax Exempt Bonds issued hereunder.

Notwithstanding the foregoing, the Supplemental Indenture authorizing any Series of Bonds may establish such other Accounts or dispense with the Accounts set forth above as shall be deemed advisable by the District in connection with such Series of Bonds.

Section 503. Acquisition and Construction Fund.

(a) *Deposits.* The District shall pay to the Trustee, for deposit into the related Series Acquisition and Construction Account in the Acquisition and Construction Fund, as promptly as practicable, the following amounts received by it:

(i) the amount set forth in the Supplemental Indenture relating to such Series of Bonds;

(ii) subject to Section 806 hereof, payments made to the District from the sale, lease or other disposition of the Series Project or any portion thereof;

(iii) the balance of insurance proceeds with respect to the loss or destruction of the Series Project or any portion thereof; and

(iv) such other amounts as may be provided in a Supplemental Indenture.

Amounts in such Series Acquisition and Construction Account shall be applied to the Cost of the Series Project; provided, however, that if any amounts remain in such Series Acquisition and Construction Account after the Date of Completion, and if such amounts are not reserved for payment of any remaining part of the Cost of the Series Project, such amounts shall be applied in the manner set forth in Section 404 above.

(b) *Disbursements.* Unless otherwise provided in the Supplemental Indenture authorizing the issuance of such Series of Bonds, payments from a Series Acquisition and Construction Account shall be paid in accordance with the provisions of this subsection (b). Before any such payment shall be made, the District shall file with the Trustee a requisition in the form of Exhibit A attached hereto, signed by an Authorized Officer.

Upon receipt of each such requisition and accompanying certificate the Trustee shall promptly withdraw from the Series Acquisition and Construction Account and pay to the person, firm or corporation named in such requisition the amount designated in such requisition. The Trustee shall have no duty to investigate the accuracy or validity of the items delivered pursuant to this Section 503(b).

(c) *Inspection.* All requisitions and certificates received by the Trustee pursuant to this Article shall be retained in the possession of the Trustee, subject at all reasonable times to the inspection of the District, the Consulting Engineer, the Owner of any Bonds of the related Series, and the agents and representatives thereof.

(d) *Completion of Series Project.* On the Date of Completion of a Series Project, the balance in the related Series Acquisition and Construction Account not reserved by the District for the payment of any remaining part of the Cost of acquiring or constructing the Series Project shall be applied in accordance with the provisions of Section 404 hereof.

Section 504. Revenue Fund. The District hereby covenants and agrees that it will assess, impose, establish and collect the Pledged Revenues with respect to each Series of Bonds in amounts and at times sufficient to pay, when due, the principal of, premium, if any, and interest on such Series of Bonds. The District hereby covenants and agrees to immediately deposit upon receipt of all such Pledged Revenues (except Prepayments), when received, into the related Series Revenue Account and to immediately deposit all Prepayments, when received, into the related Series Redemption Account, unless otherwise provided for in the Supplemental Indenture relating to a Series of Bonds.

Section 505. Debt Service Fund.

(a) *Principal, Maturity Amount, Interest and Amortization Installments.* Unless otherwise provided in the Supplemental Indenture relating to a Series of Bonds, on the Business Day preceding each Interest Payment Date on a Series of Bonds, the Trustee shall withdraw from the Series Revenue Account and, from the amount so withdrawn, shall make the following deposits in the following order of priority:

(i) to the related Series Interest Account, an amount which, together with other amounts, if any, then on deposit therein, will equal the amount of interest payable on such Series of Bonds on such Interest Payment Date;

(ii) to the related Series Principal Account, an amount which, together with other amounts, if any, then on deposit therein, will equal the principal amount, if any, payable with respect to Serial Bonds of such Series of Bonds on such Interest Payment Date;

(iii) in each Bond Year in which Term Bonds of such Series of Bonds are subject to mandatory redemption from Amortization Installments, to the related Series Sinking Fund Account, an amount which, together with other amounts, if any, then on

deposit therein, will equal the Amortization Installment payable on the Term Bonds of such Series of Bonds on such Interest Payment Date;

(iv) in each Bond Year in which Capital Appreciation Bonds of such Series of Bonds mature, to the related Series Principal Account, an amount which, together with other amounts, if any, then on deposit therein, will equal the Maturity Amount payable with respect to the Capital Appreciation Bonds of such Series of Bonds maturing on such Interest Payment Date;

(v) to the Series Reserve Account, an amount, if any, which, together with other amounts, if any, then on deposit therein, will equal the Series Reserve Account Requirement; and

(vi) to the Series Rebate Account, the Rebate Amount, if any, required to be deposited therein pursuant to the Supplemental Indenture related to such Series of Tax Exempt Bonds.

Notwithstanding the foregoing, so long as there are moneys on deposit in the related Series Capitalized Interest Account on the date required for any transfer into the Series Interest Account as set forth above, the Trustee shall, prior to making any transfer into the related Series Interest Account from the related Series Revenue Account, transfer to the related Series Interest Account from the related Series Capitalized Interest Account, the lesser of the interest on such Series of Bonds coming due on the next succeeding Interest Payment Date or the amount remaining on deposit in the related Series Capitalized Interest Account.

(b) *Disposition of Remaining Amounts on Deposit in Series Revenue Account.* The District shall authorize the withdrawal, from time to time, from the Series Revenue Account an amount sufficient to pay the fees and charges of the Trustee, Bond Registrar, and Paying Agent, when due. Subject to the provisions of Section 604 hereof, if (i) the amount on deposit in the Series Interest Account, Series Principal Account, Series Sinking Fund Account and Series Redemption Account in each Bond Year equals the interest payable on the Bonds of such Series in such Bond Year, the principal amount of all Serial Bonds payable in such Bond Year, the Maturity Amount of all Capital Appreciation Bonds due in such Bond Year and the Amortization Installments required to be paid into the Series Sinking Fund Account in such Bond Year, and (ii) any amounts remain in the Series Revenue Account, then such amounts shall, at the written direction of the District, be applied to pay the commissions, fees, costs and any other charges of the Tax Collector and the Property Appraiser or, if such commissions, fees, costs, or other charges have been paid by the District, then to reimburse the District for such payment upon written request of an Authorized Officer. Unless otherwise provided in the Supplemental Indenture relating to a Series of Bonds, if, after such amounts have been withdrawn, paid and provided for as provided above, any amounts remain in the Series Revenue Account, such amounts shall be disbursed to the District on written request of an Authorized Officer and applied to pay the operating and administrative costs and expenses of the District. After making the payments provided for in this subsection (b), the balance, if any,

remaining in the Series Revenue Account shall be retained therein or, at the written direction of an Authorized Officer to the Trustee, transferred into the Series Redemption Account.

(c) *Series Reserve Account.* Moneys held for the credit of a Series Reserve Account shall be used for the purpose of paying interest or principal or Amortization Installment or Maturity Amount on the Bonds of the related Series whenever amounts on deposit in the Series Debt Service Account shall be insufficient for such purpose.

(d) *Series Debt Service Account.* Moneys held for the credit of a Series Interest Account, Series Principal Account and Series Sinking Fund Account in a Series Debt Service Account shall be withdrawn therefrom by the Trustee and transferred by the Trustee to the Paying Agent in amounts and at times sufficient to pay, when due, the interest on the Bonds of such Series, the principal of Serial Bonds of such Series, the Maturity Amount of Capital Appreciation Bonds of such Series and the Amortization Installments of Term Bonds of such Series, as the case may be.

(e) *Series Redemption Account.* Moneys representing Prepayments on deposit in a Series Redemption Account to the full extent of a multiple of an Authorized Denomination shall unless otherwise provided in the Supplemental Indenture relating to such Series of Bonds, be used by the Trustee to redeem Bonds of such Series on the earliest date on which such Bonds are permitted to be called without payment of premium by the terms hereof (including extraordinary or extraordinary mandatory redemption) and of the Supplemental Indenture relating to such Series of Bonds. Such redemption shall be made pursuant to the provisions of Article III. The District shall pay all expenses incurred by the Trustee and Paying Agent in connection with such redemption. Moneys other than from Prepayments shall be held and applied in a Series Redemption Account as provided in Section 506(a) hereof.

(f) *Payment to the District.* When no Bonds of a Series remain Outstanding, and after all expenses and charges herein and in the related Supplemental Indenture required to be paid have been paid as certified to the Trustee in writing by an Authorized Officer, and after all amounts due and owing to the Trustee have been paid in full, the Trustee shall pay any balance in the Accounts for such Series of Bonds to the District upon the written direction of an Authorized Officer, free and clear of any lien and pledge created by this Master Indenture; provided, however, that if an Event of Default has occurred and is continuing in the payment of the principal or Maturity Amount of, or interest or premium on the Bonds of any other Series, the Trustee shall pay over and apply any such excess pro rata (based upon the ratio of the aggregate principal amount of such Series of Bonds to the aggregate principal amount of all Series of Bonds then Outstanding and for which such an Event of Default has occurred and is continuing) to each other Series of Bonds for which such an Event of Default has occurred and is continuing.

Section 506. Optional Redemption.

(a) *Excess Amounts in Series Redemption Account.* The Trustee shall, but only at the written direction of an Authorized Officer on or prior to the forty-fifth (45th) day preceding the date of redemption, call for redemption on each Interest Payment Date on which Bonds are subject to optional redemption, from moneys on deposit in a Series Redemption Account such amount of Authorized Denominations of Bonds of such Series then subject to optional redemption as, with the redemption premium, if any, will exhaust such amount as nearly as may be practicable. Such redemption shall be made pursuant to the provisions of Article III. The District shall pay all expenses incurred by the Trustee and Paying Agent in connection with such redemption.

(b) *Purchase of Bonds of a Series.* The District may purchase Bonds of a Series then Outstanding at any time, whether or not such Bonds shall then be subject to redemption, at the *most* advantageous price obtainable with reasonable diligence, having regard to maturity, option to redeem, rate and price, such price not to exceed the principal of such Bonds plus the amount of the premium, if any, which would be payable on the next redemption date to the Owners of such Bonds under the provisions of this Master Indenture and the Supplemental Indenture pursuant to which such Series of Bonds was issued if such Bonds were called for redemption on such date. Before making each such purchase, the District shall file with the Trustee a statement in writing directing the Trustee to pay the purchase price of the Bonds of such Series so purchased upon their delivery and cancellation, which statement shall set forth a description of such Bonds, the purchase price to be paid therefor, the name of the seller and the place of delivery of the Bonds. The Trustee shall pay the interest accrued on such Bonds to the date of delivery thereof from the related Series Interest Account and the principal portion of the purchase price of Serial Bonds from the related Series Principal Account, but no such purchase shall be made after the Record Date in any Bond Year in which Bonds have been called for redemption. To the extent that insufficient moneys are on deposit in a related Series Interest Account to pay the accrued interest portion of the purchase price of any Bonds or in a related Series Principal Account to pay the principal amount of the purchase price of any Serial Bond, the Trustee shall transfer into such Accounts from the related Series Revenue Account sufficient moneys to pay such respective amounts. In the event that there are insufficient moneys on deposit in the related Series Principal Account with which to pay the principal portion of the purchase price of any Term Bonds, the Trustee may, at the written direction of the District, transfer moneys into such related Series Principal Account from the related Series Revenue Account to pay the principal amount of such purchase price, but only in an amount no greater than the Amortization Installment related to such Series of Bonds coming due in the current Bond Year calculated after giving effect to any other purchases of Term Bonds during such Bond Year. The Trustee may pay the principal portion of the purchase price of Bonds from the related Series Redemption Account, but only upon delivery of written instructions from an Authorized Officer of the District to the Trustee accompanied by a certificate of an Authorized Officer: (A) stating that sufficient moneys are on deposit in the Series Redemption Account to pay the purchase price of such Bonds; (B) setting forth the amounts and maturities of Bonds of such Series which are to be redeemed from such amounts; and (C) containing cash flows which demonstrate that, after giving effect to the purchase of Bonds in the amounts and maturities set

forth in clause (B) above, the Pledged Revenues to be received by the District in the current and each succeeding Bond Year will be sufficient to pay the principal, Maturity Amount and Amortization Installments of and interest on all Bonds of such Series. The Trustee may pay the principal portion of the purchase price of any Term Bonds from the related Series Principal Account, but only Term Bonds of a maturity having Amortization Installments in the current Bond Year and in the principal amount no greater than the Amortization Installment related to such Series of Bonds coming due in the current Bond Year (calculated after giving effect to any other purchases of Term Bonds during such Bond Year). The Trustee may pay the principal portion of the purchase price of Term Bonds having maturities different from or in amounts greater than set forth in the next preceding sentence from amounts on deposit in the related Series Principal Account and the Trustee may transfer moneys from the related Series Revenue Account to the related Series Principal Account for such purpose, but only upon delivery of written instructions from an Authorized Officer to the Trustee accompanied by a certificate of an Authorized Officer: (X) stating that sufficient moneys are on deposit in the Series Principal Account, after giving effect to any transfers from the related Series Revenue Account, to pay the principal portion of the purchase price of such Term Bonds; (Y) setting forth the amounts and maturities of Term Bonds of such Series which are to be redeemed from such amounts and the Amortization Installments against which the principal amount of such purchases are to be credited; and (Z) containing cash flows which demonstrate that, after giving effect to the purchase of Term Bonds in the amounts and having the maturities and with the credits against Amortization Installments set forth in clause (Y) above and any transfers from the related Series Revenue Account, the Pledged Revenues to be received by the District in the current and in each succeeding Bond Year will be sufficient to pay the principal, Maturity Amount and Amortization Installments of and interest on all Bonds of such Series. If any Bonds are purchased pursuant to this subsection (b), the principal amount of the Bonds so purchased shall be credited as follows:

(i) if the Bonds are to be purchased from amounts on deposit in the Series Prepayment Subaccount of a Series Redemption Account, against the principal coming due or Amortization Installments set forth in the certificate of the Authorized Officer accompanying the direction of the District to effect such purchase; or

(ii) if the Bonds are Term Bonds of a Series, against the Amortization Installments for Bonds of such Series first coming due in the current Bond Year or, if such Term Bonds so purchased are to be credited against Amortization Installments coming due in any succeeding Bond Year, against the Amortization Installments on Term Bonds of such Series maturing on the same date and designated in the certificate of the Authorized Officer accompanying the direction of the District to effect such purchase; or

(iii) against the principal or Maturity Amount of Serial Bonds coming due on the maturity date of such Serial Bonds.

Section 507. Rebate Fund.

(a) **Creation.** There is created and established by Section 502 hereof a Rebate Fund, and within the Rebate Fund a Series Rebate Account for each Series of Tax Exempt Bonds. Moneys deposited and held in the Rebate Fund shall not be subject to the pledge of this Master Indenture.

(b) **Payment to United States.** The Trustee shall pay to the District upon written request of the District, the Rebate Amount required to be paid to the United States at the times, in the manner and as calculated in accordance with the Supplemental Indenture related to a Series of Tax Exempt Bonds. The Trustee shall have no responsibility for computation of the Rebate Amount and instead the District shall cause the Rebate Amount to be calculated by the Rebate Analyst and shall cause the Rebate Analyst to deliver such computation to the Trustee as provided in the Supplemental Indenture related to a Series of Tax Exempt Bonds but before the date of any required payment of the Rebate Amount to the Internal Revenue Service. The fees of, and expenses incurred by, the Rebate Analyst in computing the Rebate Amount shall be paid by the District, which amount shall be treated as administrative and operating expenses of the District payable or reimbursable from the Series Revenue Account in accordance with Section 505(b) hereof.

(c) **Deficiencies.** If the Trustee does not have on deposit in the Series Rebate Account sufficient amounts to make the payments required by this Section 507, the District shall pay, from any legally available source, the amount of any such deficiency to the United States as provided in paragraph (b) above.

(d) **Survival.** The covenants and agreements of the District in this Section 507, Section 809, and any additional covenants related to compliance with provisions necessary in order to preserve the exclusion of interest on the Tax Exempt Bonds of a Series from gross income for federal income tax purposes, shall survive the defeasance of the Bonds of such Series in accordance with Article XII hereof.

Section 508. Investment of Funds and Accounts. Unless otherwise provided in the Supplemental Indenture relating to a Series of Bonds, moneys held for the credit of the Accounts for such Series of Bonds shall be invested as hereinafter provided in this Section 508.

(a) **Series Acquisition and Construction Account, Series Revenue Account and Series Debt Service Account.** Moneys held for the credit of a Series Acquisition and Construction Account, a Series Revenue Account, and a Series Debt Service Account shall, as nearly as may be practicable, be continuously invested and reinvested by the Trustee in Investment Obligations as directed in writing by an Authorized Officer, which Investment Obligations shall mature, or shall be subject to redemption by the holder thereof at the option of such holder, not later than the respective dates, as estimated by an Authorized Officer, when moneys held for the credit of each such Account will be required for the purposes intended.

(b) *Series Reserve Account.* Moneys held for the credit of a Series Reserve Account shall be continuously invested and reinvested by the Trustee in Investment Obligations as *directed* in writing by an Authorized Officer.

(c) *Investment Obligations as a Part of Funds and Accounts.* Investment Obligations purchased as an investment of moneys in any Fund or Account shall be deemed at all times to be a part of such Fund or Account, and the interest accruing thereon and profit realized from such investment shall be credited as provided in Section 510 hereof. Any loss resulting from such investment shall be charged to such Fund or Account. The foregoing notwithstanding, for purposes of investment and to the extent permitted by law, amounts on deposit in any Fund or Account may be commingled for purposes of investment, provided adequate care is taken to account for such amounts in accordance with the prior sentence. The Trustee may, upon the written direction of an Authorized Officer, transfer investments within such Funds or Accounts without being required to sell such investments. The Trustee shall sell at the best price obtainable or present for redemption any obligations so purchased whenever it shall be necessary so to do in order to provide moneys to meet any payment or transfer from any such Fund or Account. The Trustee shall not be liable or responsible for any loss resulting from any such investment or for failure to make an investment (except failure to make an investment in accordance with the written direction of an Authorized Officer) or for failure to achieve the maximum possible earnings on investments. The Trustee shall have no obligation to invest funds without written direction from an Authorized Officer.

