

**CLAY COUNTY DEVELOPMENT AUTHORITY
RESCHEDULED PUBLIC MEETING
ORANGE PARK, FLORIDA
May 22, 2014**

AGENDA

**CHAIR
VICE-CHAIR
TREASURER
SECRETARY**

**DEBBIE RICKS
CHIP DOBSON
REV. RANDALL
VACANT**

- | | |
|---|-----------------------|
| 1. Welcome/Call to Order 3:00 pm | Debbie Ricks |
| 2. Roll Call | Josh Cockrell |
| 3. Invocation | Pastor Randall |
| 4. Approval of March 25, 2014 Minutes | Debbie Ricks |
| 5. Action taken at Committee Meetings | Debbie Ricks |
| 6. Comments from the Public | Debbie Ricks |
| 7. Treasurer's Report | Pastor Randall |
| 8. Chair's Report | Debbie Ricks |
| 9. Staff Report | IGS |
| 10. BLD Project Report | Greg Clary |
| 11. Attorney's Report | Grady Williams |
| 12. Economic Development Report | Bill Garrison |
| 13. Old Business/New Business/Board Comments | Debbie Ricks |
| a. Approval of Payment to Edwards Cohen | |
| b. CCDA Audit | |
| c. Chamber Membership | |
| 14. Adjournment | Debbie Ricks |

Dates of Upcoming CCDA Meetings:

May 21, 2014

June 18, 2014

July 16, 2014

August 20, 2014

September 17, 2014

NOTE: Items 4, 5 and 7 through 14, above, are subject to discussion, consideration, and action by the Board of the Clay County Development Authority.

PUBLIC COMMENTS: Pursuant to F.S. s. 286.0114 (2013) [*and Clay County Development Authority policy*], speakers intending to offer public comment must complete a provided speaker's card, turn in the same to the recording secretary for the public meeting, and may address the Board when recognized by the Chair of the meeting with their public comments for a period of not more than three (3) minutes. The Chair of the meeting has the authority and discretion to make special provisions for a group or faction spokesperson. The Chair of the meeting has all requisite authority and discretion to maintain orderly conduct or proper decorum of the public meeting.

**CLAY COUNTY DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING
MINUTES**

March 25, 2014

Present: Debbie Ricks, William Randall, Greg Clary, Matt Welch, Jan Conrad, Joe Mobley, Tom Morris, Paz Patel, Grady Williams, Counsel

Absent: Jan Conrad, Chip Dobson, Virginia Hall

Guests: Ken Willey, Joe Riley, Ken Smallwood

Staff: Josh Cockrell, Kerri Stewart, David Cohen

Call to Order: **Chair, Debbie Ricks** called the Clay County Development Authority ("CCDA") Board meeting to order at 4:00 PM.

Invocation: Rev. William Randall provided the invocation.

Approval of February 19, 2014 Minutes

Public Comment: Joe Riley – Stated he is against BLD. Claims IGS report, before it was published, was sent to a CCDA Board member so that they would make it look better. Claims a private meeting was held at Club Continental that included board members and BLD.

Treasurer's Report: **William Randall** reviewed the financial reports for February 2014. Motion to approve both reports accepted unanimously.

Chair's Report: **Debbie Ricks** stated that no committee meetings took place so there is nothing to report. Stated that the discussion regarding the Economic Development group will be deferred and tabled until the next CCDA meeting in April. States Jerry Agresti resigned and a new group has formed. Clay County Commission approved the new group as a separate economic development entity.

Big League Dreams Project Update: **Greg Clary** commended the Board on the great job that they have done vetting the BLD project. He provided historical insight of the project and the Board's participation thus far. He stated that Clay County has seen slow growth and BLD is an attractive economic driver for the county. He stated that everything that has been completed by the Board has been passed through counsel and has followed Sunshine compliance and any other law. Chair Ricks thanks Mr. Clary for the hard work that he has placed into the vetting of the project.

