

# Capital Trust Agency, Inc.

Thursday, August 11, 2022

8:00AM.

## Meeting of the Board of Directors

315 Fairpoint Drive  
Gulf Breeze, FL 32561

As Manager of CTA CDE, LLC and CTA CDE – Sub  
1,2,3,4,5

Meeting called by: Denis A. McKinnon, III

Type of meeting: Regular

Facilitator: Burt Snooks  
Chairman

Note Taker: Connie Beargie  
Office Administrator

Attendees: Burt Snooks (Chairman), Gary Michaels (Vice Chairman), Bob Cleveland (Secretary), Chris Kemp (Assistant Secretary), Harrison Wilder (Board Member), Deborah Roche (Board Member), Tom Naile (Board Member), Kareem Spratling (Bond Counsel), Michael Stebbins (Counsel), Samantha Abell (City Manager), and Denis McKinnon (Executive Director).

Please bring: Attached supplements

## Agenda

<u>Item:</u>	<u>Description:</u>	<u>Presenter:</u>
1.	Call to Order	Burt Snooks
2.	Approval of Minutes: 6-16-2022	Denis McKinnon, III
3.	Adjourn to Meet as the Capital Trust Agency Community Development Entity	Burt Snooks
4.	Call to Order as the Capital Trust Agency	Burt Snooks
5.	Approval of FYE 9-30-2022 Budget Amendment	Denis McKinnon, III
6.	Approval of FYE 9-30-2023 Budget	Denis McKinnon, III
7.	Bryant Miller Olive Conflict Waiver Letter	Denis McKinnon, III
8.	Adjourn	Burt Snooks

**MINUTES OF THE  
CAPITAL TRUST AGENCY, INC.**

The 224th meeting of the Capital Trust Agency, Inc., Gulf Breeze, Florida, was held at 315 Fairpoint Dr, Gulf Breeze, Florida and on Friday, May 27, 2022 at 8:00 a.m.

The following Board Members were present: Burt Snooks (Chairman), Bob Cleveland (Secretary), Chris Kemp (Assistant Secretary), Deborah Roche (Board Member), Tom Naile (Board Member) and Samantha Abell (City Manager). Also attending via Zoom telecommunications was Denis McKinnon (Executive Director), and Kareem Spratling (BMO).

**AGENDA ITEM:**

Approval of Minutes: 1/27/2022

**DISCUSSION:**

No discussion.

**MOTION/ACTION:**

**Tom Naile made a motion to approve the 1/27/2022 minutes as presented. Deborah Roche seconded. Vote for approval was 5-0.**

**AGENDA ITEM:**

Amending Resolution #02-22 – Marie Selby Botanical Gardens Amendment:  
Amendment to Loan Agreement and Trust Indenture

**DISCUSSION:**

Denis McKinnon stated that Marie Selby is performing exactly as expected. The purpose of this amendment to is to change the principal payment date from July 1<sup>st</sup> to June 15<sup>th</sup>. Kareem Spratling stated that changing this date will allow the Trustee to make the payment on June 15<sup>th</sup> instead of holding the money for an additional 15 days.

**MOTION/ACTION:**

**Gary Michaels made a motion to approve resolution 02-22. Chris Kemp seconded. Vote for approval was 5-0.**

**AGENDA ITEM:**

Bryant Miller Olive Engagement Letter

**DISCUSSION:**

Denis McKinnon announced the retirement of Mike Stebbins as CTA’s general counsel. Mike has served as general counsel for CTA since 2015.

Kareem Spratling with Bryant Miller Olive has been requested to replace Mike as CTA’s general counsel. Kareem will continue to serve as CTA’s bond counsel. Serving as general counsel and bond council to CTA will result in streamlined legal services and will provide a competitive advantage with other bond issuers who already have dual representation.

Chris Kemp asked what the financial impact will be with Kareem serving in this dual capacity. Denis McKinnon replied that the fees will increase as the hourly fee is higher, however, Kareem will be paid out of the cost of issuance, and not just the hourly rate.

Bob Cleveland asked if a conflict waiver will need to be signed with each project. Kareem responded that the option to enter into a conflict waiver will not be necessary unless BMO has an existing or historical relationship with another client.