(d) *Valuation.* In computing the value of the assets of any Fund or Account, investments *and* earnings thereon shall be deemed a part thereof. The Trustee shall value the assets in each of the Funds and Accounts established hereunder as of September 30 of each Fiscal Year, and as soon as practicable after each such valuation date (but no later than ten (10) days after each such valuation date) shall provide the District a report of the status of each Fund and Account as of the valuation date. For the purpose of determining the amount on deposit to the credit of any Fund or Account established hereunder, with the exception of a Series Reserve Account, obligations in which money in such Fund or Account shall have been invested shall be valued at the market value or the amortized cost thereof, whichever is lower, or at the Redemption Price thereof, to the extent that any such obligation is then redeemable at the option of the holder. For the purpose of determining the amount on deposit to the credit of a Series Reserve Account, obligations in which money in such Account shall have been invested shall be valued at par, if purchased at par, or at amortized cost, if purchased at other than par, plus, in each case, accrued interest. Amortized cost, when used with respect to an obligation purchased at a premium above or a discount below par, means the value as of any given time obtained by dividing the total premium or discount at which such obligation was purchased by the number of days remaining to maturity on such obligation at the date of such purchase and by multiplying the amount thus calculated by the number of days having passed since such purchase; and (i) in the case of an obligation purchased at a premium by deducting the product thus obtained from the purchase price, and (ii) in the case of an obligation purchased at a discount by adding the product thus obtained to the purchase price.

Section 509. Deficiencies and Surpluses in Funds and Accounts. For purposes of this Section 509, (a) a "deficiency" shall mean, in the case of a Series Reserve Account, that the amount on deposit therein is less than the Series Reserve Account Requirement (but only after the Bond Year in which the amount on deposit therein first equals the Series Reserve Account Requirement), and (b) a "surplus" shall mean in the case of a Series Reserve Account, that the amount on deposit therein is in excess of the applicable Series Reserve Account Requirement.

At the time of any withdrawal from a Series Reserve Account that results in a deficiency therein, the Trustee shall promptly notify the District of the amount of any such deficiency and the Trustee shall withdraw the amount of such deficiency from the related Series Revenue Account and, if amounts on deposit therein are insufficient therefor, the District shall pay the amount of such deficiency to the Trustee, for deposit in such Series Reserve Account, from the first legally available sources of the District.

The Trustee, as of the close of business on the last Business Day in each Bond Year, after taking into account all payments and transfers made as of such date, shall compute, in the manner set forth in Section 508(d), the value of the Series Reserve Account and shall promptly notify the District of the amount of any deficiency or surplus as of such date in such Series Reserve Account. The District shall immediately pay the amount of any deficiency to the Trustee, for deposit in the Series Reserve Account, from any legally available sources of the District. The Trustee, as soon as practicable after such computation, shall deposit any surplus, at the direction of an Authorized Officer, to the credit of the Series Redemption Account or the Series Principal Account, or as otherwise provided in the related Supplemental Indenture.

Section 510. Investment Income. Unless otherwise provided in a Supplemental Indenture, earnings on Investments in a Series Acquisition and Construction Account, a Series Interest Account and a Series Revenue Account shall be deposited, as realized, to the credit of such Account and used for the purpose of such Series Account. Unless otherwise provided in a Supplemental Indenture relating to a Series of Bonds, earnings on investments in a Series Principal Account and Redemption Account shall be deposited, as realized, to the credit of such Series Interest Account and used for the purpose of such Account.

Earnings on investments in a Series Reserve Account shall unless otherwise provided in a Supplemental Indenture relating to a Series of Bonds, be disposed of as follows:

(a) if there was no deficiency (as defined in Section 509 above) in the Series Reserve Account as of the most recent date on which amounts on deposit in the Series Reserve Account were valued by the Trustee, and if no withdrawals have been made from the Series Reserve Account since such date, then earnings on investments in the Series Reserve Account shall be deposited to the Series Revenue Account.

(b) if there was a deficiency (as defined in Section 509 above) in the Series Reserve Account as of the most recent date on which amounts on deposit in the Series Reserve Account were valued by the Trustee, or if after such date withdrawals have been made from the Series

Reserve Account and have created such a deficiency, then earnings on investments in the Series Reserve Account shall be deposited to the Series Reserve Account until the amount on deposit therein equals the Series Reserve Account Requirement and thereafter shall be deposited to the Series Revenue Account.

Section 511. Cancellation of Bonds. All Bonds paid, redeemed or purchased, either at or before maturity, shall be canceled upon the payment, redemption or purchase of such Bonds. All Bonds canceled under any of the provisions of this Master Indenture shall be destroyed by the Paying Agent, which shall upon request of the District execute a certificate in duplicate describing the Bonds so destroyed. One executed certificate shall be filed with the Trustee and the other executed certificate shall be retained by the Paying Agent.

ARTICLE VI CONCERNING THE TRUSTEE

Section 601. Acceptance of Trust. The Trustee accepts and agrees to execute the trusts hereby created, but only upon the additional terms set forth in this Article, to all of which the parties hereto and the Owners agree. The Trustee shall have only those duties expressly set forth herein, and no duties shall be implied against the Trustee.

Section 602. No Responsibility for Recitals. The recitals, statements and representations in this Master Indenture, in any Supplemental Indenture or in the Bonds, save only the Trustee's authentication certificate, if any, upon the Bonds, have been made by the District and not by the Trustee, and the Trustee shall be under no responsibility for the correctness thereof.

Section 603. Trustee May Act Through Agents; Answerable Only for Willful Misconduct or Gross Negligence. The Trustee may execute any powers hereunder and perform any duties required of it through attorneys, agents, officers or employees, and shall be entitled to advice of counsel concerning all questions hereunder, and the Trustee shall not be answerable for the default or misconduct of any attorney, agent or employee selected by it with reasonable care. In performance of its duties hereunder, the Trustee may rely on the advice of counsel and shall not be held liable for actions taken in reliance on the advice of counsel. The Trustee shall not be answerable for the exercise of any discretion or power under this Master Indenture or any Supplemental Indenture nor for anything whatsoever in connection with the trust hereunder, except only its own gross negligence or willful misconduct.

Section 604. Compensation and Indemnity. The District shall pay the Trustee reasonable compensation for its services hereunder, and also all its reasonable expenses and disbursements, including the reasonable fees and expenses of Trustee's counsel, and to the extent permitted under State law shall indemnify the Trustee and hold the Trustee harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder except with respect to its own negligence or misconduct. The Trustee shall have no duty in connection with its responsibilities hereunder to advance its own funds nor

shall the Trustee have any duty to take any action hereunder without first having received indemnification satisfactory to it. If the District defaults in respect of the foregoing obligations, the Trustee may deduct the amount owing to it from any moneys received or held by the Trustee under this Master Indenture or any Supplemental Indenture and payable to the District other than moneys from a Credit Facility or Liquidity Facility. This provision shall survive termination of this Master Indenture and any Supplemental Indenture, and as to any Trustee, its resignation or removal thereof. As security for the foregoing, the District hereby grants to the Trustee a security interest in and to the amounts of deposit in all Series Funds and Accounts (other than the Rebate Fund) thereby, in effect, granting the Trustee a first charge against these moneys following an Event of Default for its fees and expenses (including legal counsel and default administration costs and expenses), subordinate and inferior to the security interest granted to the Owners of the Bonds from time to time secured thereby, but nevertheless payable in the order of priority as set forth in Section 905(a) upon the occurrence of an Event of Default.

Section 605. No Duty to Renew Insurance. The Trustee shall be under no duty to effect or to renew any insurance policy nor shall it incur any liability for the failure of the District to require or effect or renew insurance or to report or file claims of loss thereunder.

Section 606. Notice of Default; Right to Investigate. The Trustee shall give written notice, as soon as practicable, by first-class mail to registered Owners of Bonds of all defaults of which the Trustee has actual knowledge, unless such defaults have been remedied (the term "defaults" for purposes of this Section 606 and Section 607 being defined to include the events specified as "Events of Default" in Section 902 hereof, but not including any notice or periods of grace provided for therein) or if the Trustee, based upon the advice of counsel upon which the Trustee is entitled to rely, determines that the giving of such notice is not in the best interests of the Owners of the Bonds. The Trustee will be deemed to have actual knowledge of any payment default under this Master Indenture or under any Supplemental Indenture and after receipt of written notice thereof by a Credit Facility issuer or Liquidity Facility issuer of a default under its respective reimbursement agreement, but shall not be deemed to have actual knowledge of any other default unless notified in writing of such default by the Owners of at least 25% in aggregate principal amount of the Bonds then Outstanding. The Trustee may, however, at any time require of the District full information as to the performance of any covenant hereunder; and if information satisfactory to it is not forthcoming, the Trustee may make or cause to be made, at the expense of the District, an investigation into the affairs of the District.

Section 607. Obligation to Act on Default. Before taking any action under this Master Indenture or any Supplemental Indenture in respect of an Event of Default, the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability resulting from its own gross negligence or willful misconduct in connection with any such action.

Section 608. Reliance by Trustee. The Trustee may act on any requisition, resolution, notice, telegram, request, consent, waiver, opinion, certificate, statement, affidavit, voucher, bond, or other paper or document or telephone message which it in good faith believes to be

genuine and to have been passed, signed or given by the proper persons or to have been prepared and furnished pursuant to any of the provisions of this Master Indenture or any Supplemental Indenture, and the Trustee shall be under no duty to make any investigation as to any statement contained in any such instrument, but may accept the same as conclusive evidence of the accuracy of such statement.

Section 609. Trustee May Deal in Bonds. The Trustee may in good faith buy, sell, own, hold and deal in any of the Bonds and may join in any action which any Owners may be entitled to take with like effect as if the Trustee were not a party to this Master Indenture or any Supplemental Indenture. The Trustee may also engage in or be interested in any financial or other transaction with the District.

Section 610. Construction of Ambiguous Provision. The Trustee may construe any ambiguous or inconsistent provisions of this Master Indenture or any Supplemental Indenture and any construction by the Trustee shall be binding upon the Owners. The Trustee shall give prompt written notice to the District of any intention to make such construal.

Section 611. Resignation of Trustee. The Trustee may resign and be discharged of the trusts created by this Master Indenture by written resignation filed with the Secretary of the District not less than sixty (60) days before the date when such resignation is to take effect; provided that notice of such resignation shall be sent by first-class mail to each Owner as its name and address appears on the Bond Register and to any Paying Agent, Bond Registrar, any Credit Facility issuer and any Liquidity Facility issuer, at least sixty (60) days before the resignation is to take effect. Such resignation shall take effect on the day specified in the Trustee's notice of resignation unless a successor Trustee is previously appointed, in which event the resignation shall take effect immediately on the appointment of such successor; provided, however, that notwithstanding the foregoing such resignation shall not take effect until a successor Trustee has been appointed. If a successor Trustee has not been appointed within sixty (60) days after the Trustee has given its notice of resignation, the Trustee may petition any court of competent jurisdiction for the appointment of a temporary successor Trustee to serve as Trustee until a successor Trustee has been duly appointed.

Section 612. Removal of Trustee. Any Trustee hereunder may be removed at any time by an instrument appointing a successor to the Trustee so removed, upon application of the District; provided, however, that if an Event of Default has occurred hereunder and is continuing with respect to a Series of Bonds, then the Trustee hereunder may be removed only by an instrument appointing a successor to the Trustee so removed executed by the Majority Owners of the Series of Bonds as to which such Event of Default exists and filed with the Trustee and the District.

The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Master Indenture or any Supplemental Indenture with respect to the duties and obligations of the Trustee, by any court of competent jurisdiction upon the application of the District;

provided that no Event of Default has occurred hereunder and is continuing, or upon the application of the Owners of not less than 20% in aggregate principal amount of the Bonds then Outstanding.

Section 613. Appointment of Successor Trustee. If the Trustee or any successor Trustee resigns or is removed or dissolved, or if its property or business is taken under the control of any state or federal court or administrative body, a vacancy shall forthwith exist in the office of the Trustee, and the District shall appoint a successor and shall mail notice of such appointment, including the name and address of the applicable corporate trust office of the successor Trustee, by first-class mail to each Owner as its name and address appears on the Bond Register, and to the Paying Agent, Bond Registrar, any Credit Facility issuer and any Liquidity Facility issuer; provided, however, that the District shall not appoint a successor Trustee if an Event of Default has occurred and is continuing, unless the District shall have received the prior written consent, which consent shall not be unreasonably withheld, of any Credit Facility issuer and any Liquidity Facility issuer, to the appointment of such successor Trustee. If an Event of Default has occurred hereunder and is continuing and the Trustee or any successor Trustee resigns or is removed or dissolved, or if its property or business is taken under the control of any state or federal court or administrative body, a vacancy shall forthwith exist in the office of the Trustee, and a successor may be appointed by any court of competent jurisdiction upon the application of the Owners of not less than twenty percent (20%) in aggregate principal amount of the Bonds then Outstanding and such successor Trustee shall mail notice of its appointment, including the name and address of the applicable corporate trust office of the successor Trustee, by first-class mail to each Owner as its name and address appears on the Bond Registrar, and to the Paying Agent, Bond Registrar, any Credit Facility issuer and any Liquidity Facility issuer.

Section 614. Qualification of Successor Trustee. A successor Trustee shall be a national bank with trust powers or a bank or trust company with trust powers, having a combined net capital and surplus of at least \$50,000,000.

Section 615. Instruments of Succession. Except as provided in Section 616 hereof, any successor Trustee shall execute, acknowledge and deliver to the District an instrument accepting such appointment hereunder, and thereupon such successor Trustee, without any further act, deed, or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor in trust hereunder, with like effect as if originally named Trustee herein. After withholding from the funds on hand any amounts owed to itself hereunder, the Trustee ceasing to act hereunder shall pay over to the successor Trustee all moneys held by it hereunder; and the Trustee ceasing to act and the District shall execute and deliver an instrument or instruments transferring to the successor Trustee all the estates, properties, rights, powers and trusts hereunder of the Trustee ceasing to act except for the rights granted under Section 604 hereof. The successor Trustee shall mail notice of its appointment, including the name and address of the applicable corporate trust office of the successor Trustee, by first-class mail to each Owner as its name and address

appears on the Bond Registrar, and to the Paying Agent, Bond Registrar, any Credit Facility issuer and any Liquidity Facility issuer.

Section 616. Merger of Trustee. Any corporation into which any Trustee hereunder may be merged or with which it may be consolidated or into which all or substantially all of its corporate trust assets shall be sold or its operations conveyed, or any corporation resulting from any merger or consolidation to which any Trustee hereunder shall be a party, shall be the successor Trustee under this Master Indenture, without the execution or filing of any paper or any further act on the part of the parties thereto, anything herein to the contrary notwithstanding; provided, however, that any such successor corporation continuing to act as Trustee hereunder shall meet the requirements of Section 614 hereof, and if such corporation does not meet the aforesaid requirements, a successor Trustee shall be appointed pursuant to this Article VI.

Section 617. Resignation of Paying Agent or Bond Registrar. The Paying Agent or Bond Registrar may resign and be discharged of the duties created by this Master Indenture by executing an instrument in writing resigning such duties and specifying the date when such resignation shall take effect, and filing the same with the District and the Trustee not less than sixty (60) days before the date specified in such instrument when such resignation shall take effect, and by giving written notice of such resignation mailed not less than sixty (60) days prior to such resignation date to each Owner as its name and address appear on the registration books of the District maintained by the Bond Registrar. Such resignation shall take effect on the date specified in such notice, unless a successor Paying Agent or Bond Registrar is previously appointed in which event such resignation shall take effect immediately upon the appointment of such successor Paying Agent or Bond Registrar. If the successor Paying Agent or Bond Registrar shall not have been appointed within a period of sixty (60) days following the giving of notice, then the Trustee may appoint a successor Paying Agent or Bond Registrar as provided in Section 619 hereof.

Section 618. Removal of Paying Agent or Bond Registrar. The Paying Agent or Bond Registrar may be removed at any time prior to any Event of Default by the District by filing with the Paying Agent or Bond Registrar to be removed and the Trustee, an instrument or instruments in writing executed by an Authorized Officer appointing a successor. Such removal shall be effective thirty (30) days after delivery of the instrument (or such longer period as may be set forth in such instrument); provided, however, that no such removal shall be effective until the successor Paying Agent or Bond Registrar appointed hereunder shall execute, acknowledge and deliver to the District an instrument accepting such appointment hereunder.

Section 619. Appointment of Successor Paying Agent or Bond Registrar. In case at any time the Paying Agent or Bond Registrar shall be removed, or be dissolved, or if its property or affairs shall be taken under the control of any state or federal court or administrative body because of insolvency or bankruptcy, or for any other reason, then a vacancy shall forthwith and ipso facto exist in the office of the Paying Agent or Bond Registrar, as the case may be, and a successor shall be appointed by the District; and in case at any time the Paying Agent or Bond

Registrar shall resign, then a successor shall be appointed by the District. Upon any such appointment, the District shall give written notice of such appointment to the predecessor Paying Agent or Bond Registrar, the successor Paying Agent or Bond Registrar, the Trustee and all Owners. Any new Paying Agent or Bond Registrar so appointed shall immediately and without further act supersede the predecessor Paying Agent or Bond Registrar.

Section 620. Qualifications of Successor Paying Agent or Bond Registrar. Every successor Paying Agent or Bond Registrar shall (a) be a commercial bank or trust company duly organized under the laws of the United States or any state or territory thereof, authorized by law to perform all the duties imposed upon it by this Master Indenture, and capable of meeting its obligations hereunder, and (b) have a combined net capital and surplus of at least \$50,000,000.