Transition Report: Kerri Stewart discussed the review of the unsolicited bid, the extension of the BLD License Agreement as well as the Staff Evaluation of the BLD unsolicited bid. She reviewed the options staff has made available on the next steps to take with the BLD project. She highlighted several points in the Staff Evaluation including the CCDA mission and the BLD proposal to build a recreational sports park. She stated that this was an economic impact study, not a public investment study. Stated that the Board is a facilitator of the BLD deal, not a developer. She made clear that no negotiations have taken place. Stated that the sports park proposed by BLD in the unsolicited bid is slight different than the park evaluated during the economic impact study. The bid proposes 6 fields rather 5. BLD sports park will be a turnkey operation.

Greg Clary questioned whether a turnkey operation is typical in deals that the rest of the Board has seen. Paz Patel stated that with hotels, this is the case. Turnkey would include equipment and other needs to operate the facility. David Cohen stated that the contract holds BLD responsible for operating costs. Greg Clary also asked if BLD Clay has any financial standing. David Cohen responds no. Also, asked if there is any recourse with BLD Clay. David Cohen states that there is a specific nonrecourse provision in the maintenance and operating agreement and consulting services agreement. He stated that this is a traditional method of conducting business by many companies. Greg Clary asked what recourse would there be if BLD walks out or the project fails. David Cohen said that there are not any guarantees, nor letters of credit, nor performance bonds. Paz Patel asked if there is any insurance BLD Clay or CCDA can take out to cover for loss. David Cohen stated that BLD will not purchase a performance bond and CCDA can't get a performance bond either. Grady Williams stated that this is not a good deal if all the risk is placed on CCDA.

Matt Welch stated that there is a risk even if the project fails, how long it would take to get a new operator in while carrying the expenses of the maintenance of the facility. He also stated that there is risk if BLD does not bring in the tournaments and perform. Chairwoman Ricks asked would you get a performance bond for this. David Cohen stated that this is highly unlikely. Greg Clary stated that the CCDA will solely have to rely on the positive reputation of BLD which can pose conceptual risks. David Cohen stated that the governments that have a BLD project in their communities have not said anything negative and some are looking at getting a second park.

Greg Clary draws concern with dealing with an entity with no financials (BLD Clay) as well as if another BLD park were to be built nearby, would it become competitive and draw tournaments away from Clay. Matt Welch stated that BLD will not put their reputation on the line if they didn't think they would perform well.

David Cohen states the CCDA has sovereign immunity in respect to the ownership of the park since the CCDA is not the operator. BLD has an obligation to carry insurance and maintain it.

David Cohen discussed the revenue and repair/replacement reserve fund. BLD's proposal is for a 5% revenue share to the county and CCDA. They proposed to take 1% and set aside for the repair/replacement reserve fund. The account will likely build up to \$100,000. There is a 3 year waiver period in the beginning in which BLD does not have to make any contributions to this account. Part of the 3-years will be covered by warrantees. David Cohen stated that everything is negotiable. He stated that after a year or two of stabilization, a guess on revenue would be around \$1.5-2.3M range as a good year for BLD Clay. When David Cohen asked BLD if they have done more than 6% total in the past, BLD responded they may have, but don't like doing more than that because they likely won't get 10% anywhere else ever. Regarding performance bonds, they suggested increasing the contributions of the repair/replacement fund. David Cohen stated that CCDA would get 5% of the alcoholic beverage sales and Clay County would get 5% of the balance of the revenues. Debbie Ricks said that the CCDA 5% would give the Board an opportunity to hire someone to provide oversight of BLD for CCDA.

David Cohen said that this project should be viewed by the CCDA as an engine for economic development to create jobs. Stated the CCDA should look at sharing the expense of park oversight with the County rather than carrying it alone. A contract manager would be needed to provide oversight to ensure reports are getting filed, etc.

Greg Clary has concern with 5% due to it being not of great value. A return on the investment is most desired.

David Cohen discussed the contractual relationships. There is a license agreement with BLD USA, a consulting services agreement with another BLD entity that provides design and construction services which has a price tag of \$600,000, and the relationship with the operations agreement is the reverse of the turnkey in which BLD pays for everything following CCDA providing the turnkey. Consulting services are provided over the course of 20 months at \$30,000 a month. In addition, CCDA pays out of pocket expenses for travel. BLD will provide the owner's program to architects and engineers as well as advice and guidance regarding what works best.