Gary Michaels asked if the termination clause in the engagement letter is a two-way agreement between CTA and BMO. Kareem responded that the Florida Bar requires that the attorney client relationship cannot be abandoned, however if CTA would like to terminate, it can be done immediately with notification to BMO.

**MOTION/ACTION:**

**Bob Cleveland made a motion to approve the Bryant Miller Olive Engagement Letter. Deborah Roche seconded. Vote for approval was 5-0.**

No other formal business of the board was taken and the meeting adjourned at approximately 8:24 am.

Minutes submitted by: \_\_\_\_\_ Connie Beargie, Office Administrator

Approved by: \_\_\_\_\_ Burt Snooks, Chairman

**Capital Trust Agency - Community Development Entity LLC**

Proposed Budget FYE 9/30/2022

Revision Date 6/30/2022

	<b>Actual To 6/30/2022</b>	<b>Proposed Amended Budget 9/30/2022</b>	<b>Original Budget FYE 9/30/2022</b>	<b>Proposed Budget vs Original Budget 9/30/2022</b>
<b>INCOME</b>				
Interest Income	\$344	\$459	\$1,335	(\$876)
<b>TOTAL INCOME</b>	<b>\$344</b>	<b>\$459</b>	<b>\$1,335</b>	<b>(\$876)</b>
<b>EXPENSE</b>				
Legal	\$0	\$0	\$0	\$0
Professional Services	\$13,576	\$13,576	\$10,900	\$2,676
Accounting & Auditing	\$2,525	\$2,523	\$3,125	(\$603)
Education & Training	\$0	\$0	\$0	\$0
Bank Charges	\$459	\$611	\$2,010	(\$1,399)
Travel Expense	\$466	\$466	\$0	\$466
<b>TOTAL EXPENSE</b>	<b>\$17,026</b>	<b>\$17,176</b>	<b>\$16,035</b>	<b>\$1,141</b>
<b>NET INCOME</b>	<b>(\$16,682)</b>	<b>(\$16,717)</b>	<b>(\$14,700)</b>	<b>(\$2,017)</b>
Payment to CTA Authority	\$0	(\$500,000)	\$0	(\$500,000)
Transfer From Cash Reserves	\$16,679	\$516,717	\$14,700	\$502,017
<b>TOTAL INCOME</b>	<b>(\$3)</b>	<b>(\$0)</b>	<b>\$0</b>	<b>(\$0)</b>

**Capital Trust Agency - Community Development Entity LLC**

Proposed Budget FYE

9/30/2023

Revision 6/30/2022

	<b>Proposed Budget FYE 9/30/2023</b>	<b>Amended Budget FYE 6/30/2022</b>	<b>Proposed Budget vs Amended Budget 6/30/2022</b>
<b>INCOME</b>			
Interest Income	\$480	\$459	\$21
<b>TOTAL INCOME</b>	<b>\$480</b>	<b>\$459</b>	<b>\$21</b>
<b>EXPENSE</b>			
Legal	\$0	\$0	\$0
Professional Services	\$13,575	\$13,576	(\$1)
Accounting & Auditing	\$2,525	\$2,523	\$2
Education & Training	\$0	\$0	\$0
Bank Charges	\$900	\$611	\$289
Travel Expense	\$0	\$466	(\$466)
<b>TOTAL EXPENSE</b>	<b>\$17,000</b>	<b>\$17,176</b>	<b>(\$176)</b>
<b>NET INCOME</b>	<b>(\$16,520)</b>	<b>(\$16,717)</b>	<b>\$197</b>
Payment to CTA Authority	\$0	(\$500,000)	\$500,000
Transfer From Cash Reserves	\$16,520	\$516,717	(\$500,197)
<b>TOTAL INCOME</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Capital Trust Agency, Inc.**  
**Balance Sheet**  
As of June 30, 2022