Section 621. Acceptance of Duties by Successor Paying Agent or Bond Registrar. Except as provided in Section 622 hereof, any successor Paying Agent or Bond Registrar appointed hereunder shall execute, acknowledge and deliver to the District an instrument accepting such appointment hereunder, and thereupon such successor Paying Agent or Bond Registrar, without any further act, deed or conveyance, shall become duly vested with all the estates property, rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named Paying Agent or Bond Registrar herein. Upon request of such Paying Agent or Bond Registrar, such predecessor Paying Agent or Bond Registrar and the District shall execute and deliver an instrument transferring to such successor Paying Agent or Bond Registrar all the estates, property, rights and powers hereunder of such predecessor Paying Agent or Bond Registrar and such predecessor Paying Agent or Bond Registrar shall pay over and deliver to the successor Paying Agent or Bond Registrar all moneys and other assets at the time held by it hereunder.

Section 622. Successor by Merger or Consolidation. Any corporation into which any Paying Agent or Bond Registrar hereunder may be merged or converted or with which it may be consolidated or into which substantially all of its corporate trust assets shall be sold or otherwise conveyed, or any corporation resulting from any merger or consolidation to which any Paying Agent or Bond Registrar hereunder shall be a party, shall be the successor Paying Agent or Bond Registrar under this Master Indenture without the execution or filing of any paper or any further act on the part of the parties hereto, anything in this Master Indenture to the contrary notwithstanding.

Section 623. Brokerage Statements. The District acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the District the right to receive individual confirmations of security transactions at no additional cost, as they occur, the District specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the District periodic cash transaction statements that include detail for all investment transactions made by the Trustee hereunder.

Section 624. Patriot Act Requirements of the Trustee. To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust, or other legal entity, the Trustee will ask for documentation to verify such non-individual person's formation and existence as a legal entity. The Trustee may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

ARTICLE VII FUNDS CONSTITUTE TRUST FUNDS

Section 701. Trust Funds. Subject to the provisions of Section 604 and Section 905(a) hereof, all amounts on deposit in Funds or Accounts for the benefit of a Series of Bonds shall:

(a) be used only for the purposes and in the manner herein and in the Supplemental Indenture relating to such Series of Bonds provided and, pending such application, be held by the Trustee in trust for the benefit of the Owners of such Series of Bonds;

(b) be irrevocably pledged to the payment of such Series of Bonds, except for amounts on deposit in the Series Rebate Account in the Rebate Fund;

(c) be held and accounted for separate and apart from all other Funds and Accounts, including Accounts for other Series of Bonds, and other funds and accounts of the Trustee and the District;

(d) until applied for the purposes provided herein, be subject to a first lien in favor of the Owners of such Series of Bonds and any parity obligations to issuers of Credit Facilities or Liquidity Facilities with respect to such Series of Bonds, which lien is hereby created, prior and superior to all other liens now existing or hereafter created, and, to a second lien in favor of the Trustee, as security for the reasonable compensation for the services of the Trustee hereunder, and also all its reasonable expenses and disbursements, including the reasonable fees and expenses of Trustee's counsel, subordinate and inferior to the security interest granted to the Owners of such Series of Bonds and any parity obligations to issuers of Credit Facilities or Liquidity Facilities with respect to such Series of Bonds, but nevertheless payable in the order of priority as set forth in Section 905(a) hereof upon the occurrence of an Event of Default; and

(e) shall not be subject to lien or attachment by any creditor of the Trustee or any creditor of the District or any other Series of Bonds other than the Owners of such Series of Bonds and the issuers of Credit Facilities or Liquidity Facilities with respect to such Series of Bonds.

**ARTICLE VIII
COVENANTS AND AGREEMENTS OF THE DISTRICT**

Section 801. Payment of Bonds. The District shall duly and punctually pay or cause to be paid, but only from the Series Trust Estate with respect to each Series of Bonds, Debt Service on the dates, at the places, and in the amounts stated herein, in any Supplemental Indenture, and in the Bonds of such Series.

Section 802. Extension of Payment of Bonds. Except as provided in Section 901 hereof, the District shall not directly or indirectly extend the time for payment of the interest on any Bonds. The time for payment of Bonds of any Series shall be the time prescribed in the Supplemental Indenture relating to such Series of Bonds.

Section 803. Further Assurance. At any and all times the District shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights, moneys, securities and funds hereby pledged or assigned, or intended so to be, or which the District may become bound to pledge or assign after the date of execution of this Master Indenture.

Section 804. Power to Issue Bonds and Create a Lien. The District hereby represents to the Trustee and to the Owners that it is and will be duly authorized under all applicable laws to issue the Bonds of each Series, to execute this Master Indenture, to adopt Supplemental Indentures, and to pledge its moneys, securities and funds in the manner and to the extent provided herein. Except as provided herein, the District hereby represents that such moneys, securities and funds of the District are and will be free and clear of any pledge, lien, charge or encumbrance thereon and all action on the part of the District to that end has been and will be duly and validly taken. The Bonds of each Series, this Master Indenture and any Supplemental Indenture are and will be the valid and legally enforceable obligations of the District, enforceable in accordance with their terms except to the extent that enforcement thereof may be subject to bankruptcy and other similar laws affecting creditors' rights generally. The District shall at all times, to the extent permitted by law, defend, preserve and protect the pledge and lien created by this Master Indenture and all the rights of the Owners hereunder against all claims and demands of all other persons whomsoever.

Section 805. Power to Undertake Series Projects and to Collect Pledged Revenues. The District has or will have upon the date of issuance of each Series of Bonds, and will have so long as any Bonds are Outstanding, good right and lawful power: (a) to undertake the Series Projects, or it will take such action on its part required which it deems reasonable in order to obtain licenses, orders, permits or other authorizations, if any, from any agency or regulatory body having lawful jurisdiction which must be obtained in order to undertake such Series Project; and (b) to fix, levy and collect or cause to be collected any and all Pledged Revenues.

Section 806. Sale of Series Projects. The District covenants that, until such time as there are no Bonds of a Series Outstanding, it will not sell, lease or otherwise dispose of or encumber the related Series Project or any part thereof other than as provided herein. The District may, however, from time to time, sell any machinery, fixtures, apparatus, tools, instruments, or other movable property acquired by the District in connection with a Series Project, or any materials used in connection therewith, if the District shall determine that such articles are no longer needed or are no longer useful in connection with the acquisition, construction, operation or maintenance of a Series Project, and the proceeds thereof may be applied to the replacement of the properties so sold or disposed of and, if not so applied, shall be deposited to the credit of the related Series Acquisition and Construction Account or, after the Date of Completion of the Series Project, shall be applied as provided in the corresponding Supplemental Indenture. The District may from time to time sell or lease such other property forming part of a Series Project which it may determine is not needed or serves no useful purpose in connection with the maintenance and operation of such Series Project, if the Consulting Engineer shall in writing approve such sale or lease; the proceeds of any such sale shall be disposed of as hereinabove provided for the proceeds of the sale or disposal of movable property. The proceeds of any lease as described above shall be applied as provided in the corresponding Supplemental Indenture.

Notwithstanding the foregoing, the District may: (a) dispose of all or any part of a Series Project, other than a Series Project the revenues to be derived from the operation of which are pledged to a Series of Bonds, by gift or dedication thereof to any unit of local government, or to the State or any agency or instrumentality of either of the foregoing or the United States Government; and/or (b) impose, declare or grant title to or interests in the Series Project or a portion or portions thereof in order to create ingress and egress rights and public and private utility easements as the District may deem necessary or desirable for the development, use and occupancy of the property within the District; and/or (c) impose or declare covenants, conditions and restrictions pertaining to the use, occupancy and operation of the Series Projects.

Section 807. Completion and Maintenance of Series Projects. The District shall complete the acquisition and construction of a Series Project with all practical dispatch and in a sound and economical manner. So long as any Series Project is owned by the District, the District shall maintain, preserve and keep the same or cause the same to be maintained, preserved and kept, with the appurtenances and every part and parcel thereof, in good repair, working order and condition, and shall from time to time make, or cause to be made, all necessary and proper repairs, replacements and renewals so that at all times the operation thereof may be properly and advantageously conducted.

Section 808. Accounts and Reports.

(a) *Annual Report.* The District shall, within thirty (30) days of receipt and approval by the District, so long as any Bonds are Outstanding, deliver to each Requesting Owner (hereinafter defined), and otherwise as provided by law, a copy of its annual audit for such year, accompanied by an Accountant's Certificate, including (i) statements in reasonable detail of its financial condition as of the end of such Fiscal Year and income and expenses for such

Fiscal Year, and (ii) statements of all receipts and disbursements of the Pledged Revenues of each Series of Bonds (unless the Pledged Revenues of such Series are remitted directly to the Trustee). The Trustee shall, within ninety (90) days after the close of each Fiscal Year so long as any Bonds are Outstanding, file with the District a summary with respect to each Fund and Account of the deposits thereto and disbursements therefrom during such Fiscal Year and the amounts held therein at the end of such Fiscal Year, or at the option of the Trustee, such summary can be made on a monthly basis. For purposes of the foregoing, the term "Requesting Owner" shall mean the Owner (or Beneficial Owner in the case of book-entry Bonds) of more than \$1,000,000 aggregate principal amount of any Series of Bonds who requests such information in writing to the District.

(b) *No Default Certificate.* The District shall file with the Trustee, so long as any Bonds are Outstanding, a certificate of an Authorized Officer upon the occurrence of an Event of Default as described in Section 902(g) hereof, such certificate to contain a description of the nature of such Event of Default and actions taken or to be taken to remedy such Event of Default.

(c) *Inspection.* The reports, statements and other documents required to be furnished by the District to the Trustee and by the Trustee to the District pursuant to any provisions hereof shall be available for inspection by any Owner at the designated corporate trust office of the Trustee upon the giving of at least five (5) days advance written notice to the Trustee.

(d) *Reports Pursuant to Uniform Special District Accountability Act of 1989.* The District covenants and agrees that it will comply with the provisions of Chapter 189.01 et seq., Florida Statutes, the Uniform Special District Accountability Act of 1989, to the extent applicable to the District, including any reporting requirements contained therein which are applicable to the District. The District may contract with a service provider selected by the District to ensure such compliance.

Section 809. Arbitrage and Other Tax Covenants. The District hereby covenants that it will not take any action, and will not fail to take any action, which action or failure would cause the Tax Exempt Bonds to become "arbitrage bonds" as defined in Section 148 of the Internal Revenue Code of 1986. The District further covenants that it will take all such actions after delivery of any Tax Exempt Bonds as may be required in order for interest on such Tax Exempt Bonds to remain excludable from gross income (as defined in Section 61 of the Internal Revenue Code of 1986) of the Owners. Without limiting the generality of the foregoing, the District hereby covenants that it will, to the extent not remitted by the Trustee from funds held in the Rebate Account, remit to the United States the Rebate Amount at the time and place required by this Master Indenture, any Supplemental Indenture, and the Tax Regulatory Covenants. Notwithstanding the foregoing, nothing shall require the District to impose additional assessments, taxes, or other similar amounts, the imposition of which would require an action of the Governing Body.

Section 810. Enforcement of Payment of Assessment. The District will assess, levy, collect or cause to be collected and enforce the payment of Assessments, Benefit Special Assessments, and/or any other sources which constitute Pledged Revenues for the payment of any Series of Bonds in the manner prescribed by this Master Indenture, any Supplemental Indenture and all resolutions, ordinances or laws thereunto appertaining at times and in amounts as shall be necessary in order to pay, when due, the principal of and interest on the Series of Bonds to which such Pledged Revenues are pledged, and to pay or cause to be paid the proceeds of such Assessments as received to the Trustee in accordance with the provisions hereof.

Section 811. Method of Collection of Assessments and Benefit Special Assessments. The District shall levy and collect Assessments and Benefit Special Assessments in accordance with applicable State law.

Section 812. Delinquent Assessments. If the owner of any lot or parcel of land shall be delinquent in the payment of any Assessment or Benefit Special Assessment, pledged to a Series of Bonds, then such Assessment or Benefit Special Assessments, shall be enforced in accordance with the provisions of Chapters 170 and/or 197, Florida Statutes, including but not limited to the sale of tax certificates and tax deeds as regards such Delinquent Assessment. In the event the provisions of Chapter 197, Florida Statutes, are inapplicable or unavailable, then upon the delinquency of any Assessment or Benefit Special Assessment, the District either on its own behalf, or through the actions of the Trustee may, and shall, if so directed in writing by the Majority Owners of the Bonds of such Series then Outstanding, declare the entire unpaid balance of such Assessment or Benefit Special Assessment, to be in default and, at its own expense, cause such delinquent property to be foreclosed in the same method now or hereafter provided by law for the foreclosure of mortgages on real estate, or pursuant to the provisions of Chapter 173, and Sections 190.026 and/or 170.10, Florida Statutes, or otherwise as provided by law. The District further covenants to furnish, at its expense, to any Owner of Bonds of the related Series so requesting, sixty (60) days after the due date of each annual installment, a list of all Delinquent Assessments, to the extent such information is reasonably available to the District, together with a copy of the District's annual audit, and a list of foreclosure actions currently in progress and the current status of such Delinquent Assessments.

Notwithstanding anything to the contrary herein, the District shall be entitled to recover from any foreclosure or other enforcement action before such proceeds are applied to the payment of principal or interest on the Bonds, all fees and costs expended in connection with such foreclosure, regardless of whether such fees and costs are included as part of the Assessments or Benefit Special Assessments. The foregoing is not intended and does not create a right for the District to be paid prior to the Trustee's right as provided in Section 905 hereof.

Section 813. Deposit of Proceeds from Sale of Tax Certificates. If any tax certificates relating to Delinquent Assessments which are pledged to a Series of Bonds are sold by the Tax Collector pursuant to the provisions of Section 197.432, Florida Statutes, or if any such tax certificates are not sold but are later redeemed, the proceeds of such sale or redemption (to the

extent that such proceeds relate to the Delinquent Assessments), less any commission or other charges retained by the Tax Collector, shall, if paid by the Tax Collector to the District, be paid by the District to the Trustee not later than five (5) Business Days following receipt of such proceeds by the District and shall be deposited by the Trustee to the credit of the related Series Revenue Account.

Section 814. Sale of Tax Deed or Foreclosure of Assessment or Benefit Special Assessment Lien. If any property shall be offered for sale for the nonpayment of any Assessment or Benefit Special Assessment, which is pledged to a Series of Bonds, and no person or persons shall purchase such property for an amount less than or equal to the full amount due on the Assessments or Benefit Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), the property may then be purchased by the District for an amount equal to the balance due on the Assessments or Benefit Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), from any legally available funds of the District and the District shall receive in its corporate name or in the name of a special purpose entity title to the property for the benefit of the Owners of the Series of Bonds to which such Assessments or Benefit Special Assessments were pledged; provided that the Trustee shall have the right, acting at the direction of the Majority Owners of the applicable Series of Bonds secured by such Assessment or Benefit Special Assessment, but shall not be obligated, to direct the District with respect to any action taken pursuant to this paragraph. The District, either through its own actions, or actions caused to be taken through the Trustee, shall have the power to lease or sell such property, and deposit all of the net proceeds of any such lease or sale into the related Series Revenue Account. Not less than ten (10) days prior to the filing of any foreclosure action as herein provided, the District shall cause written notice thereof to be mailed to any designated agents of the Owners of the related Series of Bonds. Not less than thirty (30) days prior to the proposed sale of any lot or tract of land acquired by foreclosure by the District, it shall give written notice thereof to such representatives. The District, either through its own actions, or actions caused to be taken through the Trustee, agrees that it shall be required to take the measures provided by law for the listing for sale of property acquired by it as trustee for the benefit of the Owners of the related Series of Bonds within sixty (60) days after the receipt of the request therefor signed by the Trustee or the Majority Owners of the Bonds of such Series then Outstanding.

Section 815. Other Obligations Payable from Assessments or Benefit Special Assessments. The District will not issue or incur any obligations payable from the proceeds of Assessments or Benefit Special Assessments securing a Series of Bonds nor voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or other charge upon such Assessments or Benefit Special Assessments other than the lien of any Subordinate Debt except for fees, commissions, costs, and other charges payable to the Property Appraiser or to the Tax Collector pursuant to State law.

Section 816. Re-Assessments. If any Assessment or Benefit Special Assessment shall be either in whole or in part annulled, vacated or set aside by the judgment of any court, or the District shall be satisfied that any such Assessment or Benefit Special Assessment is so irregular

or defective that it cannot be enforced or collected, or if the District shall have omitted to make such Assessment or Benefit Special Assessment when it might have done so, the District shall either: (a) take all necessary steps to cause a new Assessment or Benefit Special Assessment to be made for the whole or any part of such improvement or against any property benefited by such improvement; or (b) in its sole discretion, make up the amount of such Assessment or Benefit Special Assessment from legally available moneys, which moneys shall be deposited into the related Series Revenue Account. In case any such subsequent Assessment or Benefit Special Assessment shall also be annulled, the District shall obtain and make other Assessments or Benefit Special Assessments until a valid Assessment or Benefit Special Assessment shall be made.

Section 817. General. The District shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the District under law and this Master Indenture, in accordance with the terms of such provisions.

Upon the date of issuance of each Series of Bonds, all conditions, acts and things required by law and this Master Indenture and any Supplemental Indenture to exist, to have happened and to have been performed precedent to and in the issuance of such Series of Bonds shall exist, have happened and have been performed and upon issuance, such Series of Bonds shall be within every debt and other limit prescribed by the laws of the State applicable to the District.

The District shall not enter into any contract or take any action by which the rights of the Trustee or the Owners may be impaired and shall, from time to time, execute and deliver such further instruments and take such further action as may be required to carry out the purposes of this Master Indenture and any Supplemental Indenture. For so long as any Bonds are Outstanding hereunder, unless otherwise provided by the Act, the District shall maintain its corporate existence as a local unit of special purpose government under the Act and shall provide for or otherwise require all Series Projects, and all parts thereof owned by the District to be (a) continuously operated, repaired, improved and maintained as shall be necessary to provide adequate service to the lands benefited thereby, and (b) in compliance with all valid and applicable laws, acts, rules, regulations, permits, orders, requirements and directions of any competent public authority.