Greg Clay asked if BLD has veto power or authority. He asked if the CCDA has final authority. David Cohen stated that each party has veto power: CCDA, Clay County, BLD.

Paz Patel stated his concern with the \$600,000+ out of pocket expenses that doesn't have a cap. Greg Clay stated his concern with giving a turnkey operation and the risk that BLD could walk out. BLD has not walked away from any facility but has terminated agreements. David Cohen stated that deals get complicated when all parties are brought in regarding the cost of construction. Agreements with each party that is contingent on each other are needed, but no progress has been made on that yet. All parties have to come to agreement.

Greg Clary stated his concern with the County that has been advised by their counsel to not enter into this type of arrangement between the parties involved. David Cohen stated that the CCDA Board can direct staff to research how it can get money to determine the costs to build the project. If \$26M, then the conversation will change, but if \$19M then there is a completely different conversation. Realistic progress regarding funding of the due diligence should occur. Chair Ricks asked how the CCDA will go about getting that money. David Cohen stated the Board needs to have a frank conversation with the other participants in the project and have an orderly progression of the next steps before much money is spent. He stated that the County and landowners need to cooperate by helping with the funding to determine actual costs. Matt Welch stated that the first step is to determine if 6 fields will fit on the property, then obtain a rough sketch of what BLD needs to build and how it will fit on the land then obtain an estimate of how much it would cost to build the project. Greg Clary has concern regarding where the money will come from to pay for the estimates because CCDA should not continue spending money for this project unless the other partners assist with it.

David Cohen stated that Clay County's outside counsel recognizes that there is a cost to conducting the due diligence work and could reach \$200,000. He states that the CCDA should have enough information without paying \$600k for the BLD plans to get a cost estimate for the project and believes the CCDA can get this estimate very easily without spending much money. Greg Clary emphasized to the Board that every time the CCDA makes a move, money will be spent; therefore, the Board needs to progress forward efficiently. David Cohen emphasized that the CCDA is the right body to move this project forward but a source of revenue needs to be found to bring this project closer to the finish line. All parties must come to the table and carry some of the costs.

Kerri Stewart stated that the Board can decide to pursue the project with due diligence without going into negotiations. Chair Ricks stated that this is the route the Board should take. David Cohen stated that the most challenging part will be fitting the negotiations in over the economics of the deal with the engineering work to be completed. Stated that the Board needs to decide how to move forward with BLD.

Matt Welch stated that he can get the estimate of construction costs upon receiving the specs for around \$3,000 rather spending \$75k+ for it. Rev. William Randall recommended that staff could look for grants to help with this project. Greg Clary stated that this has been looked into by the landowners and others.

Staff has been directed to continue conducting CCDA due diligence on the BLD project.

Economic Development Report: Bill Garrison was not available to provide a report.

New Business: none

Attorney's Report: Grady Williams reported that he approved the legality of the mass notification system contract with Camp Blanding for signature.

Old Business: none

New Business: The next CCDA Board meeting will be on April 16, 2014.

Adjourned: 6:23 PM.

DATES OF UPCOMING CCDA MEETINGS:

April 16, 2014

May 21, 2014

June 18, 2014

July 16, 2014

August 20, 2014

September 17, 2014



COLEMAN & ASSOCIATES
Certified Public Accounting Firm

ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors of
Clay County Development Authority
Orange Park, FL

We have compiled the accompanying government-wide balance sheet of Clay County Development Authority (a governmental organization) as of March 31, 2014 and 2013, and the related statements of revenues and expenses for the one month and six months then ended, and the accompanying supplementary statement of revenues and expenses – budget vs. actual – current month and current year to date.

We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit the management discussion and analysis, the governmental fund financial statements and substantially all of the disclosures required by generally accepted accounting principles. If the omitted management discussion and analysis, governmental fund financial statements and disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's financial position and changes in net assets. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to the Clay County Development Authority.