	Jun 30, 22
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1011350 · CASH IN BANK/HANCOCK BANK	213,840.91
1011910 · HANCOCK BANK OF FLORIDA	2,977,517.42
1011950 · HANCOCK BANK - MM	210,502.36
<b>Total Checking/Savings</b>	3,401,860.69
<b>Accounts Receivable</b>	
1159001 · ACCOUNT RECEIVABLE	75,858.79
<b>Total Accounts Receivable</b>	75,858.79
<b>Other Current Assets</b>	
1159400 · PETTY CASH	250.00
<b>Total Other Current Assets</b>	250.00
<b>Total Current Assets</b>	3,477,969.48
<b>Other Assets</b>	
1519000 · INVESTMENT - CTA CDE	99.00
1519010 · UNDISTRIBUTED PTR INC CTA CDE	1,205,723.84
<b>Total Other Assets</b>	1,205,822.84
<b>TOTAL ASSETS</b>	<b>4,683,792.32</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
2020200 · ACCOUNTS PAYABLE	26,818.10
<b>Total Accounts Payable</b>	26,818.10
<b>Total Current Liabilities</b>	26,818.10
<b>Total Liabilities</b>	26,818.10
<b>Equity</b>	
2420000 · RETAINED EARNINGS	4,224,892.12
Net Income	432,082.10
<b>Total Equity</b>	4,656,974.22
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>4,683,792.32</b>

TO: Capital Trust Agency Board of Directors

FROM: Denis A. McKinnon, III

RE: 6-30-2022 Budget Amendment & FYE 9-30-2023 Budget  
CTA CDE 6-30-2022 Budget Amendment & FYE 9-30-2023 Budget

DATE: August 11, 2022

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Ladies and Gentlemen,

In keeping with recommendations made by the State Auditor General, CTA and CTA CDE will be periodically amending their respective budgets. In addition, the City is in the midst of budget preparations for the 2023 fiscal year beginning on October 1, 2022 and ending September 30, 2023. CTA staff will present budget amendments and new 2023 budgets for the Agency and the CDE.

The CTA CDE closed out its last New Markets Tax Credit transaction in 2018. Since then, the CDE has not conducted new business. However, in discussions with the City Manager and City staff, the CDE may have a useful purpose in the future for Gulf Breeze projects. I do not anticipate closing the CDE at this time; pending future developments within the City. The CDE's main expense comes from the audit and Directors and Officers Insurance. The CDE has approximately \$1,227,422.07 in cash. The budget amendment proposes paying the Capital Trust Authority (the "Authority") \$500,000 during the 2022 fiscal year to operate and meet expenses of the Authority. The 2023 budget does not anticipate additional expenses to be paid to the Authority.

In years past, Gulf Breeze Financial Services (GBFS), Capital Trust Agency (the "Agency") and the CDE have allocated portions of the expenses and overhead needed to operate the various entities. As of 2021, GBFS and the CDE had effectively discontinued operations and the Agency was the last to continue earning significant revenue. The 2022 budget for the 3 entities allocated 100% of the overhead to the Agency. That is expected to continue as the Agency continues to administer outstanding programs and bond deals. As the Authority builds its revenue and operations, overhead allocation will reflect that. For the 2022 and 2023 fiscal years, however, the Agency will continue to provide for the overhead of operating the various entities. An analyst position has been budgeted for the 2023 fiscal year.

The CTA budget amendment for 6-30-2022 reflects actual revenues and expenses to date as well as expected for the remaining 3 months of the fiscal year. This year, the CTA was able to meet the \$1,800,000 payment to the City to finish the City's Loop project, a legacy project of the Agency, and the \$1,000,000 paid to the City each year to the general fund. The 2023 budget anticipates a \$1,000,000 payment to the City. Agency staff expects \$372,980 will be pulled from reserves to meet expenses in 2023. The Agency has built a portfolio of projects that continues to make monthly payments and has grown significantly over the past 4 years. Through monthly payments, the Agency is expected to earn \$1,335,730 in revenue. This will be the highest anticipated budgeted revenue to date discounting anticipated origination fees no longer being collected by the Agency.

The Agency is poised for a successful 2023. We will continue to administer bonds outstanding and collect monthly payments from the many outstanding transactions. We will be able to pay the City \$1,000,000 this year. And as the Authority begins to ramp up operations, I expect the overhead burden will begin to shift to the Authority.