Section 818. Continuing Disclosure. The District covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of this Master Indenture or any Supplemental Indenture, failure of the District or any other obligated person to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default hereunder; however, the Trustee may (and, at the request of any participating underwriter or the Owners of at least 25% aggregate principal amount of Bonds of a Series then Outstanding and receipt of indemnity to its satisfaction, shall) or any Owner or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the District to comply with its obligations under this Section 818. For purposes of this Section,

"Beneficial Owner" means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

ARTICLE IX EVENTS OF DEFAULT AND REMEDIES

Section 901. Extension of Interest Payment. If the time for payment of interest of a Bond of any Series shall be extended, whether or not such extension be by or with the consent of the District, such interest so extended shall not be entitled in case of default hereunder to the benefit or security of this Master Indenture unless the aggregate principal amount of such Bonds then Outstanding and of all accrued interest the time for payment of which shall not have been extended, shall have previously been paid in full.

Section 902. Events of Default. Each of the following events is hereby declared an Event of Default with respect to a Series of Bonds, but no other Series of Bonds unless otherwise provided in the Supplemental Indenture relating to such Series:

- (a) Any payment of Debt Service on such Series of Bonds is not made when due;
- (b) The District shall for any reason be rendered incapable of fulfilling its obligations hereunder or under the Supplemental Indenture relating to such Series of Bonds;
- (c) The District admits in writing its inability to pay its debts generally as they become due, or files a petition in bankruptcy or makes an assignment for the benefit of its creditors or consents to the appointment of a receiver or trustee for itself or for the whole or any part of the related Series Project;
- (d) The District is adjudged insolvent by a court of competent jurisdiction, or is adjudged bankrupt on a petition in bankruptcy filed against the District, or an order, judgment or decree be entered by any court of competent jurisdiction appointing, without the consent of the District, a receiver or trustee of the District or of the whole or any part of its property and if the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within ninety (90) days from the date of entry thereof;
- (e) The District shall file a petition or answer seeking reorganization or any arrangement under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof;
- (f) Under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the District's assets or any part thereof, and such custody or control shall not be terminated within ninety (90) days from the date of assumption of such custody or control;

(g) Any portion of the Assessments pledged to a Series of Bonds shall have become Delinquent Assessments and, as the result thereof, the Indenture provides for the Trustee to withdraw funds in an amount greater than twenty-five percent (25%) of the amount on deposit in a Series Reserve Account to pay Debt Service on the corresponding Series of Bonds (regardless of whether the Trustee does or does not, per the direction of the Majority Owners, actually withdraw such funds from the Series Reserve Account to pay Debt Service on the corresponding Series of Bonds);

(h) The District shall default in the due and punctual performance of any of the material covenants, conditions, agreements and provisions contained in the Bonds of such Series or in this Master Indenture or in the Supplemental Indenture relating to such Series of Bonds on the part of the District to be performed (other than a default in the payment of Debt Service on the related Series of Bonds when due, which is an Event of Default under subsection (a) above) and such default shall continue for thirty (30) days after written notice specifying such default and requiring the same to be remedied shall have been given to the District by the Trustee or, if the Trustee is unwilling or unable to act, by Owners of not less than ten percent (10%) in aggregate principal amount of the Bonds of such Series then Outstanding and affected by such default; and

(i) More than twenty percent (20%) of the Operation and Maintenance Assessments levied by the District on tax parcels subject to Assessments pledged to a Series of Bonds are not paid by the date such are due and payable; provided, however, that such default shall continue for thirty (30) days after written notice specifying such default and requiring the same to be remedied.

Section 903. Acceleration of Maturities of Bonds of a Series Under Certain Circumstances. Upon the happening and continuance of any Event of Default specified in clauses (a) through (i) of Section 902 above with respect to a Series of Bonds, the Trustee shall, upon written direction of the Majority Owners of the Bonds of such Series then Outstanding, by a notice in writing to the District, declare the aggregate principal amount of all of the Bonds of such Series then Outstanding (if not then due and payable) to be due and payable immediately and, upon such declaration, the same shall become and be immediately due and payable, anything contained in the Bonds of such Series or in this Master Indenture or in the Supplemental Indenture authorizing such Series of Bonds to the contrary notwithstanding; provided, however, that no such declaration of acceleration shall occur in the case of Bonds of a Series secured by Assessments, except to the extent that the Assessments have been accelerated and are currently due and payable in accordance with applicable law; and provided further, however, that if at any time after the aggregate principal amount of the Bonds of any Series then Outstanding shall have been so declared to be due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under this Master Indenture or the related Supplemental Indenture, moneys shall have accumulated in the related Series Revenue Account sufficient to pay the principal of all matured Bonds of such Series and all arrears of interest, if any, upon all Bonds of such Series then Outstanding (except the aggregate

principal amount of any Bonds of such Series then Outstanding that is only due because of a declaration under this Section 903, and except for the interest accrued on the Bonds of such Series since the last Interest Payment Date), and all amounts then payable by the District hereunder shall have been paid or a sum sufficient to pay the same shall have been deposited with the Paying Agent, and every other default (other than a default in the payment of the aggregate principal amount of the Bonds of such Series then Outstanding that is due only because of a declaration under this Section 903) shall have been remedied, then the Trustee or, if the Trustee is unable or unwilling to act, the Majority Owners of such Series of Bonds then Outstanding not then due except by virtue of a declaration under this Section 903, may, by written notice to the District, rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

Section 904. Enforcement of Remedies. Upon the happening and continuance of any Event of Default specified in Section 902 above with respect to a Series of Bonds, the Trustee may protect and enforce the rights of the Owners of the Bonds of such Series under State law, and under this Master Indenture, the related Supplemental Indenture and the Bonds of such Series, by such proceedings in equity or at law, either for the specific performance of any covenant or agreement contained herein or in aid or execution of any power herein or in the related Supplemental Indenture granted or for the enforcement of any proper legal or equitable remedy, as the Trustee shall deem most effectual to protect and enforce such rights.

The Majority Owners of the Bonds of such Series then Outstanding shall, subject to the requirements of Section 607 hereof, have the right, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings by the Trustee hereunder, provided that such directions shall not be in conflict with any rule of law or this Master Indenture and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unduly prejudicial to the rights of the Owners of such Series of Bonds not parties to such direction or would subject the Trustee to personal liability or expense. Notwithstanding the foregoing, the Trustee shall have the right to select and retain legal counsel of its choosing to represent it in any such proceedings. The Trustee may take any other action which is not inconsistent with any direction under this second paragraph of this Section 904.

No Owner of such Series of Bonds shall have any right to pursue any other remedy under this Master Indenture or such Series of Bonds unless: (a) an Event of Default shall have occurred and is continuing; (b) the Majority Owners of the Bonds of such Series then Outstanding have requested the Trustee, in writing, to exercise the powers granted in the first paragraph of this Section 904 or to pursue such remedy in its or their name or names; (c) the Trustee has been offered indemnity satisfactory to it against costs, expenses and liabilities reasonably anticipated to be incurred; (d) the Trustee has declined to comply with such request, or has failed to do so, within sixty (60) days after its receipt of such written request and offer of indemnity; and (e) no direction inconsistent with such request has been given to the Trustee during such 60-day period by the Majority Owners of the Bonds of such Series then

Outstanding. The provisions of the immediately preceding sentence of this Section 904 are conditions precedent to the exercise by any Owner of such Series of Bonds of any remedy hereunder. The exercise of such rights is further subject to the provisions of Sections 907, 909, 910 and the second paragraph of this Section 904. No Owner or Owners of such Series of Bonds shall have any right in any manner whatsoever to enforce any right under this Master Indenture, except in the manner herein provided.

The District covenants and agrees that upon the occurrence and continuance of an Event of Default, it will take such actions to enforce the remedial provisions of the Indenture, the provisions for the collection of Delinquent Assessments, including delinquent Direct Billed Operation and Maintenance Assessments, the provisions for the foreclosure of liens of Delinquent Assessments, including delinquent Direct Billed Operation and Maintenance Assessments, and will take such other appropriate remedial actions as shall be directed by the Trustee acting at the direction of, and on behalf of, the Majority Owners, from time to time, of the Bonds of a Series. Notwithstanding anything to the contrary herein, and unless otherwise directed by the Majority Owners of the Bonds of a Series and allowed pursuant to federal or State law, the District acknowledges and agrees that (y) upon failure of any property owner to pay an installment of Assessments collected directly by the District when due, that the entire Assessment on the tax parcel as to which such Delinquent Assessment appertains, with interest and penalties thereon, shall immediately become due and payable as provided by applicable law and the District shall promptly, but in any event within one hundred twenty (120) days, cause to be brought the necessary legal proceedings for the foreclosure of liens of Delinquent Assessments, including interest and penalties with respect to such tax parcel and (z) the foreclosure proceedings shall be prosecuted to a sale and conveyance of the property involved in said proceedings as now provided by law in suits to foreclose mortgages.

Section 905. Pro Rata Application of Funds Among Owners of a Series of Bonds. Anything in this Master Indenture to the contrary notwithstanding, if at any time the moneys in the Series Funds and Accounts shall not be sufficient to pay Debt Service on the related Series of Bonds when due, such moneys together with any moneys then available or thereafter becoming available for such purpose, whether through the exercise of the remedies provided for in this Article or otherwise, shall be applied as follows:

(a) Unless the aggregate principal amount of all the Bonds of such Series shall have become due and payable or shall have been declared due and payable pursuant to the provisions of Section 903 of this Article, all such moneys shall be applied:

FIRST: to the payment of any then-due fees and expenses of the Trustee, including reasonable counsel fees and expenses, to the extent not otherwise paid;

SECOND: to payment to the persons entitled thereto of all installments of interest then due and payable on the Bonds of such Series, in the order in which such installments become due and payable and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the

amounts due on such installment, to the persons entitled thereto, without any discrimination or preference except as to any difference in the rates of interest specified in the Bonds of such Series; and

THIRD: to the payment to the persons entitled thereto of the unpaid principal of any of the Bonds of such Series which shall have become due (other than Bonds of such Series called for redemption for the payment of which sufficient moneys are held pursuant to this Master Indenture), in the order of their due dates, with interest upon the Bonds of such Series at the rates specified therein from the dates upon which they become due to their payment date, and, if the amount available shall not be sufficient to pay in full the principal of Bonds of such Series due on any particular date, together with such interest, then to the payment first of such interest, ratably according to the amount of such interest due on such date, and then to the payment of such principal, ratably according to the amount of such principal due on such date, to the Owners of the Bonds of such Series entitled thereto without any discrimination or preference except as to any difference in the foregoing rates of interest.

(b) If the aggregate principal amount of all the Bonds of a Series shall have become due and payable in accordance with their terms or shall have been declared due and payable pursuant to the provisions of Section 903 of this Article, all such moneys shall be applied first to the payment of any fees and expenses of the Trustee, including reasonable counsel fees and expenses, to the extent not otherwise paid, and then the payment of the whole amount of principal and interest then due and unpaid upon the Bonds of such Series, without preference or priority of principal or of interest or of any installment of interest over any other, or of any Bond over any other Bond of such Series, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds of such Series.

(c) If the principal of all the Bonds of a Series shall have been declared due and payable pursuant to the provisions of Section 903 of this Article, and if such declaration shall thereafter have been rescinded and annulled pursuant to the provisions of Section 903 of this Article, then, if the aggregate principal amount of all of the Bonds of such Series shall later become due or be declared due and payable pursuant to the provisions of Section 903 of this Article, the moneys remaining in and thereafter accruing to the related Series Revenue Fund shall be applied in accordance with subsection (b) above.

The provisions of this Section 905 are in all respects subject to the provisions of Section 901 of this Article.

Whenever moneys are to be applied pursuant to this Section 905, such moneys shall be applied by the Trustee at such times as the Trustee in its sole discretion shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application. The deposit of such moneys with

the Paying Agent shall constitute proper application by the Trustee, and the Trustee shall incur no liability whatsoever to any Owner or to any other person for any delay in applying any such funds, so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies such moneys in accordance with such provisions of this Master Indenture as may be applicable at the time of application. Whenever the Trustee shall exercise such discretion in applying such funds, it shall fix the date upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date, and shall not be required to make payment to any Owner until such Bond shall be surrendered to him for appropriate endorsement.

Section 906. Effect of Discontinuance of Proceedings. If any proceeding taken by the Trustee or any Owner on account of any default shall have been discontinued or abandoned for any reason, then the District and the Owner shall be restored to their former positions and rights hereunder, respectively, and all rights and remedies of the Owners shall continue as though no such proceeding had been taken.

Section 907. Restriction on Individual Owner Actions. Except as provided in Section 910 below, no Owner of any of the Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice the security of this Master Indenture or any Supplemental Indenture, or to enforce any right hereunder or thereunder except in the manner herein or therein provided, and all proceedings at law or in equity shall be instituted and maintained for the benefit of all Owners of the Bonds of such Series.

Section 908. No Remedy Exclusive. No remedy conferred upon the Trustee or the Owners is intended to be exclusive of any other remedy herein or in any Supplemental Indenture provided, and each such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or thereunder.

Section 909. Delay Not a Waiver. No delay or omission of the Trustee or any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given to the Trustee and the Owners may be exercised from time to time and as often as may be deemed expedient.

Section 910. Right to Enforce Payment of Bonds. Nothing in this Article shall affect or impair the right of any Owner to enforce the payment of Debt Service on the Bond of which such person is the registered Owner, or the obligation of the District to pay Debt Service to the Owner at the time and place specified in such Bond.

Section 911. No Cross Default Among Series. The occurrence of an Event of Default hereunder or under any Supplemental Indenture with respect to any Series of Bonds shall not constitute an Event of Default with respect to any other Series of Bonds, unless the event giving

rise to the Event of Default also constitutes an Event of Default hereunder or under the Supplemental Indenture with respect to such other Series of Bonds.

Section 912. Indemnification. Other than to make proper draws under a Credit Facility, the Trustee shall be under no obligation to institute any suit or to take any remedial proceeding under this Master Indenture or any Supplemental Indenture or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to advance its own money, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees and other reasonable disbursements, and against all liability. Notwithstanding the foregoing, the indemnification provided by this Section 912 shall not be applicable in cases of the Trustee's gross negligence or willful misconduct, or in the case of an indemnity from the District, such indemnity may only be required to be provided to the extent permitted by State law.

Section 913. Provisions Relating to Bankruptcy or Insolvency of Landowner.

(a) The provisions of this Section 913 shall be applicable both before and after the commencement, whether voluntary or involuntary, of any case, proceeding or other action by or against any owner of any tax parcel, or tax parcels which are in the aggregate, subject to at least five percent (5%) of the Assessments pledged to the Bonds of a Series then Outstanding (an "Insolvent Taxpayer") under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization, assignment for the benefit of creditors, or relief of debtors (a "Proceeding").

(b) The District acknowledges and agrees that, although the Bonds of a Series were issued by the District, the Owners of the Bonds of a Series are categorically the party with the ultimate financial stake in the transaction and, consequently, the party with a vested and pecuniary interest in a Proceeding. In the event of any Proceeding involving an Insolvent Taxpayer:

(i) the District hereby agrees that it shall seek to secure the written consent of the Trustee, acting at the direction of the Majority Owners of the Bonds of a Series then Outstanding, prior to making any election, giving any consent, commencing any action or filing any motion, claim, obligation, notice or application or in taking any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Assessments relating to the Bonds of a Series then Outstanding, the Bonds of such Series then Outstanding or any rights of the Trustee under the Indenture (provided, however, the Trustee shall be deemed to have consented, on behalf of the Majority Owners of the Bonds of a Series then Outstanding, to the proposed action if the District does not receive a written response from the Trustee within thirty (30) days following request for consent);

(ii) the District hereby agrees that it shall not make any election, give any consent, commence any action or file any motion, claim, obligation, notice or application or take any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Assessments relating to the Bonds of a Series then Outstanding, the Bonds of such Series then Outstanding or any rights of the Trustee under the Indenture that are inconsistent with any written consent received (or deemed received) from the Trustee;

(iii) the District hereby agrees that it shall seek the written consent of the Trustee prior to filing and voting in any such Proceeding (provided, however, the Trustee shall be deemed to have consented, on behalf of the Majority Owners of the Bonds of a Series then Outstanding, to the proposed action if the District does not receive a written response from the Trustee within thirty (30) days following request for consent);

(iv) the Trustee shall have the right, by interpleader or otherwise, to seek or oppose any relief in any such Proceeding that the District, as claimant with respect to the Assessments relating to the Bonds of a Series then Outstanding, would have the right to pursue, and, if the Trustee chooses to exercise any such rights, the District shall not oppose the Trustee in seeking to exercise any and all rights and taking any and all actions available to the District in connection with any Proceeding of any Insolvent Taxpayer, including, without limitation, the right to file and/or prosecute and/or defend any claims and proofs of claims, to vote to accept or reject a plan, to seek dismissal of the Proceeding, to seek stay relief to commence or continue foreclosure or pursue any other available remedies as to the Assessments relating to the Bonds of a Series then Outstanding, to seek substantive consolidation, to seek to shorten the Insolvent Taxpayer's exclusivity periods or to oppose any motion to extend such exclusivity periods, to oppose any motion for use of cash collateral or for authority to obtain financing, to oppose any sale procedures motion or any sale motion, to propose a competing plan of reorganization or liquidation, or to make any election under Section 1111(b) of the Bankruptcy Code; and

(v) the District shall not challenge the validity or amount of any claim submitted in good faith in such Proceeding by the Trustee or any valuations of the lands owned by any Insolvent Taxpayer submitted in good faith by the Trustee in such Proceeding or take any other action in such Proceeding, which is adverse to the Trustee's enforcement of the District's claim and rights with respect to the Assessments relating to the Bonds of a Series then Outstanding or receipt of adequate protection (as that term is defined in the Bankruptcy Code). Without limiting the generality of the foregoing, the District agrees that the Trustee shall have the right to (A) file a proof of claim with respect to the Assessments pledged to the Bonds of a Series then Outstanding, (B) deliver to the District a copy thereof, together with evidence of the filing with the appropriate court or other authority, and (C) defend any objection filed to said proof of claim.