Coleman & Associates Cpa firm

May 7, 2014

Clay County Development Authority
Governmentwide Balance Sheet
 As of March 31, 2014 and 2013

	Mar 31, 14	Mar 31, 13
ASSETS		
Current Assets		
Checking/Savings		
100001 · Wells Fargo(Operating)	0.00	50,142.12
100002 · First Atlantic Checking - 1484	78,294.85	78,864.71
100004 · First Atlantic (CD)	50,100.90	50,000.00
100005 · First Atlantic 2 (CD)	49,998.00	50,000.00
100007 · Investment - Florida Prime - A	142,799.75	131,645.11
100008 · Investment - Florida Prime - B	6,165.01	16,203.84
100016 · Compass Bank Money Market - Pub	175,321.73	175,153.80
100018 · First Atlantic Bank MMKT -1493	967,901.77	966,443.16
100025 · Fifth-Third CD	76,428.44	76,305.00
100026 · Fifth-Third 2 (CD)	76,428.44	76,305.00
Total Checking/Savings	1,623,438.89	1,671,062.74
Accounts Receivable		
115002 · Revenue Receivable	573.98	572.99
Total Accounts Receivable	573.98	572.99
Other Current Assets		
115000 · Accrued Interest Receivable	755.00	755.00
115001 · Loan to Clay Co. Chamber of Com	96,412.04	129,381.56
115004 · Loan Clay County Cham - Def Grt	0.00	10,000.00
Total Other Current Assets	97,167.04	140,136.56
Total Current Assets	1,721,179.91	1,811,772.29
Fixed Assets		
162950 · Leasehold Improvements - Devcom	28,842.00	28,842.00
166900 · Office Equipment	58,347.98	58,347.98
167900 · Accum Depreciation	-84,778.00	-84,778.00
Total Fixed Assets	2,411.98	2,411.98
Other Assets		
1160000 · Note Receivable - St Johns Coun	48,000.00	60,000.00
162900 · Equity Interest - Devcom	194,688.56	194,688.56
163000 · License Agreement - Big League	450,000.00	450,000.00
Total Other Assets	692,688.56	704,688.56
TOTAL ASSETS	2,416,280.45	2,518,872.83
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
200000 · Accounts Payable	17,881.64	12,180.11
Total Accounts Payable	17,881.64	12,180.11
Other Current Liabilities		
220000 · Security Deposits	2,788.00	2,138.00
25500 · Sales Tax Payable	151.47	104.80
Total Other Current Liabilities	2,939.47	2,242.80
Total Current Liabilities	20,821.11	14,422.91
Total Liabilities	20,821.11	14,422.91
Equity		
272000 · Net Asset Balance	1,908,993.80	1,908,993.80
280000 · Invest in Fixed Assets	349,102.04	349,102.04
32000 · Retained Earnings	217,484.37	368,437.19
Net Income	-80,120.87	-122,083.11
Total Equity	2,395,459.34	2,504,449.92
TOTAL LIABILITIES & EQUITY	2,416,280.45	2,518,872.83

Clay County Development Authority
Statement of Revenues and Expenses
 For the One Month and Six Months ending March 31, 2014

	<u>Mar 14</u>	<u>Oct '13 - Mar 14</u>	<u>% YTD</u>
Ordinary Income/Expense			
Income			
361000 · Investment Earnings	208.73	1,985.86	10.5%
362000 · Rents & Royalties	2,219.25	13,146.75	16.9%
369000 · Miscellaneous Revenues	342.73	5,874.01	5.8%
Total Income	<u>2,770.71</u>	<u>21,006.62</u>	<u>13.2%</u>
Expense			
512000 · Funding to CCC	0.00	12,400.01	0.0%
513300 · Professional Fees	2,600.00	13,875.00	18.7%
513305 · Administration Contract IGS	4,500.00	18,000.00	25.0%
513440 · Liability Insurance	494.64	992.31	49.8%
513460 · Devcom LLP Expense	1,650.00	9,900.00	16.7%
513493 · Service Charges	0.00	85.45	0.0%
513494 · Dues & Subscriptions	286.23	1,019.20	28.1%
513510 · Office and Operating Expenses	475.86	1,704.11	27.9%
513800 · Community Development Project	14,846.38	43,151.41	34.4%
Total Expense	<u>24,853.11</u>	<u>101,127.49</u>	<u>24.6%</u>
Net Ordinary Income	<u>-22,082.40</u>	<u>-80,120.87</u>	<u>27.6%</u>
Net Income	<u><u>-22,082.40</u></u>	<u><u>-80,120.87</u></u>	<u><u>27.6%</u></u>