**Capital Trust Agency, Inc.**

FYE 9/30/2022

Revision 6/30/2022

	Actual to 6/30/2022	Proposed Amended Budget 9/30/2022	Original Budget FYE 9/30/2022	Proposed Budget vs Original Budget 9/30/2022
<b>INCOME</b>				
Interest Income	\$334	\$445	\$3,031	(\$2,586)
Application Fee Income	\$27,000	\$27,000	\$0	\$27,000
Reimbursement Fee Income	\$10,500	\$10,500	\$0	\$10,500
Origination Fee	\$1,078,782	\$1,078,782	\$400,000	\$678,782
CTA-CDE Partnership Income	(\$16,513)	(\$22,018)	\$0	(\$22,018)
Aeroterm - Miami 2004	\$10,841	\$14,454	\$15,813	(\$1,359)
Atlantic Housing Foundation	\$49,426	\$65,902	\$67,326	(\$1,424)
Stonybrook	\$12,076	\$16,101	\$16,400	(\$299)
Windsor Cove	\$11,250	\$15,000	\$15,000	\$0
Jacksonville Pool	\$28,477	\$37,969	\$38,736	(\$767)
Holley Navarre	\$9,000	\$12,000	\$12,000	\$0
Sarasota Fountain of Hope	\$0	\$0	\$29,980	(\$29,980)
River City Science	\$12,020	\$16,026	\$16,393	(\$367)
Tuscan Gardens	\$0	\$0	\$27,920	(\$27,920)
Glorietta LTD	\$11,778	\$15,705	\$20,263	(\$4,558)
Tapestry Tallahassee	\$23,777	\$31,702	\$27,600	\$4,102
Garden Gate	\$75,833	\$75,833	\$17,500	\$58,333
Estero 2017	\$0	\$0	\$7,500	(\$7,500)
Odyssey Charter School	\$11,633	\$15,510	\$15,510	\$0
Tapestry Walden	\$15,084	\$20,112	\$23,361	(\$3,249)
Mission Springs	\$29,279	\$29,279	\$22,694	\$6,585
Viera	\$22,332	\$29,777	\$29,775	\$2
Renaissance - 2017	\$17,816	\$23,754	\$24,269	(\$515)
Tuscan Palm Coast	\$26,265	\$35,020	\$35,020	\$0
Heather Glenn	\$2,190	\$2,190	\$13,140	(\$10,950)
Elim Senior Housing	\$17,905	\$23,873	\$23,873	(\$0)
St Johns Classical Academy	\$15,494	\$20,658	\$15,808	\$4,850
Aviva	\$18,000	\$24,000	\$24,000	\$0
Pineapple Cove	\$12,654	\$16,872	\$16,872	\$0
Seaside	\$11,250	\$15,000	\$15,000	\$0
Coral Gardens	\$11,250	\$15,000	\$15,000	\$0
Babcock Ranch	\$20,760	\$27,680	\$15,276	\$12,404
H-Bay Ministries	(\$4,076)	(\$5,434)	\$48,906	(\$54,340)
FIU University Bridge	\$67,774	\$90,365	\$91,056	(\$691)
Somerset Academy	\$11,250	\$15,000	\$15,000	\$0
Florida Charter Education Found	\$15,767	\$21,023	\$21,462	(\$439)
Provision Proton Therapy - Orlando	\$0	\$0	\$0	\$0
CAD High School	\$0	\$0	\$0	\$0
CAD Broward County	\$0	\$0	\$0	\$0