The District acknowledges and agrees that it shall not be a defense to a breach of the foregoing covenants that it has acted on advice of counsel in not complying with the foregoing covenants.

(c) Notwithstanding the provisions of the immediately preceding paragraphs, nothing in this Section 913 shall preclude the District from becoming a party to a Proceeding in order to enforce a claim for Operation and Maintenance Assessments, and the District shall be free to pursue such a claim in such manner as it shall deem appropriate in its sole and absolute discretion. Any actions taken by the District in pursuance of its claim for Operation and Maintenance Assessments in any Proceeding shall not be considered an action adverse or inconsistent with the Trustee's rights or consents with respect to the Assessments relating to the Bonds of a Series then Outstanding whether such claim is pursued by the District or the Trustee; provided, however, that the District shall not oppose any relief sought by the Trustee under the authority granted to the Trustee in clause (b)(iv) above.

ARTICLE X EXECUTION OF INSTRUMENTS BY OWNERS AND PROOF OF OWNERSHIP OF BONDS

Section 1001. Execution of Instruments by Owners and Proof of Ownership of Bonds. Any request, direction, consent or other instrument in writing required or permitted by this Master Indenture or any Supplemental Indenture to be signed or executed by Owners may be in any number of concurrent instruments of similar tenor and may be signed or executed by Owners or their attorneys or legal representatives. Proof of the execution of any such instrument shall be sufficient for any purpose of this Master Indenture and shall be conclusive in favor of the District with regard to any action taken by it under such instrument if verified by any officer in any jurisdiction who, by the laws thereof, has power to take affidavits within such jurisdiction, to the effect that such instrument was subscribed and sworn to before him, or by an affidavit of a witness to such execution. Where such execution is on behalf of a person other than an individual such verification or affidavit shall also constitute sufficient proof of the authority of the signer thereof.

Nothing contained in this Article shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which it may deem sufficient. Any request or consent of the Owner of any Bond shall bind every future owner of the same Bond in respect of anything done by the Trustee or the District in pursuance of such request or consent.

Section 1002. Deposit of Bonds. Notwithstanding the foregoing, neither the District nor the Trustee shall be required to recognize any person as an Owner of any Bond or to take any action at his request unless such Bond shall be deposited with the Trustee.

**ARTICLE XI
SUPPLEMENTAL INDENTURES**

Section 1101. Supplemental Indentures Without Owner Consent. The Governing Body from time to time may authorize such indentures supplemental hereto or amendatory hereof as shall not be inconsistent with the terms and provisions hereof (which supplemental indenture shall thereafter form a part hereof), without the consent of the Owners, for the following purposes:

- (a) to provide for the initial issuance of a Series of Bonds or Refunding Bonds; or
- (b) to make any change whatsoever to the terms and provisions of this Master Indenture, but only as such change relates to a Series of Bonds upon the original issuance thereof (or upon the original issuance of Refunding Bonds which defease and discharge the Supplemental Indenture of the Series of Bonds to be refunded) under and pursuant to the terms of the Supplemental Indenture effecting such change; or
- (c) to cure any ambiguity or formal defect or omission or to correct any inconsistent provisions in this Master Indenture; or
- (d) to grant to the Owners or to the Trustee on behalf of the Owners any additional rights or security that may lawfully be granted; or
- (e) to add to the covenants and agreements of the District in this Master Indenture other covenants and agreements thereafter to be observed by the District to the benefit of the Owners of the Bonds then Outstanding; or
- (f) to make such changes as may be necessary in order to reflect amendments to Chapters 170, 190, 197 and 298, Florida Statutes, or any other Florida Statutes, so long as, in the opinion of counsel to the District, such changes either: (i) do not have a material adverse effect on the Owners of each Series of Bonds to which such changes relate; or (ii) if such changes do have a material adverse effect, that they nevertheless are required to be made as a result of such amendments; or
- (g) to modify the provisions of this Master Indenture or any Supplemental Indenture provided that such modification does not, in the written opinion of Bond Counsel, materially adversely affect the interests of the Owners of Bonds then Outstanding, upon which opinion the Trustee may conclusively rely.

Section 1102. Supplemental Indentures With Owner Consent.

(a) Subject to the provisions contained in this Section 1102, and not otherwise, the Majority Owners of Bonds then Outstanding shall have the right, from time to time, anything contained in this Master Indenture to the contrary notwithstanding, to consent to and approve the adoption of such indentures supplemental hereto or amendatory hereof as shall be deemed

desirable by the District for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the provisions of this Master Indenture; provided, however, that nothing herein contained shall permit, or be construed as permitting, without the consent of all Owners of Bonds then Outstanding and affected by such supplement or amendment,

(i) an extension of the maturity of, or an extension of the Interest Payment Date on, any Bond;

(ii) a reduction in the principal, premium, or interest on any Bond;

(iii) a preference or priority of any Bond over any other Bond; or

(iv) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Indenture.

(b) In addition to the foregoing, the Majority Owners of any Series of Bonds then Outstanding shall have the right, from time to time, anything contained in this Master Indenture or in the Supplemental Indenture relating to such Series of Bonds to the contrary notwithstanding, to consent to and approve the adoption of such indentures supplemental to the Supplemental Indenture relating to such Series of Bonds or amendatory thereof, but not hereof, as shall be deemed desirable by the District for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the provisions of such Supplemental Indenture or of any indenture supplemental thereto; provided, however, that nothing herein contained shall permit, or be construed as permitting, without the consent of all Owners of Bonds of such Series then Outstanding and affected by such amendment,

(i) an extension of the maturity of, or an extension of the Interest Payment Date on, any Bond of such Series;

(ii) a reduction in the principal, premium, or interest on any Bond of such Series;

(iii) a preference or priority of any Bond of such Series over any other Bond of such Series; or

(iv) a reduction in the aggregate principal amount of the Bonds of such Series required for consent to such indenture supplemental to the Supplemental Indenture.

(c) If at any time the District shall determine that it is desirable to approve any Supplemental Indenture pursuant to this Section 1102, the District shall cause the Trustee to mail, at the expense of the District, notice of the proposed approval to the Owners whose approval is required. Such notice shall be prepared by the District and shall briefly set forth the nature of the proposed Supplemental Indenture or indenture supplemental to a Supplemental Indenture and shall state that copies thereof are on file with the Secretary for inspection by all affected Owners. The District shall not, however, be subject to any liability to any Owner by

reason of its failure to cause the notice required by this Section 1102 to be mailed and any such failure shall not affect the validity of such Supplemental Indenture or indenture supplemental to a Supplemental Indenture when consented to and approved as provided in this Section 1102.

(d) Whenever, at any time within one (1) year after the date of the first mailing of such notice, there shall be delivered to the District an instrument or instruments in writing purporting to be executed by the Owners of the requisite principal amount of the Bonds of such Series then Outstanding, which instrument or instruments shall refer to the proposed Supplemental Indenture or indenture supplemental to a Supplemental Indenture described in such notice and shall specifically consent to and approve the execution thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the Governing Body and the Trustee may approve such Supplemental Indenture and cause it to be executed, in substantially such form, without liability or responsibility to any Owner.

Section 1103. Opinion of Bond Counsel With Respect to Supplemental Indenture.

In addition to the other requirements herein set forth with respect to Supplemental Indentures or indentures supplemental to a Supplemental Indenture, no such indenture shall be effective unless and until there shall have been delivered to the Trustee the opinion of Bond Counsel to the effect that such indenture is permitted pursuant to this Master Indenture and that such indenture is the valid and binding obligation of the District enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or general equitable principles, upon which opinion the Trustee may conclusively rely. In addition, if such indenture relates to a Series of Tax Exempt Bonds, such opinion shall also state that such indenture will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the related Series of Bonds.

Section 1104. Supplemental Indenture Part of Indenture. Any supplemental indenture executed in accordance with this Article and approved as to legality by counsel to the District shall thereafter, except as otherwise provided therein, form a part of this Master Indenture. Except as applicable only to Bonds of a Series, all of the terms and conditions contained in any such supplemental indenture amendatory of this Master Indenture shall be part of the terms and conditions hereof.

Section 1105. Insurer or Issuer of a Credit Facility or Liquidity Facility as Owner of Bonds.

(a) As long as a Credit Facility or Liquidity Facility securing all or a portion of the Bonds of a Series then Outstanding is in effect and the issuer thereof is not in default of any of its obligations under such Credit Facility or Liquidity Facility, as the case may be, the issuer of the Credit Facility or Liquidity Facility or the Insurer, to the extent so authorized in the applicable Supplemental Indenture, will be deemed to be the Owner of the Bonds of such Series secured by the Credit Facility or Liquidity Facility:

(i) at all times for the purpose of the execution and delivery of a supplemental indenture or of any amendment, change or modification of the Master Indenture or the applicable Supplemental Indenture or the initiation by Owners of any action to be undertaken by the Trustee at the Owner's request, which under the Master Indenture or the applicable Supplemental Indenture requires the written approval or consent of or can be initiated by the Majority Owners of the Bonds of such Series then Outstanding;

(ii) at all times for the purpose of the mailing of any notice to Owners under the Master Indenture or the applicable Supplemental Indenture; and

(iii) following an Event of Default for all other purposes.

(b) Notwithstanding the foregoing, neither an Insurer nor the issuer of a Credit Facility or Liquidity Facility with respect to a Series of Bonds will be deemed to be an Owner of the Bonds of such Series with respect to any such Supplemental Indenture or of any amendment, change or modification of the Master Indenture which would have the effect of permitting:

(i) a change in the terms of redemption or maturity of any Bonds of a Series then Outstanding or of any installment of interest thereon; or

(ii) a reduction in the principal amount or the Redemption Price thereof or in rate of interest thereon; or

(iii) reducing the percentage or otherwise affecting the classes of Bonds the consent of the Owners of which is required to effect any such modification or amendment; or

(iv) creating any preference or priority of any Bond of a Series over any other Bond of such Series.

ARTICLE XII DEFEASANCE

Section 1201. Defeasance and Discharge of the Lien of this Master Indenture and Supplemental Indentures.

(a) If the District pays or causes to be paid, or there shall otherwise be paid, to the Owners of all Bonds the principal or Redemption Price, if applicable, and interest due or to become due thereon and the obligations under any Letter of Credit Agreement and any Liquidity Agreement, at the times and in the manner stipulated therein and in this Master Indenture and pays or causes to be paid all other moneys owing hereunder and under any Supplemental Indenture (including, without limitation the fees and expenses of the Trustee, including reasonable counsel fees and expenses), then the lien of this Master Indenture and all

covenants, agreements and other obligations of the District to the Owners and the issuer of any Credit Facility or Liquidity Facility shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee upon the request of the District shall execute and deliver to the District all such instruments as may be desirable to evidence such discharge and satisfaction, and the Trustee and the Paying Agent shall pay over or deliver, as directed by the District, all moneys or securities held by them pursuant to this Master Indenture which are not required for the payment of principal or Redemption Price, if applicable, on Bonds not theretofore surrendered for such payment or redemption or for payment of obligations under any Letter of Credit Agreement and any Liquidity Agreement. If the District pays or causes to be paid, or there shall otherwise be paid, to the Owners of all Bonds then Outstanding or of a particular maturity, of a particular Series or of any part of a particular maturity or Series, the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Master Indenture, such Bonds shall cease to be entitled to any lien, benefit or security under this Master Indenture, and all covenants, agreements and obligations of the District to the Owners of such Bonds shall thereupon cease, terminate and become void and be discharged and satisfied. Anything to the contrary in this Section 1201 notwithstanding, this Master Indenture shall not be discharged nor shall any Bonds with respect to which moneys or Federal Securities have been deposited in accordance with the provisions of this Section 1201 cease to be entitled to the lien, benefit or security under this Master Indenture, except to the extent that the lien, benefit and security of this Master Indenture and the obligations of the District hereunder shall be limited solely to and such Bonds shall be secured solely by and be payable solely from the moneys or Federal Securities so deposited.

(b) Bonds or interest installments for the payment or redemption of which moneys shall have been set aside and shall be held in trust by the Trustee (through deposit pursuant to this Master Indenture of funds for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in this Section 1201. All Bonds of any particular maturity or Series then Outstanding shall, prior to the maturity or redemption date thereof, be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section 1201 if:

(i) in case any of such Bonds are to be redeemed on any date prior to their maturity, the District shall have given to the Trustee or the Bond Registrar irrevocable instructions accepted in writing by the Trustee or the Bond Registrar to mail as provided in Article III notice of redemption of such Bonds on such date;

(ii) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Federal Securities, the principal of and the interest on which when due shall, as demonstrated in an Accountant's Certificate, provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient, to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on said Bonds on or prior to the redemption date or maturity date thereof, as the case may be;

(iii) the District shall have given the Trustee or the Bond Registrar in form satisfactory to it irrevocable instructions to mail, postage prepaid, to each registered Owner of Bonds then Outstanding at the address, if any, appearing upon the registration books of the District, a notice to the registered Owners of such Bonds and to the Bond Registrar that the deposit required by (ii) above has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this Section 1201 and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or Redemption Price, if applicable, on such Bonds; and

(iv) an opinion of Bond Counsel to the effect that such defeasance is permitted under this Master Indenture and the Supplemental Indenture relating to the Series of Bonds so defeased and that, in the case of Tax Exempt Bonds, such defeasance will not adversely affect the tax exempt status of such Series of Bonds.

(c) Neither Federal Securities nor moneys deposited with the Trustee pursuant to this Section 1201 nor principal or interest payments on any such Federal Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price, if applicable, and interest on such Bonds; provided that any cash received from such principal or interest payments on such Federal Securities deposited with the Trustee:

(i) to the extent such cash shall not be required at any time for such purpose as evidenced by an Accountant's Certificate, and to the extent all obligations under any Letter of Credit Agreement and any Liquidity Agreement are satisfied, as determined by an Insurer or an issuer of any Credit Facility or Liquidity Facility securing the Bonds with respect to which such Federal Securities have been so deposited, shall be paid over upon the direction of the District as received by the Trustee, free and clear of any trust, lien, pledge or assignment securing such Bonds or otherwise existing under this Master Indenture; and

(ii) to the extent such cash shall be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Federal Securities maturing at times and in amounts sufficient to pay when due the principal or Redemption Price, if applicable, and interest to become due on such Bonds, or obligations under any Letter of Credit Agreement and any Liquidity Agreement, on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over as received by the Trustee to the District, free and clear of any lien, pledge or security interest securing such Bonds or otherwise existing under this Master Indenture.

For the purposes of this provision, Federal Securities means and includes only such securities which shall not be subject to redemption prior to their maturity other than at the option of the holder thereof.

(d) As to any Variable Rate Bonds, whether discharged and satisfied under the provisions of subsection (a) or (b) above, the amount required for the interest thereon shall be calculated at the maximum rate permitted by the terms of the provisions which authorized the issuance of such Variable Rate Bonds; provided, however, that if on any date, as a result of such Variable Rate Bonds having borne interest at less than such maximum rate for any period, the total amount of moneys and Investment Obligations on deposit for the payment of interest on such Variable Rate Bonds is in excess of the total amount which would have been required to be deposited on such date in respect of such Variable Rate Bonds in order to fully discharge and satisfy such Bonds and obligations under any Letter of Credit Agreement and any Liquidity Agreement pursuant to the provisions of this Section 1201, the District may use the amount of such excess free and clear of any trust, lien, security interest, pledge or assignment securing said Variable Rate Bonds or otherwise existing under this Master Indenture, any Letter of Credit Agreement or any Liquidity Agreement.

(e) Notwithstanding any of the provisions of this Master Indenture to the contrary, Option Bonds may only be fully discharged and satisfied either pursuant to subsection (a) above or by depositing in the Series Interest Account, the Series Principal Account, the Series Sinking Fund Account and the Series Redemption Account, or in such other accounts which are irrevocably pledged to the payment of the Option Bonds, as the District may create and establish by Supplemental Indenture, moneys which together with other moneys lawfully available therefor shall be sufficient at the time of such deposit to pay when due the maximum amount of principal of and Redemption Price, if any, and interest on such Option Bonds which could become payable to the Owners of such Bonds upon the exercise of any options provided to the Owners of such Bonds; provided however, that if at the time a deposit is made pursuant to this subsection (e) the options originally exercisable by the Owner of an Option Bond are no longer exercisable, such Bond shall not be considered an Option Bond for purposes of this subsection (e). If any portion of the moneys deposited for the payment of the principal of and Redemption Price, if any, and interest on Option Bonds is not required for such purpose and is not needed to reimburse an Insurer or an issuer of any Credit Facility or Liquidity Facility, for obligations under any Letter of Credit Agreement and any Liquidity Agreement, the District may use the amount of such excess free and clear of any trust, lien, security interest, pledge or assignment securing such Option Bonds or otherwise existing under this Master Indenture, any Letter of Credit Agreement or any Liquidity Agreement.

(f) Anything in this Master Indenture to the contrary notwithstanding, any moneys held by the Trustee or any Paying Agent in trust for the payment and discharge of any of the Bonds which remain unclaimed for two (2) years after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Trustee or any Paying Agent at such date, or for two (2) years after the date of deposit of such moneys if deposited with the Trustee or Paying Agent after the date when such Bonds became due and payable, shall at the written request of the District be repaid by the Trustee or Paying Agent to the District, as its absolute property and free from trust, and the Trustee or Paying Agent shall thereupon be released and discharged with respect thereto and the Owners shall look only to the District for the payment of such Bonds; provided,

however, that before being required to make any such payment to the District, the Trustee or Paying Agent shall, at the expense of the District, cause to be mailed, postage prepaid, to any Insurer or any issuer of any Credit Facility or Liquidity Facility, and to each registered Owner of Bonds then Outstanding at the address, if any, appearing upon the registration books of the District, a notice that such moneys remain unclaimed and that, after a date named in such notice, which date shall be not less than thirty (30) days after the date of the mailing of such notice, the balance of such moneys then unclaimed shall be returned to the District.