Clay County Development Authority Statement of Revenues and Expenses - Budget to Actual March 2014

	Mar 14	Budget	Oct '13 - Mar 14	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
361000 · Investment Earnings	208.73	150.00	1,985.86	900.00	1,800.00
362000 · Rents & Royalties	2,219.25	2,196.00	13,146.75	13,176.00	26,346.00
369000 · Miscellaneous Revenues	342.73	269.00	5,874.01	1,724.00	16,977.00
Total Income	2,770.71	2,615.00	21,006.62	15,800.00	45,123.00
Expense					
512000 · Funding to CCC	0.00	4,167.00	12,400.01	25,002.00	50,000.00
513300 · Professional Fees	2,600.00	825.00	13,875.00	9,850.00	14,800.00
513305 · Administration Contract IGS	4,500.00		18,000.00		
513440 · Liability Insurance	494.64		992.31		1,500.00
513460 · Devcom LLP Expense	1,650.00	1,650.00	9,900.00	9,900.00	19,800.00
513490 · Business Meeting	0.00	83.00	0.00	502.00	1,000.00
513493 · Service Charges	0.00	42.00	85.45	248.00	500.00
513494 · Dues & Subscriptions	286.23	110.00	1,019.20	660.00	2,020.00
513510 · Office and Operating Expenses	475.86	2,000.00	1,704.11	4,175.00	8,375.00
513800 · Community Development Project	14,846.38	8,333.00	43,151.41	49,998.00	100,000.00
Total Expense	24,853.11	17,210.00	101,127.49	100,335.00	197,995.00
Net Ordinary Income	-22,082.40	-14,595.00	-80,120.87	-84,535.00	-152,872.00
Net Income	-22,082.40	-14,595.00	-80,120.87	-84,535.00	-152,872.00



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ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors of
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Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit the management discussion and analysis, the governmental fund financial statements and substantially all of the disclosures required by generally accepted accounting principles. If the omitted management discussion and analysis, governmental fund financial statements and disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's financial position and changes in net assets. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to the Clay County Development Authority.

Coleman & Associates Cpa firm

May 7, 2014

Clay County Development Authority
Governmentwide Balance Sheet
 As of April 30, 2014 and 2013