American Eagle	\$0	\$0	\$0	\$0
Pineapple Cove 2	\$16,837	\$22,449	\$22,449	\$0
Sawgrass	\$0	\$0	\$35,800	(\$35,800)
Sunshine Paragon	\$9,000	\$12,000	\$12,000	\$0
Renaissance - 2019	\$28,702	\$38,269	\$38,636	(\$367)
Treasure Coast	\$14,681	\$19,575	\$19,575	\$0
Advantage Academy	\$14,355	\$19,140	\$19,140	\$0
Odyssey 2019	\$5,625	\$7,500	\$7,500	\$0
Alura Senior Living	\$30,249	\$40,332	\$40,332	\$0
GW Real Estate LLC	\$20,000	\$20,000	\$18,263	\$1,737
Franklin Academies	\$33,249	\$44,333	\$44,333	(\$0)
Imagine Schools	\$12,746	\$16,995	\$16,995	\$0
LLT School	\$11,783	\$15,710	\$15,708	\$2
Liza Jackson School	\$11,897	\$15,863	\$15,864	(\$1)
Pepin Academy	\$11,250	\$15,000	\$15,000	\$0
Wonderful Foundation	\$23,872	\$31,829	\$70,764	(\$38,935)
Team Success Academy	\$11,950	\$15,933	\$15,000	\$933
South Tech	\$11,250	\$15,000	\$15,000	\$0
Lutz Preparatory School	\$11,250	\$15,000	\$15,000	\$0
Pineapple Cove WM	\$11,250	\$15,000	\$15,000	\$0
St John's Classical	\$0	\$0	\$20,640	(\$20,640)
Building Faith EGF	\$37,156	\$49,541	\$49,632	(\$91)
AcadeMir Charter West	\$6,535	\$8,713	\$3,750	\$4,963
Image North Manatee	\$12,750	\$17,000	\$15,000	\$2,000
Wonderful Foundation 2	\$13,616	\$18,155	\$18,204	(\$49)
Pineapple Cove Lockmar	\$11,250	\$15,000	\$0	\$15,000
Discovery Education Holdings	\$16,637	\$22,183	\$0	\$22,183
Kingdom Development WPB	\$19,484	\$25,979	\$0	\$25,979
Kingdom Kensington Villas	\$11,998	\$15,997	\$0	\$15,997
Marie Selby Botanical Gardens	\$9,483	\$12,644	\$0	\$12,644
Lake Osborne	\$9,911	\$13,214	\$0	\$13,214
Lake Worth	\$21,044	\$28,059	\$0	\$28,059
Tallahassee Classical School	\$7,500	\$10,000	\$0	\$10,000
New Springs	\$7,500	\$10,000	\$0	\$10,000
Legends Academy	\$7,500	\$10,000	\$0	\$10,000
Imagine Schools West Melbourne	\$7,231	\$9,642	\$0	\$9,642
<b>TOTAL INCOME</b>	<b>\$2,156,745</b>	<b>\$2,461,132</b>	<b>\$1,741,069</b>	<b>\$720,063</b>

**EXPENSE**

Contractual Staff	\$180,980	\$241,307	\$296,316	(\$55,009)
Century Interlocal	\$259,205	\$259,205	\$72,189	\$187,016
Legal	\$58,189	\$83,189	\$135,000	(\$51,811)
PreClosing Costs	\$0	\$0	\$0	\$0
Professional Services	\$119,299	\$162,936	\$162,936	\$0
Special Consultants	\$15,500	\$20,667	\$20,500	\$167
Accounting & Auditing	\$9,500	\$9,500	\$9,200	\$300
Bank Charges	\$760	\$1,013	\$0	\$1,013
Food and Travel	\$7,859	\$10,478	\$1,420	\$9,058
Telephone	\$5,104	\$6,806	\$1,502	\$5,304
Postage	\$481	\$642	\$839	(\$197)
Utilities	\$2,548	\$3,398	\$5,938	(\$2,540)
Repairs & Maintenance Bldg	\$3,351	\$14,468	\$7,800	\$6,668
Office Supplies	\$1,125	\$1,500	\$2,951	(\$1,451)
Operating Supplies	\$1,830	\$2,439	\$2,860	(\$421)
Office Expense	\$254	\$339	\$12,240	(\$11,901)
Membership & Subscription	\$4,227	\$5,637	\$6,139	(\$502)
Charitable Giving	\$14,450	\$30,000	\$30,000	\$0
<b>TOTAL EXPENSE</b>	<b>\$684,663</b>	<b>\$853,524</b>	<b>\$767,830</b>	<b>\$85,694</b>
<b>NET BEFORE OTHER INC &amp; EXP</b>	<b>\$1,472,082</b>	<b>\$1,607,609</b>	<b>\$973,239</b>	<b>\$634,370</b>
<b>Other Expenses</b>				
Charitable Education Fund	\$40,000	\$100,000	\$100,000	\$0
Scholarship Paid Out	\$0	\$0	\$0	\$0
Payment to City of Gulf Breeze	\$1,000,000	\$1,800,000	\$1,800,000	\$0
<b>NET BEFORE OTHER INCOME</b>	<b>\$432,082</b>	<b>(\$292,391)</b>	<b>(\$926,761)</b>	<b>\$634,370</b>
<b>Other Income</b>				
Transfer From Cash Reserves	(\$432,082)	\$292,391	\$926,761	(\$634,370)
<b>Net Income</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Capital Trust Agency, Inc.**