(g) In the event that the principal and Redemption Price, if applicable, and interest due on the Bonds shall be paid by the Insurer pursuant to a municipal bond insurance policy, the assignment and pledge and all covenants, agreements and other obligations of the District to the Owners of such Bonds shall continue to exist and the Insurer shall be subrogated to the rights of such Owners.

(h) Anything in this Master Indenture to the contrary notwithstanding, the provisions of the foregoing subsections (b) through (g) shall apply to the discharge of Bonds of a Series and to the discharge of the lien of any Supplemental Indenture securing such Series of Bonds as though each reference to the "Master Indenture" were a reference to such "Supplemental Indenture" and as though each reference to "Bonds then Outstanding" were a reference to the "Bonds of such Series then Outstanding."

Section 1202. Moneys Held in Trust. All moneys and obligations held by an escrow or paying agent or trustee pursuant to this Section 1202 shall be held in trust and the principal and interest of said obligations when received, and said moneys, shall be applied to the payment, when due, of the principal, interest and premium, if any, of the Bonds to be paid or to be called for redemption.

ARTICLE XIII MISCELLANEOUS PROVISIONS

Section 1301. Effect of Covenant. All covenants, stipulations, obligations and agreements of the District contained in this Master Indenture shall be deemed to be covenants, stipulations, obligations and agreements of the District and of the Governing Body of the District to the full extent authorized or permitted by law and all such covenants, stipulations, obligations and agreements shall bind or inure to the benefit of the successor or successors thereof from time to time and any officer, board, body or commission to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law.

Except as otherwise provided herein, all rights, powers and privileges conferred, and duties and liabilities imposed, upon the District or upon the Governing Body by this Master Indenture shall be exercised or performed by the Governing Body, or by such other officers, board, body or commission as may be required by law to exercise such powers or to perform such duties.

No covenant, stipulation, obligation or agreement herein contained shall be deemed to be a covenant, stipulation, obligation or agreement of any member, agent or employee of the Governing Body in his or her individual capacity, and neither the members of the Governing Body nor any official executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 1302. Manner of Giving Notice to the District and the Trustee. Any notice, demand, direction, request or other instrument authorized or required by this Master Indenture to be given to or filed with the District or the Governing Body or the Trustee shall be deemed to have been sufficiently given or filed for all purposes of this Master Indenture if and when sent by certified mail, return receipt requested:

To the District, addressed to:

North River Ranch Community Development District
c/o District Manager
PFM Group Consulting LLC
12051 Corporate Boulevard
Orlando, Florida 32817

To the Trustee, addressed to:

U.S. Bank National Association
500 West Cypress Creek Road, Suite 460
Fort Lauderdale, Florida 33309
Attention: Corporate Trust Department

or to such other address as shall be provided to the other party hereto in writing.

All documents received by the District and the Trustee under this Master Indenture shall be retained in their possession, subject at all reasonable times to the inspection of any Owner and the agents and representatives thereof.

Section 1303. Manner of Giving Notice to the Owners. Any notice, demand, direction, request, or other instrument authorized or required by this Master Indenture to be mailed to the Owners shall be deemed to have been sufficiently mailed if mailed by first class mail, postage pre-paid, to the Owners at their addresses as they appear at the time of mailing on the registration books maintained by the Bond Registrar.

Section 1304. Successorship of District Officers. If the offices of Chair or Secretary shall be abolished or any two or more of such offices shall be merged or consolidated, or in the event of a vacancy in any such office by reason of death, resignation, removal from office or otherwise, or in the event any such officer shall become incapable of performing the duties of his office by reason of sickness, absence from the District or otherwise, all powers conferred and all obligations and duties imposed upon such officer shall be performed by the officer

succeeding to the principal functions thereof or by the officer upon whom such powers, obligations and duties shall be imposed by law.

Section 1305. Inconsistent Provisions. All provisions of any resolutions, and parts thereof, which are inconsistent with any of the provisions of this Master Indenture are hereby declared to be inapplicable to this Master Indenture.

Section 1306. Further Acts; Counterparts. The officers and agents of the District are hereby authorized and directed to do all the acts and things required of them by the Bonds and this Master Indenture, for the full, punctual and complete performance of all of the terms, covenants, provisions and agreements contained in the Bonds and this Master Indenture.

This Master Indenture and any Supplemental Indenture may be executed in duplicate counterparts each of which shall constitute one and the same agreement.

Section 1307. Headings Not Part of Indenture. Any headings preceding the texts of the several Articles and Sections hereof and any table of contents, marginal notes or footnotes appended to copies hereof shall be solely for convenience of reference, and shall not constitute a part of this Master Indenture, nor shall they affect its meaning, construction or effect.

Section 1308. Effect of Partial Invalidity. In case any one or more of the provisions of this Master Indenture or of any Bonds shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Master Indenture or of the Bonds, but this Master Indenture and the Bonds shall be construed and enforced as if such illegal or invalid provision had not been contained therein. The Bonds are issued and this Master Indenture is adopted with the intent that the laws of the State shall govern their construction.

Section 1309. Attorneys' Fees. Any reference herein to the term "attorneys' fees" or "legal fees" or words of like import shall include but not be limited to fees of legal assistants and paralegals and fees incurred in any and all legal proceedings, including any trial or appellate level proceedings, and any sales tax thereon.

[Remainder of Page Intentionally Left Blank]

Section 1310. Effective Date. This Master Indenture shall be effective as of the date first above-written.

(SEAL)

**NORTH RIVER RANCH COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Chair/Vice Chair

ATTEST:

By: _____
Secretary/Assistant Secretary

**U.S. BANK NATIONAL ASSOCIATION, as
Trustee**

By: _____
Assistant Vice President

EXHIBIT A

FORM OF REQUISITION

The undersigned, an Authorized Officer of North River Ranch Community Development District (the "District") hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture from the District to U.S. Bank National Association, Fort Lauderdale, Florida, as trustee (the "Trustee"), dated as of [_____] 1, 2020 (the "Master Indenture"), as amended and supplemented by the [_____] Supplemental Trust Indenture from the District to the Trustee, dated as of [_____] (the Master Indenture as amended and supplemented is hereinafter referred to as the "Indenture") (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture):

(A) Requisition Number:

(B) Name of Payee:

(C) Amount Payable:

(D) Purpose for which paid or incurred (refer also to specific contract if amount is due and payable pursuant to a contract involving progress payments, or state Costs of Issuance, if applicable):

(E) Fund, Account or subaccount from which disbursement is to be made:

The undersigned hereby certifies that:

obligations in the stated amount set forth above have been incurred by the District, that each disbursement set forth above is a proper charge against the [_____] Acquisition and Construction Account and the subaccount, if any, referenced above, that each disbursement set forth above was incurred in connection with the acquisition and construction of the [_____] Project and each represents a Cost of the [_____] Project, and has not previously been paid

OR

this requisition is for Costs of Issuance payable from the [_____] Costs of Issuance Account that has not previously been paid.

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

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

Originals or copies of the invoice(s) from the vendor of the property acquired or services rendered, bills of sale for a District acquisition, or other similar supporting evidence with respect to which disbursement is hereby requested are on file with the District.

**NORTH RIVER RANCH COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Authorized Officer

**CONSULTING ENGINEER'S APPROVAL FOR
NON-COST OF ISSUANCE REQUESTS ONLY**

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

Consulting Engineer

**North River Ranch
Community Development District**

Ratification of Funding Requests
2020-15 – 2020-18

North River Ranch Community Development District

Funding Request 2020-15—2020-18

2020-15	Clearview Land Design	\$17,998.57
2020-16	Bradenton Herald- \$65.52 PFM Group- \$.50 Stantec - \$1,402.50	\$1,468.52
2020-17	Bradenton Herald- \$88.92 PFM Group- 29.50 Supervisor Fees- \$1,000 Vogler Ashton- \$1,082	\$2,364.42
2020-18	Clearview - \$51,923.23 PFM- \$1,791.67	\$53,714.90

North River Ranch Community Development District

Funding Request 2020-15

1/31/2020

Item No.	Payee	Invoice #	General Fund	Construction Fund
1	Clearview Land Design			
	Reimbursables 11/16/2019 - 01/17/2020	20-00152	\$ 18.57	
	Services Through 01/17/2020	20-00153	\$ 4,980.00	
	Phases 3A & 3B Services Through 01/17/2020	20-00154		\$ 13,000.00
			\$ 4,998.57	\$ 13,000.00
TOTAL			\$	17,998.57



Secretary/Assistant Secretary



Chairman

Return to:
North River Ranch CDD
c/o Fishkind & Associates
12051 Corporate Boulevard
Orlando, FL 32817
(407) 382-3256

RECEIVED FEB 03 2020



Clearview LAND DESIGN, P.L.

Clearview Land Design
3010 W. Azeele Street, Suite 150
Tampa, Florida 33609
813-223-3919

RECEIVED JAN 24 2020

North River Ranch Community Development District
North River Ranch CDD Accounts Payable Amanda Lane
12051 Corporate Blvd
Orlando, FL 32817

Invoice number 20-00152
Date 01/17/2020

Project **NR NORTH RIVER RANCH (MOCCASIN
WALLOW) (HAVAL FARMS)**

Terms: Net 30

North River Ranch CDD Reimbursables
CDD-NR-000R Reimbursables
EXPENSE

	Date	Billed Amount
Printing and Reproduction		
	12/13/2019	3.12
<i>Papercuts Printing and Documentation 11/16/19 - 12/13/19</i>		
	01/17/2020	15.45
<i>Papercuts Printing Invoice Dec 14, 2019 - Jan 17, 2020</i>		
Phase subtotal		<u>18.57</u>
North River Ranch CDD Reimbursables subtotal		<u>18.57</u>
	Invoice total	<u><u>18.57</u></u>

Aging Summary

Invoice Number	Invoice Date	Outstanding	Current	Over 30	Over 60	Over 90	Over 120
19-02225	11/15/2019	20.10			20.10		
20-00152	01/17/2020	18.57	18.57				
	Total	<u>38.67</u>	<u>18.57</u>	0.00	20.10	0.00	0.00



Clearview LAND DESIGN, P.L.

Clearview Land Design
3010 W. Azeele Street, Suite 150
Tampa, Florida 33609
813-223-3919

RECEIVED JAN 24 2020

North River Ranch Community Development District
North River Ranch CDD Accounts Payable Amanda Lane
12051 Corporate Blvd
Orlando, FL 32817

Invoice number 20-00153
Date 01/17/2020

Project **NR NORTH RIVER RANCH (MOCCASIN
WALLOW) (HAVAL FARMS)**

Terms: Net 30

North River Ranch CDD Services
CDD-NR-001 CDD Services
LABOR

	Date	Hours	Rate	Billed Amount
Project Time				
Chris M. Fisher				
<i>Review FEMA overlay map</i>	12/18/2019	2.00	195.00	390.00
<i>Revise Cost Estimate</i>	12/23/2019	3.00	195.00	585.00
<i>CDD Meeting</i>	01/08/2020	3.00	195.00	585.00
<i>Finalize Engineers Report</i>	01/09/2020	4.00	195.00	780.00
<i>Review Comments</i>	01/14/2020	2.00	195.00	390.00
<i>Revising Engineers Report</i>	01/16/2020	3.00	195.00	585.00
Permitting				
Christina M. Clark				
<i>Updated applications, printed checklists for review</i>	12/16/2019	1.00	120.00	120.00
<i>updated applications, research</i>	12/20/2019	1.00	120.00	120.00
Street and Drainage Design				
Martin E. Duncan				
<i>Base Topo File</i>	12/17/2019	3.00	150.00	450.00
<i>Add additional Topo</i>	12/23/2019	1.50	150.00	225.00

North River Ranch CDD Services

CDD-NR-001 CDD Services

LABOR

	Date	Hours	Rate	Billed Amount
Street and Drainage Design				
Martin E. Duncan				
	01/09/2020	1.00	150.00	150.00
<i>Layout Base File</i>				
	01/14/2020	4.00	150.00	600.00
<i>Base Files</i>				
			Phase subtotal	<u>4,980.00</u>
			North River Ranch CDD Services subtotal	<u>4,980.00</u>
			Invoice total	<u><u>4,980.00</u></u>

Aging Summary

Invoice Number	Invoice Date	Outstanding	Current	Over 30	Over 60	Over 90	Over 120
19-02226	11/15/2019	77.40			77.40		
20-00153	01/17/2020	4,980.00	4,980.00				
	Total	<u>5,057.40</u>	<u>4,980.00</u>	0.00	77.40	0.00	0.00



Clearview LAND DESIGN, P.L.

Clearview Land Design
3010 W. Azelee Street, Suite 150
Tampa, Florida 33609
813-223-3919

RECEIVED JAN 24 2020

North River Ranch Community Development District
North River Ranch CDD Accounts Payable Amanda Lane
12051 Corporate Blvd
Orlando, FL 32817

Invoice number 20-00154
Date 01/17/2020

Project **NR NORTH RIVER RANCH (MOCCASIN
WALLOW) (HAVAL FARMS)**

Terms: Net 30

Description	Contract Amount	Percent Complete	Total Billed	Remaining	Remaining Percent	Prior Billed	Current Billed
NRR Phases 3A & 3B Design, Permitting, Inspection, Certification Services							
CDD-NR-005 Design & Permitting	260,000.00	5.00	13,000.00	247,000.00	95.00	0.00	13,000.00
Subtotal	260,000.00	5.00	13,000.00	247,000.00	95.00	0.00	13,000.00
Total	260,000.00	5.00	13,000.00	247,000.00	95.00	0.00	13,000.00

Invoice total **13,000.00**

Aging Summary

Invoice Number	Invoice Date	Outstanding	Current	Over 30	Over 60	Over 90	Over 120
20-00154	01/17/2020	13,000.00	13,000.00				
	Total	13,000.00	13,000.00	0.00	0.00	0.00	0.00

North River Ranch Community Development District

Funding Request 2020-16

2/7/2020

Item No.	Payee	Invoice #	General Fund	Construction Fund
1	Bradenton Herald Legal Advertising on 01/01/2020	4507198	\$ 65.52	
2	PFM Group Consulting Reimbursables: November 2019	OE-EXP-00572	\$ 0.50	
3	Stantec Consulting Services Haval Farms Prop-Planning Services Through 01/17/2020	1613766		\$ 1,402.50
			\$ 66.02	\$ 1,402.50
TOTAL			\$	1,468.52



Secretary/Assistant Secretary



Chairman

Return to:
 North River Ranch CDD
 c/o Fishkind & Associates
 12051 Corporate Boulevard
 Orlando, FL 32817
 (407) 382-3256

RECEIVED FEB 10 2020

BRADENTON HERALD

Bradenton.com

INVOICE AND STATEMENT OF ACCOUNT

AGING OF PAST DUE ACCOUNTS

* UNAPPLIED AMOUNTS ARE INCLUDED IN TOTAL AMOUNT DUE

Fed ID# 59-1487839

2	2020-01	22	2019-12	2019-11	2019-10*	* UNAPPLIED AMOUNT	23	TOTAL AMOUNT DUE	
	\$65.52		\$0.00	\$0.00	\$0.00	\$0.00		\$65.52	
SALES REP		ADVERTISER INFORMATION							
Advertising Dept		1	BILLING PERIOD	6	BILLED ACCOUNT NUMBER	7	ADVERTISER/CLIENT NUMBER	2	ADVERTISER/CLIENT NAME
			12/30/2019 - 02/02/2020		726675		726675		NORTH RIVER RANCH CDD

4 PAGE #
1 of 1

NORTH RIVER RANCH CDD
12051 CORPORATE BLVD.
ORLANDO, FL 32817

MAKE CHECKS PAYABLE TO

Bradenton Herald
Bradenton Herald-Advertising
PO Box 51129
Livonia, MI 48151
Billing: Contact Sales Rep. Credit: Email
ssccreditandcollections@mcclatchy.com

Payment is due upon receipt.



10	11	12	14	13	15	16	17	18	19
START	STOP	NEWSPAPER REFERENCE	DESCRIPTION	PRODUCT	SAU SIZE	BILLED UNITS	TIMES RUN	RATE	AMOUNT
			Balance Forward						\$133.38
01/10		P2203212	Payment - Check 000105						-\$133.38
01/01	01/01	I04507198-01012020	North River Ranch CDD, North	Bradenton Herald	1 x 56 L	56	1	\$1.17	\$65.52
01/01	01/01	I04507198-01012020	North River Ranch CDD, North	Bradenton Herald.com	1 x 56 L	56	1	\$0.00	\$0.00
Invoice Total									\$65.52

PREVIOUS AMOUNT OWED: \$133.38
NEW CHARGES THIS PERIOD: \$65.52
CASH THIS PERIOD: (\$133.38)
DEBIT ADJUSTMENTS THIS PERIOD: \$0.00
CREDIT ADJUSTMENTS THIS PERIOD: \$0.00

RECEIVED FEB 03 2020

PLEASE DETACH AND RETURN LOWER PORTION WITH YOUR REMITTANCE

**BRADENTON
HERALD**

Bradenton.com

Bradenton Herald-Advertising
PO Box 51129
Livonia, MI 48151

ADVERTISING INVOICE and STATEMENT

Invoice# 0001835349

NORTH RIVER RANCH CDD
12051 CORPORATE BLVD.
ORLANDO, FL 32817

1	BILLING PERIOD	2	ADVERTISER/CLIENT NAME
	12/30/2019 - 02/02/2020		NORTH RIVER RANCH CDD
23	TOTAL AMOUNT DUE	* UNAPPLIED AMOUNT	3 TERMS OF PAYMENT
	\$65.52	\$0.00	Payment is due upon receipt
21	2020-01	22	2019-12
	\$65.52	\$0.00	\$0.00
5	BILLING DATE	6	BILLED ACCOUNT NUMBER
	02/02/2020		726675
		7	ADVERTISER/CLIENT NUMBER
			726675

Bradenton Herald
Bradenton Herald-Advertising
PO Box 51129
Livonia, MI 48151

730AB 726675

726675

0001835349

000006552 4

Ad Order Information

Ad Number 0004507198-01	Ad Type BRD-Legal Liner	Production Method AdBooker	Production Notes
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External Ad Number	Ad Attributes	Ad Released No	Pick Up
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Ad Size 1 X 56 li	Color
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Product BRD- Bradenton Herald	Placement 0300 - Legals Classified	Times Run 1	Schedule Cost \$65.52
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Run Schedule Invoice Text NOTICE OF PUBLIC MEETING NORTH RIVER RA	Position 0301 - Legals & Public Notices
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Run Dates
01/01/2020

**NOTICE OF PUBLIC MEETING
NORTH RIVER RANCH
COMMUNITY DEVELOPMENT
DISTRICT**

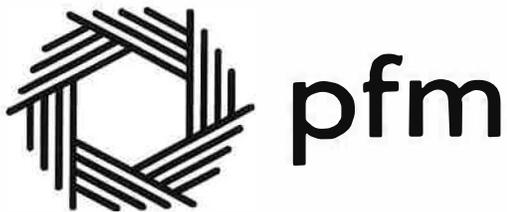
The Board of Supervisors of the North River Ranch Community Development District ("District") will hold its regular meeting on January 8, 2020 at 2:30 p.m. at 8141 Lakewood Main Street, Bradenton, FL 34202. A copy of the agenda for the meeting can be obtained from the District Office at 12051 Corporate Boulevard, Orlando, FL 32817 or by phone at 407-723-5900.