	Apr 30, 14	Apr 30, 13
ASSETS		
Current Assets		
Checking/Savings		
100001 · Wells Fargo(Operating)	0.00	50,119.99
100002 · First Atlantic Checking - 1484	70,857.78	57,580.97
100004 · First Atlantic (CD)	50,100.90	50,000.00
100005 · First Atlantic 2 (CD)	49,998.00	50,000.00
100007 · Investment - Florida Prime - A	142,976.50	136,125.90
100008 · Investment - Florida Prime - B	6,006.70	13,782.09
100016 · Compass Bank Money Market - Pub	175,333.28	175,168.23
100018 · First Atlantic Bank MMKT -1493	968,021.10	966,570.25
100025 · Fifth-Third CD	76,428.44	76,305.00
100026 · Fifth-Third 2 (CD)	76,428.44	76,305.00
Total Checking/Savings	1,616,151.14	1,651,957.43
Accounts Receivable		
115002 · Revenue Receivable	573.99	48,074.11
Total Accounts Receivable	573.99	48,074.11
Other Current Assets		
115000 · Accrued Interest Receivable	755.00	755.00
115001 · Loan to Clay Co. Chamber of Com	93,615.34	126,674.17
115004 · Loan Clay County Cham - Def Grt	0.00	10,000.00
Total Other Current Assets	94,370.34	137,429.17
Total Current Assets	1,711,095.47	1,837,460.71
Fixed Assets		
162950 · Leasehold Improvements - Devcom	28,842.00	28,842.00
166900 · Office Equipment	58,347.98	58,347.98
167900 · Accum Depreciation	-84,778.00	-84,778.00
Total Fixed Assets	2,411.98	2,411.98
Other Assets		
1160000 · Note Receivable - St Johns Coun	48,000.00	60,000.00
162900 · Equity Interest - Devcom	194,688.56	194,688.56
163000 · License Agreement - Big League	450,000.00	450,000.00
Total Other Assets	692,688.56	704,688.56
TOTAL ASSETS	2,406,196.01	2,544,561.25
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
200000 · Accounts Payable	13,303.02	617.00
Total Accounts Payable	13,303.02	617.00
Other Current Liabilities		
220000 · Security Deposits	2,788.00	2,138.00
25500 · Sales Tax Payable	151.27	104.80
Total Other Current Liabilities	2,939.27	2,242.80
Total Current Liabilities	16,242.29	2,859.80
Total Liabilities	16,242.29	2,859.80
Equity		
272000 · Net Asset Balance	1,908,993.80	1,908,993.80
280000 · Invest in Fixed Assets	349,102.04	349,102.04
32000 · Retained Earnings	217,484.37	368,437.19
Net Income	-85,626.49	-84,831.58
Total Equity	2,389,953.72	2,541,701.45
TOTAL LIABILITIES & EQUITY	2,406,196.01	2,544,561.25

Clay County Development Authority
Statement of Revenues and Expenses
 For the One Month and Seven Months ending April 30, 2014

	<u>Apr 14</u>	<u>Oct '13 - Apr 14</u>	<u>% YTD</u>
Ordinary Income/Expense			
Income			
361000 · Investment Earnings	205.77	2,191.63	9.4%
362000 · Rents & Royalties	2,216.44	15,363.19	14.4%
369000 · Miscellaneous Revenues	338.14	6,212.15	5.4%
Total Income	<u>2,760.35</u>	<u>23,766.97</u>	<u>11.6%</u>
Expense			
512000 · Funding to CCC	0.00	12,400.01	0.0%
513300 · Professional Fees	1,642.50	15,517.50	10.6%
513305 · Administration Contract IGS	4,500.00	22,500.00	20.0%
513440 · Liability Insurance	0.00	992.31	0.0%
513460 · Devcom LLP Expense	1,650.00	11,550.00	14.3%
513493 · Service Charges	0.00	85.45	0.0%
513494 · Dues & Subscriptions	100.00	1,119.20	8.9%
513510 · Office and Operating Expenses	373.47	2,077.58	18.0%
513800 · Community Development Project	0.00	43,151.41	0.0%
Total Expense	<u>8,265.97</u>	<u>109,393.46</u>	<u>7.6%</u>
Net Ordinary Income	<u>-5,505.62</u>	<u>-85,626.49</u>	<u>6.4%</u>
Net Income	<u><u>-5,505.62</u></u>	<u><u>-85,626.49</u></u>	<u><u>6.4%</u></u>

Clay County Development Authority Statement of Revenues and Expenses - Budget to Actual April 2014