FYE 9/30/2023

Revision 6/30/2022

	<b>Proposed Budget FYE 9/30/2023</b>	<b>Amended Budget 6/30/2022</b>	<b>Proposed Budget vs Amended Budget 6/30/2022</b>
<b>INCOME</b>			
Interest Income	\$600	\$445	\$155
Application Fee Income	\$0	\$27,000	(\$27,000)
Reimbursement Fee Income	\$0	\$10,500	(\$10,500)
Origination Fee	\$0	\$1,078,782	(\$1,078,782)
CTA-CDE Partnership Income	\$0	(\$22,018)	\$22,018
Aeroterm - Miami 2004	\$14,454	\$14,454	\$0
Atlantic Housing Foundation	\$65,902	\$65,902	\$0
Stonybrook	\$16,000	\$16,101	(\$101)
Windsor Cove	\$15,000	\$15,000	\$0
Jacksonville Pool	\$38,736	\$37,969	\$767
Holley Navarre	\$12,000	\$12,000	\$0
Sarasota Fountain of Hope	\$0	\$0	\$0
River City Science	\$16,026	\$16,026	\$0
Tuscan Gardens	\$0	\$0	\$0
Glorietta LTD	\$20,184	\$15,705	\$4,479
Tapestry Tallahassee	\$31,560	\$31,702	(\$142)
Garden Gate	\$0	\$75,833	(\$75,833)
Estero 2017	\$0	\$0	\$0
Odyssey Charter School	\$15,510	\$15,510	\$0
Tapestry Walden	\$20,112	\$20,112	\$0
Mission Springs	\$0	\$29,279	(\$29,279)
Viera	\$29,777	\$29,777	\$0
Renaissance - 2017	\$23,612	\$23,754	(\$142)
Tuscan Palm Coast	\$35,020	\$35,020	\$0
Heather Glenn	\$0	\$2,190	(\$2,190)
Elim Senior Housing	\$23,873	\$23,873	\$0
St Johns Classical Academy	\$20,658	\$20,658	\$0
Aviva	\$24,000	\$24,000	\$0
Pineapple Cove	\$16,872	\$16,872	\$0
Seaside	\$15,000	\$15,000	\$0
Coral Gardens	\$15,000	\$15,000	\$0
Babcock Ranch	\$27,680	\$27,680	\$0
H-Bay Ministries	\$0	(\$5,434)	\$5,434
FIU University Bridge	\$90,120	\$90,365	(\$245)
Somerset Academy	\$15,000	\$15,000	\$0
Florida Charter Education Found	\$20,860	\$21,023	(\$163)
Provision Proton Therapy - Orlando	\$0	\$0	\$0
CAD High School	\$0	\$0	\$0