The meeting is open to the public and will be conducted in accordance with the provisions of Florida law. There may be occasions when one or more Board Supervisors or staff members will participate by telephone. The meeting may be continued in progress without additional notice to a time, date, and location stated on the record. Meetings may be cancelled from time to time without advertised notice.

Any person requiring special accommodations to participate in this meeting is asked to advise the District Office at (407) 723-5900, at least 48 hours before the meetings. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) / 1-800-955-8770 (Voice), for aid in contacting the District Office.

Any person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that the person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which the appeal is based.

Vivian Carvalho
District Manager



Date	Invoice Number
January 22, 2020	OE-EXP-00572
Payment Terms	Due Date
Upon Receipt	January 22, 2020

Bill To:

North River Ranch Community Development District
c/o PFM Group Consulting District Accounting
Department
12051 Corporate Blvd
Orlando, FL 32817
United States of America

RECEIVED FEB 03 2020

Company Address:
1735 Market Street
43rd Floor
Philadelphia, PA 19103
+1 (215) 567-6100

Federal Tax ID: 81-1642478

Remittance Options:

Via ACH (preferred):

Via Wire:

Via Mail:

PFM Group Consulting LLC
PO Box 65126
Baltimore, MD 21264-5126
United States of America

RE: November 2019 Postage - \$0.50

Total Amount Due

\$.50

Account Summary Report

Date Range: November 1, 2019 to November 30, 2019

Meter Group: All Meters

Meter 1W00 - 1376538 OLD at ORLANDO, FL

Meter 4W00 - 0347354 at ORLANDO, FL

Meter Details

Location	Meter Name	Serial Number	BHP Account Number
ORLANDO, FL	4W00 - 0347354	0347354	24978470
ORLANDO, FL	1W00 - 1376538 OLD	1376538	24978470

Account Summary

Account	Sub Account	Pieces	Total Charged
North River Ranch CDD		1	\$0.500
	Grand Total		\$0.500

Amanda Lane

From: Kris Watts <kwatts@nealcommunities.com>
Sent: Tuesday, February 4, 2020 11:05 AM
To: Amanda Lane
Subject: FW: [EXT] 215613910 Invoice 1613766 - Haval Farms Prop-Planning
Attachments: 215613910_1613766_011720.pdf

EXTERNAL EMAIL: Use care with links and attachments.

Hi Amanda,

The attached invoice should be paid by the NRR CDD.

Thanks so much.

Kris

Kris Watts
Senior Accountant
941-328-1042 Ofc
NealCommunities.com

Confidentiality Notice - This message is being sent by or on behalf of Neal Communities. It is intended exclusively for the individual or entity to which it is addressed. This communication may contain information that is proprietary, privileged or confidential or otherwise legally exempt from disclosure. If you are not the named addressee, you are not authorized to read, print, retain, copy or disseminate this message or any part of it. If you have received this message in error, please notify the sender immediately by e-mail and delete all copies of this message.

From: Fillinger, Summer <Summer.Fillinger@stantec.com>
Sent: Monday, January 27, 2020 1:52 PM
To: Kris Watts <kwatts@nealcommunities.com>
Subject: [EXT] 215613910 Invoice 1613766 - Haval Farms Prop-Planning

Please see the attached invoice for billing through January 17th, 2020.

Summer Fillinger
Project Administrator

Direct: 239 939-1020
Fax: 239 939-3412
Summer.Fillinger@stantec.com

Stantec
3800 Colonial Boulevard, Suite 100
Fort Myers FL 33966-1075



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INVOICE

Invoice Number 1613766
Invoice Date January 23, 2020
Customer Number 143494
Project Number 215613910

Bill To

Haval Farms, LLC
Accounts Payable
5800 Lakewood Ranch Blvd.
Sarasota FL 34240
United States

Please Remit To

Stantec Consulting Services Inc. (SCSI)
13980 Collections Center Drive
Chicago IL 60693
United States
Federal Tax ID
11-2167170

RECEIVED FEB 04 2020

Project Description: Haval Farms Prop-Planning

Stantec Project Manager: LaBarr, Katie
Contract No: PO #4856
Authorization Amount: \$217,000.00
Authorization Previously Billed: \$211,729.67
Authorization Billed to Date: \$213,132.17
Current Invoice Due: \$1,402.50
For Period Ending: January 17, 2020

Email Invoice: kwatts@nealcommunities.com
Note: Billing Summary Required
PO#: 4856

Please contact Summer Fillinger if you have any questions concerning this invoice.

Phone: (239) 985 - 5515 E-mail: Summer.Fillinger@Stantec.com

**** PLEASE SEND AN INVOICE # WITH PAYMENT ****

Thank you.

Due upon receipt or in accordance with terms of the contract

INVOICE

Invoice Number
Project Number

1613766
215613910

Top Task 330 LDA Support

Professional Services

Category/Employee	Hours	Rate	Current Amount
LaBarr, Kathryn M (Katie)	8.50	165.00	1,402.50
	<u>8.50</u>		<u>1,402.50</u>
Professional Services Subtotal	<u>8.50</u>		<u>1,402.50</u>

Top Task 330 Total **1,402.50**

Total Fees & Disbursements \$1,402.50

INVOICE TOTAL (USD) **\$1,402.50**

Project Billing Summary

For Period Ending: January 17, 2020
Task Detail: Top Task
Project: 215613910 Haval Farms Prop-Planning
Client: Haval Farms, LLC
Invoice #: 1613766
Parent Billing Task:

Amounts shown are before taxes and for contracted items only

Top Task #	Lowest Task #	Top Task Description	Contract Value	Previously Invoiced	Current Invoice	Invoiced to Date	Contract Remaining	% of Contract Invoiced
210		Pre Site Plan/LDA Apps	19,000.00	19,000.00		19,000.00	0.00	100.00%
220		Prep GDP	23,000.00	23,000.00		23,000.00	0.00	100.00%
230		App Process/Public Hearings	36,000.00	35,858.00		35,858.00	142.00	99.61%
240		Misc. Planning Services	35,000.00	34,883.25		34,883.25	116.75	99.67%
250		MWR Buildout Analysis	3,000.00	2,976.00		2,976.00	24.00	99.20%
310		Transportation Methodology	4,000.00	4,000.00		4,000.00	0.00	100.00%
320		Transportation Analysis	71,000.00	71,000.00		71,000.00	0.00	100.00%
330		LDA Support	12,000.00	10,508.00	1,402.50	11,910.50	89.50	99.25%
340		Sub-Data Collection	8,000.00	6,060.00		6,060.00	1,940.00	75.75%
350		Public Hearing Support	3,000.00	2,812.00		2,812.00	188.00	93.73%
410		Misc. Sketch Descriptions	1,000.00	952.50		952.50	47.50	95.25%
950		Project Expenses	2,000.00	679.92		679.92	1,320.08	34.00%
		Total for Project# 215613910	217,000.00	211,729.67	1,402.50	213,132.17	3,867.83	98.22%

North River Ranch Community Development District

Funding Request 2020-17

2/14/2020

Item No.	Payee	Invoice #	General Fund	Construction Fund
1	Bradenton Herald Legal Advertising on 02/05/2020	4543981	\$ 88.92	
2	PFM Group Consulting Reimbursables: December 2019	OE-EXP-00629	\$ 29.50	
3	Supervisor Fees - 02/12/2020 Meeting			
	Dale Weidemiller	--	\$ 200.00	
	Priscilla Heim	--	\$ 200.00	
	Pete Williams	--	\$ 200.00	
	John Blakley	--	\$ 200.00	
	Ivory Crofoot	--	\$ 200.00	
4	Vogler Ashton			
	General Legal Through 01/31/2020	5246	\$ 1,082.00	
	Bond Validation Legal Through 01/31/2020	5247		\$ 164.00
			\$ 2,200.42	\$ 164.00
TOTAL			\$	2,364.42



Secretary/Assistant Secretary



Chairman

Return to:
 North River Ranch CDD
 c/o Fishkind & Associates
 12051 Corporate Boulevard
 Orlando, FL 32817
 (407) 382-3256

RECEIVED FEB 18 2020

BRADENTON HERALD

Bradenton.com

*** MEMO INVOICE ***

Fed ID# 59-1487839

						23		
						TOTAL AMOUNT DUE		
						\$88.92		
SALES REP	24	ADVERTISER INFORMATION						
Advertising Dept	1	BILLING PERIOD	6	BILLED ACCOUNT NUMBER	7	ADVERTISER/CLIENT NUMBER	2	ADVERTISER/CLIENT NAME
		02/05/2020		726675		726675		NORTH RIVER RANCH CDD

NORTH RIVER RANCH CDD
12051 CORPORATE BLVD.
ORLANDO, FL 32817

MAKE CHECKS PAYABLE TO

Bradenton Herald
Bradenton Herald-Advertising
PO Box 51129
Livonia, MI 48151

Billing: Contact Sales Rep. Credit: Email
ssccreditandcollections@mcclatchy.com

Payment is due upon receipt.



10	11	12	14	13	15	16	17	18	19
START	STOP	NEWSPAPER REFERENCE	DESCRIPTION	PRODUCT	SAU SIZE	BILLED UNITS	TIMES RUN	RATE	AMOUNT
02/05	02/05	0004543981	Board of Supervisor and Audit Meeting, Boa	Bradenton Herald	1 x 76 L	76	1	\$1.17	\$88.92
02/05	02/05	0004543981	Board of Supervisor and Audit Meeting, Boa	Bradenton Herald.com	1 x 76 L	76	1	\$0.00	\$0.00
								Invoice Total	\$88.92

RECEIVED FEB 10 2020

THIS IS A MEMO INVOICE AND MAY OR MAY NOT REFLECT ALL CHARGES OR CHANGES THAT OCCUR ON THE FINAL INVOICE.

**BRADENTON
HERALD**
Bradenton.com

Bradenton Herald-Advertising
PO Box 51129
Livonia, MI 48151

PLEASE DETACH AND RETURN LOWER PORTION WITH YOUR REMITTANCE

1	2
BILLING PERIOD	ADVERTISER/CLIENT NAME
02/05/2020	NORTH RIVER RANCH CDD
23	3
TOTAL AMOUNT DUE	TERMS OF PAYMENT
\$88.92	Upon Receipt

*** MEMO INVOICE ***

Bradenton Herald
Bradenton Herald-Advertising
PO Box 51129
Livonia, MI 48151

4	PAGE #	5	BILLING DATE
	1		02/05/2020
11	NEWSPAPER REFERENCE		
	0004543981		
6	BILLED ACCOUNT NUMBER		
	726675		
7	ADVERTISER/CLIENT NUMBER		
	726675		

BRADENTON HERALD

Bradenton.com

AFFIDAVIT OF PUBLICATION

Account #	Ad Number	Identification	PO	Amount	Cols	Depth
726675	0004543981	NORTH RIVER RANCH COMMUNITY DEVELOPMENT DISTRICT	Board of Supervisor and Audit Meeting	\$88.92	1	7.60 In

Attention: Venessa Ripoll
 NORTH RIVER RANCH CDD
 12051 CORPORATE BLVD.
 ORLANDO, FL 32817

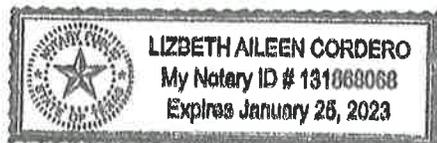
**NORTH RIVER RANCH
 COMMUNITY DEVELOPMENT
 DISTRICT
 NOTICE OF AUDIT COMMITTEE
 MEETING AND REGULAR
 BOARD OF SUPERVISORS'
 MEETING**

The Board of Supervisors ("Board") of the North River Ranch Community Development District ("District") will hold an Audit Committee meeting and regular meeting of the Board of Supervisors on February 12, 2020 at 1:30 p.m. at 8141 Lakewood Ranch Blvd., Sarasota, Florida 34202. The Audit Committee will review, discuss and establish the minimum qualifications and evaluation criteria that the District will use to solicit audit services. The regular Board meeting will take place prior to the Audit Committee meeting where the Board may consider any other business that may properly come before it. A copy of the agendas may be obtained at the offices of the District Manager, PFM Group Consulting, LLC, located at 12051 Corporate Boulevard, Orlando, Florida 32817, (407) 723-5900 ("District Manager's Office"), during normal business hours.

The meetings are open to the public and will be conducted in accordance with the provisions of Florida law. The meetings may be continued to a date, time, and place to be specified on the record at the meeting. There may be occasions when Board Supervisors or District Staff may participate by speaker telephone.

Any person requiring special accommodations at the meetings because of a disability or physical impairment should contact the District Manager's Office at least forty-eight (48) hours prior to the meeting. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) / 1-800-955-8770 (Voice), for aid in contacting the District Manager's Office.

Any person who decides to appeal any decision made by the Board or the Committee with respect to any matter considered at the meetings is advised that person will need a record of proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence.



**THE STATE OF TEXAS
 COUNTY OF DALLAS**

Before the undersigned authority personally appeared VICTORIA RODELA, who, on oath, says that she is a Legal Advertising Representative of The Bradenton Herald, a daily newspaper published at Bradenton in Manatee County, Florida; that the attached copy of the advertisement, being a Legal Advertisement in the matter of Public Notice, was published in said newspaper in the issue(s) of:

1 Insertion(s)

Published On:
 February 05, 2020

**THE STATE OF FLORIDA
 COUNTY OF MANATEE**

Affidavit further says that the said publication is a newspaper published at Bradenton, in said Manatee County, Florida, and that the said newspaper has heretofore been continuously published in said Manatee County, Florida, each day and has been entered as second-class mail matter at the post office in Bradenton, in said Manatee County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that she has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

V Rodela

(Signature of Affiant)

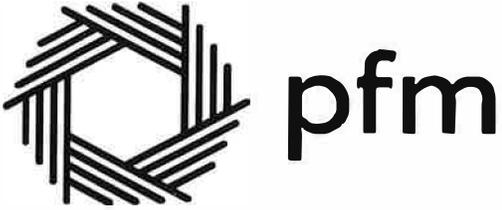
Sown to and subscribed before me this
 5th day of February in the year of 2020

Lizbeth Aileen Cordero

SEAL & Notary Public

Extra charge for lost or duplicate affidavits.
 Legal document please do not destroy!

ence upon which such appeal
is to be based.
Vivian Carvalho
District Manager



Date	Invoice Number
February 3, 2020	OE-EXP-00629
Payment Terms	Due Date
Upon Receipt	February 3, 2020

Bill To:
North River Ranch Community Development District
c/o PFM Group Consulting District Accounting
Department
12051 Corporate Blvd
Orlando, FL 32817
United States of America

RECEIVED FEB 11 2020

Company Address:
1735 Market Street
43rd Floor
Philadelphia, PA 19103
+1 (215) 567-6100
Federal Tax ID: 81-1642478

Remittance Options:

Via ACH (preferred):

Via Wire:

Via Mail:

PFM Group Consulting LLC
PO Box 65126
Baltimore, MD 21264-5126
United States of America

RE: December 2019 Postage - \$5.50 December 2019 Fedex - \$24.00

Total Amount Due

\$29.50

Account Summary Report

Date Range: December 1, 2019 to December 31, 2019

Meter Group: All Meters

Meter 1W00 - 1376538 OLD at ORLANDO, FL

Meter 4W00 - 0347354 at ORLANDO, FL

Meter Details

Location	Meter Name	Serial Number	PhP Account Number
ORLANDO, FL	4W00 - 0347354	0347354	24978470
ORLANDO, FL	1W00 - 1376538 OLD	1376538	24978470

Account Summary

Account	Sub Account	Pieces	Total Charged
North River Ranch CDD		11	\$5.500
			P
	Grand Total		\$5.500

**North River Ranch
COMMUNITY DEVELOPMENT DISTRICT**

Date of Meeting: 2/12/20

(\$200.00 per Supervisor per Meeting)

Board Members:	Present	Absent	Fee
Dale Weidermiller	✓		\$200.00
Priscilla Heim	✓		\$200.00
Pete Williams	✓		\$200.00
John Blakley	✓		\$200.00
Ivory Crofoot	✓		\$200.00

Total: \$1,000.00

Approved For Payment:

Venessa Roper
Chairman / Secretary / ~~ASST SECRETARY~~

February 12, 2020
Date

RECEIVED FEB 13 2020

Vogler Ashton, PLLC
 705 10th Avenue West, Unit 103
 Palmetto, Florida 34221
 Phone: 941-304-3400