	Apr 14	Budget	Oct '13 - Apr 14	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
361000 · Investment Earnings	205.77	150.00	2,191.63	1,050.00	1,800.00
362000 · Rents & Royalties	2,216.44	2,196.00	15,363.19	15,372.00	26,346.00
369000 · Miscellaneous Revenues	338.14	261.00	6,212.15	1,985.00	16,977.00
Total Income	2,760.35	2,607.00	23,766.97	18,407.00	45,123.00
Expense					
512000 · Funding to CCC	0.00	4,167.00	12,400.01	29,169.00	50,000.00
513300 · Professional Fees	1,642.50	825.00	15,517.50	10,675.00	14,800.00
513305 · Administration Contract IGS	4,500.00		22,500.00		
513440 · Liability Insurance	0.00		992.31		1,500.00
513460 · Devcom LLP Expense	1,650.00	1,650.00	11,550.00	11,550.00	19,800.00
513490 · Business Meeting	0.00	83.00	0.00	585.00	1,000.00
513493 · Service Charges	0.00	42.00	85.45	290.00	500.00
513494 · Dues & Subscriptions	100.00	110.00	1,119.20	770.00	2,020.00
513510 · Office and Operating Expenses	373.47		2,077.58	4,175.00	8,375.00
513800 · Community Development Project	0.00	8,333.00	43,151.41	58,331.00	100,000.00
Total Expense	8,265.97	15,210.00	109,393.46	115,545.00	197,995.00
Net Ordinary Income	-5,505.62	-12,603.00	-85,626.49	-97,138.00	-152,872.00
Net Income	-5,505.62	-12,603.00	-85,626.49	-97,138.00	-152,872.00



Attorneys at Law

200 West Forsyth Street, Suite 1300
Jacksonville, Florida 32202
Telephone 904.633.7979
Facsimile 904.633.9026

April 9, 2014

Mr. Grady Williams
Clay County Development Authority
1734 Kingsley Avenue
Orange Park, FL 32073

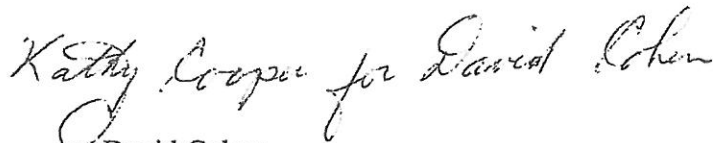
Re: Billing Invoices – March 2014

Dear Mr. Williams:

Our March 2014 invoice for services rendered is enclosed. I trust that you will find it in order and, if so, would you kindly place it in line for payment.

Your representation is very important to us, and we strive to provide excellent service to our clients. If you have any comments or questions on our invoices or service, please do not hesitate to call.

Sincerely,


David Cohen

DC/kc
Enclosure

EDWARDS COHEN

200 West Forsyth Street
Suite 1300
Jacksonville, Florida 32202
904-633-7979
59-3252937

Clay County Development Authority
1734 Kingsley Avenue
Orange Park, FL 32073

Invoice Date: March 31, 2014
Invoice No. 71875
Account No. 7141.01

Page: 1

RE: Sports Park

			Hours	
02/07/2014	DC	Various telephone conferences and correspondence regarding public document requests and project status.	1.00	250.00
02/11/2014	DC	Telephone conference with Mr. Cockrell regarding public document requests; Correspondence regarding same.	0.20	50.00
02/12/2014	DC	Various correspondence and telephone conferences regarding public document requests; Telephone conferences regarding sports park.	0.80	200.00
02/13/2014	DC	Research, correspondence, and various telephone conferences regarding public document requests.	1.30	325.00
02/14/2014	DC	Numerous correspondence and telephone conferences regarding public document requests.	0.80	200.00
02/17/2014	DC	Various telephone conferences and review statutory provisions; Prepare for board meeting; Correspondence regarding public document requests; Prepare draft resolution.	3.70	925.00
02/18/2014	DC	Numerous correspondence and telephone conferences regarding public document requests.	1.20	300.00
02/19/2014	DC	Prepare for and attend board meeting; Various telephone conferences and research regarding public document requests.	5.00	1,250.00
02/20/2014	DC	Research and telephone conference with Mr. Cockrell regarding public document requests.	2.40	600.00
02/21/2014	DC	Telephone conference with Mr. Williams regarding project status; Telephone conference with Mr. Cockrell.	0.40	100.00
02/25/2014	DC	Telephone conference with Mr. Miller; Telephone conference with Mr. Clary; Telephone conference with		