North River Ranch CDD
 5800 Lakewood Ranch Blvd.
 Sarasota FL 34240
 US

Page: 1
 02/13/2020

Account No: 1-36120
 Statement No: 5246

RECEIVED FEB 13 2020

Attn: District Manager

District Counsel

For Legal Services Rendered January 1, 2020, through January 31, 2020

Previous Balance \$1,392.50

Fees

		Hours	
01/08/2020			
KA	Review contracts in CDD Agenda package	0.40	164.00
EV	Review agenda; Attendance at Board Meeting	0.60	258.00
01/22/2020			
KA	E-mail to Developer re: information needed to review Engineer's Report	0.10	41.00
01/27/2020			
KA	Review draft Engineer Report and provide comments	0.90	369.00
01/28/2020			
KA	E-mail Tom P.; Review J. Neal e-mail and respond	0.30	123.00
EV	Review engineer report	0.20	86.00
01/29/2020			
KA	Review draft agenda	0.10	41.00
	For Current Services Rendered	2.60	1,082.00

Recapitulation

Timekeeper	Hours	Rate	Total
Edward Vogler II	0.80	\$430.00	\$344.00
Kimberly Ashton	1.80	410.00	738.00

Total Current Work

1,082.00

North River Ranch CDD

District Counsel

Page: 2
02/13/2020

Account No: 1-36120
Statement No: 5246

Balance Due

\$2,474.50

Stmt Date	Stmt #	Aged Due Amounts	Billed	Due
01/14/2020	5156		1392.50	<u>1392.50</u>
				1392.50

Payments Due Upon Receipt Please

Vogler Ashton, PLLC
705 10th Avenue West, Unit 103
Palmetto, Florida 34221
Phone: 941-304-3400

RECEIVED FEB 13 2020

North River Ranch CDD
Sarasota FL 34240
US

Page: 1
02/13/2020

Account No: 1-36122
Statement No: 5247

Attn: District Manager

Bond Validation Complaint, Exhibits and Hearing

For Legal Services Rendered January 1, 2020, through January 31, 2020

Fees

		Hours	
01/27/2020			
KA	Outline bond validaiton complaint requirements; email to Tom P and copy District Manager	0.40	164.00
	For Current Services Rendered	0.40	164.00

Timekeeper	Recapitulation	Hours	Rate	Total
Kimberly Ashton		0.40	\$410.00	\$164.00

Total Current Work 164.00

Balance Due \$164.00

Payments Due Upon Receipt Please

North River Ranch Community Development District

Funding Request 2020-18

2/21/2020

Item No.	Payee	Invoice #	General Fund	Construction Fund
1	Clearview Land Design			
	Master Utility Plans Through 02/14/2020	20-00337		\$ 10,500.00
	Reimbursables 01/18/2020 - 02/14/2020	20-00338	\$ 19.98	
	Services Through 02/14/2020	20-00339	\$ 843.25	
	Phases 3A & 3B Services Through 02/14/2020	20-00340		\$ 40,560.00
2	PFM Group Consulting			
	DM Fee: February 2020	DM-02-2020-0047	\$ 1,666.67	
	Website Fee: February 2020	DM-02-2020-0048	\$ 125.00	
			\$ 2,654.90	\$ 51,060.00
TOTAL			\$53,714.90	



Secretary/Assistant Secretary



Chairman

Return to:
 North River Ranch CDD
 c/o Fishkind & Associates
 12051 Corporate Boulevard
 Orlando, FL 32817
 (407) 382-3256

RECEIVED FEB 24 2020

North River Ranch Community Development District

Funding Request 2020-18

2/21/2020

Item No.	Payee	Invoice #	General Fund	Construction Fund
1	Clearview Land Design			
	Master Utility Plans Through 02/14/2020	20-00337		\$ 10,500.00
	Reimbursables 01/18/2020 - 02/14/2020	20-00338	\$ 19.98	
	Services Through 02/14/2020	20-00339	\$ 843.25	
	Phases 3A & 3B Services Through 02/14/2020	20-00340		\$ 40,560.00
2	PFM Group Consulting			
	DM Fee: February 2020	DM-02-2020-0047	\$ 1,666.67	
	Website Fee: February 2020	DM-02-2020-0048	\$ 125.00	
			\$ 2,654.90	\$ 51,060.00
TOTAL			\$53,714.90	



Secretary/Assistant Secretary



Chairman

Return to:
 North River Ranch CDD
 c/o Fishkind & Associates
 12051 Corporate Boulevard
 Orlando, FL 32817
 (407) 382-3256

RECEIVED FEB 24 2020



Clearview LAND DESIGN, P.L.

Clearview Land Design
3010 W. Azeele Street, Suite 150
Tampa, Florida 33609
813-223-3919

North River Ranch Community Development District
North River Ranch CDD Accounts Payable Amanda Lane
12051 Corporate Blvd
Orlando, FL 32817

Invoice number 20-00337
Date 02/14/2020

Project **NR NORTH RIVER RANCH (MOCCASIN
WALLOW) (HAVAL FARMS)**

Terms: Net 30

Description	Contract Amount	Percent Complete	Total Billed	Remaining	Remaining Percent	Prior Billed	Current Billed
CDD Master Utility Plans							
CDD-NR-004 Master Utility Plans	35,000.00	60.00	21,000.00	14,000.00	40.00	10,500.00	10,500.00
Subtotal	35,000.00	60.00	21,000.00	14,000.00	40.00	10,500.00	10,500.00
Total	35,000.00	60.00	21,000.00	14,000.00	40.00	10,500.00	10,500.00

Invoice total **10,500.00**

Aging Summary

Invoice Number	Invoice Date	Outstanding	Current	Over 30	Over 60	Over 90	Over 120
19-02224	11/15/2019	3,500.00				3,500.00	
20-00337	02/14/2020	10,500.00	10,500.00				
	Total	14,000.00	10,500.00	0.00	0.00	3,500.00	0.00

RECEIVED FEB 20 2020



Clearview LAND DESIGN, P.L.

Clearview Land Design
3010 W. Azelee Street, Suite 150
Tampa, Florida 33609
813-223-3919

North River Ranch Community Development District
North River Ranch CDD Accounts Payable Amanda Lane
12051 Corporate Blvd
Orlando, FL 32817

Invoice number 20-00338
Date 02/14/2020

Project **NR NORTH RIVER RANCH (MOCCASIN
WALLOW) (HAVAL FARMS)**

Terms: Net 30

North River Ranch CDD Reimbursables

CDD-NR-000R Reimbursables

EXPENSE

	Date	Billed Amount
Printing and Reproduction		
	02/14/2020	19.98
<i>Papercuts Printing and Documentation 1/18/20 - 2/14/20</i>		
Phase subtotal		<u>19.98</u>
North River Ranch CDD Reimbursables subtotal		<u>19.98</u>
	Invoice total	<u><u>19.98</u></u>

Aging Summary

Invoice Number	Invoice Date	Outstanding	Current	Over 30	Over 60	Over 90	Over 120
20-00152	01/17/2020	18.57		18.57			
20-00338	02/14/2020	19.98	19.98				
	Total	<u>38.55</u>	19.98	18.57	0.00	0.00	0.00

RECEIVED FEB 20 2020



Clearview LAND DESIGN, P.L.

Clearview Land Design
3010 W. Azelee Street, Suite 150
Tampa, Florida 33609
813-223-3919

North River Ranch Community Development District
North River Ranch CDD Accounts Payable Amanda Lane
12051 Corporate Blvd
Orlando, FL 32817

Invoice number 20-00339
Date 02/14/2020

Project **NR NORTH RIVER RANCH (MOCCASIN
WALLOW) (HAVAL FARMS)**

Terms: Net 30

North River Ranch CDD Services

CDD-NR-001 CDD Services

LABOR

	Date	Hours	Rate	Billed Amount
Project Time				
Chris M. Fisher				
	02/11/2020	1.00	195.00	195.00
<i>Revise Engineers Report</i>				
	02/12/2020	3.00	195.00	585.00
<i>CDD Meeting</i>				

EXPENSE

	Date	Billed Amount
Mileage 2020		
Chris M. Fisher		
	01/08/2020	63.25
Phase subtotal		843.25
North River Ranch CDD Services subtotal		843.25

Invoice total **843.25**

Aging Summary

Invoice Number	Invoice Date	Outstanding	Current	Over 30	Over 60	Over 90	Over 120
19-02226	11/15/2019	77.40				77.40	
20-00153	01/17/2020	4,980.00		4,980.00			
20-00339	02/14/2020	843.25	843.25				
	Total	5,900.65	843.25	4,980.00	0.00	77.40	0.00

RECEIVED FEB 20 2020



Clearview LAND DESIGN, P.L.

Clearview Land Design
3010 W. Azeele Street, Suite 150
Tampa, Florida 33609
813-223-3919

North River Ranch Community Development District
North River Ranch CDD Accounts Payable Amanda Lane
12051 Corporate Blvd
Orlando, FL 32817

Invoice number 20-00340
Date 02/14/2020

Project **NR NORTH RIVER RANCH (MOCCASIN
WALLOW) (HAVAL FARMS)**

Terms: Net 30

Description	Contract Amount	Percent Complete	Total Billed	Remaining	Remaining Percent	Prior Billed	Current Billed
NRR Phases 3A & 3B Design, Permitting, Inspection, Certification Services							
CDD-NR-005 Design & Permitting	260,000.00	20.00	52,000.00	208,000.00	80.00	13,000.00	39,000.00
Subtotal	260,000.00	20.00	52,000.00	208,000.00	80.00	13,000.00	39,000.00
Total	260,000.00	20.00	52,000.00	208,000.00	80.00	13,000.00	39,000.00

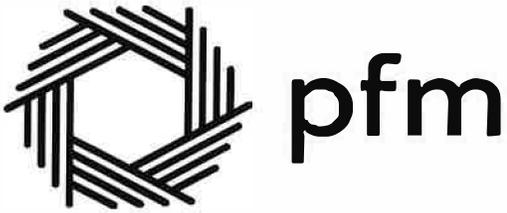
NRR Phases 3A & 3B Design, Permitting, Inspection, Certification Services
CDD-NR-006 Landscape & Hardscape Coordination
LABOR

Project Time	Date	Hours	Rate	Billed Amount
Chris M. Fisher				
	01/22/2020	4.00	195.00	780.00
<i>Kickoff Meeting to discuss Project</i>				
	01/27/2020	4.00	195.00	780.00
<i>Review Site Plan with Art/Mike. Look through Sanitary Notes for Connection Info</i>				
Phase subtotal				1,560.00
NRR Phases 3A & 3B Design, Permitting, Inspection, Certification Services subtotal				1,560.00
			Invoice total	40,560.00

Aging Summary

Invoice Number	Invoice Date	Outstanding	Current	Over 30	Over 60	Over 90	Over 120
20-00154	01/17/2020	13,000.00		13,000.00			
20-00340	02/14/2020	40,560.00	40,560.00				
Total		53,560.00	40,560.00	13,000.00	0.00	0.00	0.00

RECEIVED FEB 20 2020



Date	Invoice Number
February 14, 2020	DM-02-2020-0047
Payment Terms	Due Date
Upon Receipt	February 14, 2020

Bill To:

North River Ranch Community Development District
c/o PFM Group Consulting District Accounting
Department
12051 Corporate Blvd
Orlando, FL 32817
United States of America

RECEIVED FEB 18 2020

Company Address:
1735 Market Street
43rd Floor
Philadelphia, PA 19103
+1 (215) 567-6100

Federal Tax ID: 81-1642478

Remittance Options:

Via ACH (preferred):

Via Wire:

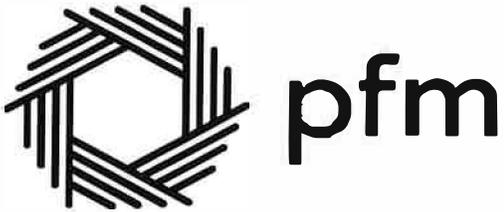
Via Mail:

PFM Group Consulting LLC
PO Box 65126
Baltimore, MD 21264-5126
United States of America

RE: District Management Fee: February 2020

Total Amount Due

\$1,666.67



Date	Invoice Number
February 14, 2020	DM-02-2020-0048
Payment Terms	Due Date
Upon Receipt	February 14, 2020

Bill To:

North River Ranch Community Development District
c/o PFM Group Consulting District Accounting
Department
12051 Corporate Blvd
Orlando, FL 32817
United States of America

RECEIVED FEB 18 2020

Company Address:
1735 Market Street
43rd Floor
Philadelphia, PA 19103
+1 (215) 567-6100

Federal Tax ID: 81-1642478

Remittance Options:

Via ACH (preferred):

Via Wire:

Via Mail:

PFM Group Consulting LLC
PO Box 65126
Baltimore, MD 21264-5126
United States of America

RE: Website Fee - February 2020

Total Amount Due

\$125.00

**North River Ranch
Community Development District**

Review of District Financial Statements

North River Ranch CDD

Statement of Activities

As of 2/29/2020

	General Fund	Capital Projects Fund	Total
<u>Revenues</u>			
Developer Contributions	\$24,294.22		\$24,294.22
Inter-Fund Transfers In	(43,692.50)		(43,692.50)
Developer Contributions		\$22,175.00	22,175.00
Inter-Fund Transfers In		43,692.50	43,692.50
Total Revenues	<u>(\$19,398.28)</u>	<u>\$65,867.50</u>	<u>\$46,469.22</u>
<u>Expenses</u>			
Supervisor Fees	\$4,800.00		\$4,800.00
Public Officials' Insurance	2,306.00		2,306.00
Management	8,333.35		8,333.35
Engineering	8,474.55		8,474.55
District Counsel	6,353.00		6,353.00
Postage & Shipping	47.35		47.35
Copies	58.65		58.65
Legal Advertising	731.25		731.25
Web Site Maintenance	625.00		625.00
Dues, Licenses, and Fees	175.00		175.00
General Insurance	2,819.00		2,819.00
Engineering		\$1,402.50	1,402.50
District Counsel		164.00	164.00
Contingency		73,235.00	73,235.00
Total Expenses	<u>\$34,723.15</u>	<u>\$74,801.50</u>	<u>\$109,524.65</u>
<u>Other Revenues (Expenses) & Gains (Losses)</u>			
Total Other Revenues (Expenses) & Gains (Losses)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
Change In Net Assets	(54,121.43)	(8,934.00)	(63,055.43)
Net Assets At Beginning Of Year	<u>\$50,419.22</u>	<u>(\$43,692.50)</u>	<u>\$6,726.72</u>
Net Assets At End Of Year	<u><u>(\$3,702.21)</u></u>	<u><u>(\$52,626.50)</u></u>	<u><u>(\$56,328.71)</u></u>

North River Ranch CDD
Statement of Financial Position
As of 2/29/2020

	General Fund	Capital Projects Fund	Total
<u>Assets</u>			
<u>Current Assets</u>			
General Checking Account	\$1,608.72		\$1,608.72
Accounts Receivable - Due from Developer	5,310.93		5,310.93
Accounts Receivable - Due from Developer		\$52,626.50	52,626.50
Total Current Assets	\$6,919.65	\$52,626.50	\$59,546.15
Total Assets	\$6,919.65	\$52,626.50	\$59,546.15
<u>Liabilities and Net Assets</u>			
<u>Current Liabilities</u>			
Accounts Payable	\$5,310.93		\$5,310.93
Deferred Revenue	5,310.93		5,310.93
Accounts Payable		\$52,626.50	52,626.50
Deferred Revenue		52,626.50	52,626.50
Total Current Liabilities	\$10,621.86	\$105,253.00	\$115,874.86
Total Liabilities	\$10,621.86	\$105,253.00	\$115,874.86
<u>Net Assets</u>			
Net Assets - General Government	\$6,726.72		\$6,726.72
Current Year Net Assets - General Government	(10,428.93)		(10,428.93)
Net Assets, Unrestricted		(\$43,692.50)	(43,692.50)
Current Year Net Assets, Unrestricted		(8,934.00)	(8,934.00)
Total Net Assets	(\$3,702.21)	(\$52,626.50)	(\$56,328.71)
Total Liabilities and Net Assets	\$6,919.65	\$52,626.50	\$59,546.15

North River Ranch CDD
Budget to Actual
For the Month Ending 2/29/2020

	Year To Date			FY 2020 Adopted Budget
	Actual	Budget	Variance	
<u>Revenues</u>				
Developer Contributions	\$ 24,294.22	\$ 39,739.60	\$ (15,445.38)	\$ 95,375.00
Net Revenues	\$ 24,294.22	\$ 39,739.60	\$ (15,445.38)	\$ 95,375.00
<u>General & Administrative Expenses</u>				
Supervisor Fees	\$ 4,800.00	\$ 5,000.00	\$ (200.00)	\$ 12,000.00
Public Officials' Insurance	2,306.00	1,031.25	1,274.75	2,475.00
Trustee Services	-	2,500.00	(2,500.00)	6,000.00
Management	8,333.35	8,333.35	-	20,000.00
Engineering	8,474.55	6,250.00	2,224.55	15,000.00
Dissemination Agent	-	2,083.35	(2,083.35)	5,000.00
District Counsel	6,353.00	8,333.35	(1,980.35)	20,000.00
Audit	-	2,500.00	(2,500.00)	6,000.00
Travel and Per Diem	-	208.35	(208.35)	500.00
Telephone	-	83.35	(83.35)	200.00
Postage & Shipping	47.35	125.00	(77.65)	300.00
Copies	58.65	208.35	(149.70)	500.00
Legal Advertising	731.25	416.65	314.60	1,000.00
Miscellaneous	-	208.30	(208.30)	500.00
Web Site Maintenance	625.00	1,125.00	(500.00)	2,700.00
Dues, Licenses, and Fees	175.00	72.90	102.10	175.00
General Insurance	2,819.00	1,260.40	1,558.60	3,025.00
Total General & Administrative Expenses	\$ 34,723.15	\$ 39,739.60	\$ (5,016.45)	\$ 95,375.00
Total Expenses	\$ 34,723.15	\$ 39,739.60	\$ (5,016.45)	\$ 95,375.00
Net Income (Loss)	\$ (10,428.93)	\$ -	\$ (10,428.93)	\$ -