Sports Park

			Hours	
		Mr. Lettelier.	1.20	300.00
02/27/2014	DC	Various telephone conferences and meeting regarding sports park.	2.50	625.00
03/03/2014	DC	Telephone conference with Mr. Clary; Telephone conference with Mr. Cockrell regarding sports park.	0.60	150.00
03/06/2014	DC	Various telephone conference's and correspondence; Attend meeting with IGS; Review Board of County Commissioners meeting.	4.50	1,125.00
03/10/2014	DC	Prepare for meeting with BLD representatives.	2.00	500.00
03/11/2014	DC	Prepare for and attend meeting with BLD; Various telephone conferences regarding same; Review file materials.	7.00	1,750.00
03/12/2014	DC	Prepare for and attend meeting with BLD and IGS; Various correspondence; Prepare evaluation report.	7.80	1,950.00
03/13/2014	DC	Review and revise meeting notice; Various correspondence with Mr. Cockrell; Telephone conference with Mr. Clary; Research and prepare draft evaluation of proposal.	5.00	1,250.00
03/14/2014	DC	Various telephone conferences and prepare evaluation report.	1.90	475.00
03/24/2014	DC	Telephone conference and meeting with IGS; Prepare for board meeting; Telephone conference with Mr. Clary.	3.00	750.00
03/25/2014	DC	Prepare for and attend CCDA board meeting; Review and revise staff reports on BLD proposal; Various telephone conference regarding BLD.	5.50	1,375.00
		For Current Services Rendered	<u>57.80</u>	<u>14,450.00</u>

Recapitulation

<u>Timekeeper</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
David Cohen	57.80	\$250.00	\$14,450.00

02/19/2014	Legal Research	396.38
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Clay County Development Authority

Page: 3
March 31, 2014
Account No: 7141-01M
Invoice No: 71875

Sports Park

	Total Advances	<u>396.38</u>
	Total Current Work	14,846.38
	Previous Balance	\$14,168.40
02/21/2014	Fee payment	-5,725.00
02/21/2014	Advance payment	<u>-8,443.40</u>
	Total Payments	-14,168.40
	Balance Due	<u>\$14,846.38</u>

May 22, 2014

Magers & Associates, LLC
165 Wells Road, Suite 405
Orange Park, FL 32073

This representation letter is provided in connection with your audit of the financial statements of Clay County Development Authority, which comprise the respective financial position of the governmental activities as of September 30, 2013, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of May 12, 2014, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated October 24, 2013, including our responsibility for the preparation and fair presentation of the financial statements and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- 7) All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed. No events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.
- 8) The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements for each opinion unit.

- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which the Authority is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 11) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements and the statement of revenues, expenditures and changes in fund balance general Fund - budget and actual.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the entity's financial statements communicated by employees, former employees, regulators, or others.
- 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 18) We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Government—specific

- 19) We have made available to you all financial records and related data.
- 20) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 21) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 22) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, if any, for the report.

- 23) The Clay County Development Authority has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 24) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
- 25) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 26) As part of your audit, you assisted with preparation of the financial statements and related notes and statement of revenues, expenditures and changes in fund balance – budget and actual. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have assumed all management responsibilities. We have reviewed, approved, and accepted responsibility for those financial statements and related notes and statement of revenues, expenditures and changes in fund balance – budget and actual.
- 27) The Authority has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 28) The Authority has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 29) We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
- 30) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 31) The financial statements properly classify all funds and activities.
- 32) Provisions for uncollectible receivables have been properly identified and recorded.
- 33) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 34) Revenues are appropriately classified in the statement of activities within program revenues, general revenues.
- 35) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 36) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 37) We have appropriately disclosed the Authority's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 38) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

39) With respect to the management's discussion and analysis and the statement of revenues, expenditures and changes in fund balance general fund – budget and actual.

- a) We acknowledge our responsibility for presenting the management's discussion and analysis and the statement of revenues, expenditures and changes in fund balance general fund – budget and actual in accordance with accounting principles generally accepted in the United States of America, and we believe the management's discussion and analysis and the statement of revenues, expenditures and changes in fund balance general fund – budget and actual, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the management's discussion and analysis and the statement of revenues, expenditures and changes in fund balance general fund – budget and actual have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
- b) If the management's discussion and analysis and the statement of revenues, expenditures and changes in fund balance general fund – budget and actual is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

Signature: _____

Title: _____