CAD Broward County	\$0	\$0	\$0
American Eagle	\$0	\$0	\$0
Pineapple Cove 2	\$22,449	\$22,449	\$0
Sawgrass	\$0	\$0	\$0
Sunshine Paragon	\$12,000	\$12,000	\$0
Renaissance - 2019	\$38,120	\$38,269	(\$149)
Treasure Coast	\$19,575	\$19,575	\$0
Advantage Academy	\$19,140	\$19,140	\$0
Odyssey 2019	\$7,500	\$7,500	\$0
Alura Senior Living	\$40,332	\$40,332	\$0
GW Real Estate LLC	\$15,000	\$20,000	(\$5,000)
Franklin Academies	\$44,333	\$44,333	\$0
Image Schools	\$16,995	\$16,995	\$0
LLT School	\$15,708	\$15,710	(\$2)
Liza Jackson School	\$15,864	\$15,863	\$1
Pepin Academy	\$15,000	\$15,000	\$0
Wonderful Foundation	\$34,836	\$31,829	\$3,007
Team Success Academy	\$15,000	\$15,933	(\$933)
South Tech	\$15,000	\$15,000	\$0
Lutz Preparatory School	\$15,000	\$15,000	\$0
Pineapple Cove WM	\$15,000	\$15,000	\$0
St John's Classical	\$0	\$0	\$0
Building Faith EGF	\$49,488	\$49,541	(\$53)
AcadeMir Charter West	\$6,535	\$8,713	(\$2,178)
Image North Manatee	\$18,000	\$17,000	\$1,000
Wonderful Foundation 2	\$17,940	\$18,155	(\$215)
Pineapple Cove Lockmar	\$15,000	\$15,000	\$0
Discovery Education Holdings	\$22,176	\$22,183	(\$7)
Kingdom Development WPB	\$38,964	\$25,979	\$12,985
Kingdom Kensington Villas	\$24,000	\$15,997	\$8,003
Marie Selby Botanical Gardens	\$18,960	\$12,644	\$6,316
Lake Osborne	\$19,824	\$13,214	\$6,610
Lake Worth	\$42,084	\$28,059	\$14,025
Tallahassee Classical School	\$15,000	\$10,000	\$5,000
New Springs	\$15,000	\$10,000	\$5,000
Legends Academy	\$15,000	\$10,000	\$5,000
Imagine Schools West Melbourne	\$17,352	\$9,642	\$7,710
TOTAL INCOME	\$1,335,730	\$2,461,132	(\$1,125,403)

**EXPENSE**

Contractual Staff	\$312,953	\$241,307	\$71,647
Century Interlocal	\$0	\$259,205	(\$259,205)
Legal	\$60,000	\$83,189	(\$23,189)
PreClosing Costs	\$0	\$0	\$0
Professional Services	\$162,936	\$162,936	(\$0)
Special Consultants	\$22,500	\$20,667	\$1,833
Accounting & Auditing	\$9,500	\$9,500	\$0
Bank Charges	\$1,200	\$1,013	\$187
Food and Travel	\$12,000	\$10,478	\$1,522
Telephone	\$7,200	\$6,806	\$394
Postage	\$720	\$642	\$78
Utilities	\$3,600	\$3,398	\$202
Repairs & Maintenance Bldg	\$15,000	\$14,468	\$532
Office Supplies	\$1,500	\$1,500	\$0
Operating Supplies	\$3,000	\$2,439	\$561
Office Expense	\$600	\$339	\$261
Membership & Subscription	\$6,000	\$5,637	\$363
Charitable Giving	\$30,000	\$30,000	\$0
<b>TOTAL EXPENSE</b>	<b>\$648,710</b>	<b>\$853,524</b>	<b>(\$204,814)</b>
<b>NET BEFORE OTHER INC &amp; EXP</b>	<b>\$687,020</b>	<b>\$1,607,609</b>	<b>(\$920,588)</b>
<b>Other Expenses</b>			
Charitable Education Fund	\$60,000	\$100,000	(\$40,000)
Scholarship Paid Out	\$0	\$0	\$0
Payment to City of Gulf Breeze	\$1,000,000	\$1,800,000	(\$800,000)
<b>NET BEFORE OTHER EXPENSES</b>	<b>\$1,060,000</b>	<b>\$1,900,000</b>	<b>(\$840,000)</b>
<b>Other Income</b>			
Transfer From Cash Reserves	\$372,980	\$292,391	\$80,589
<b>NET INCOME</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

May 24, 2022

Mr. Denis McKinnon, III  
Executive Director  
Capital Trust Agency  
315 Fairpoint Drive  
Gulf Breeze, Florida 32561

Re: Capital Trust Agency | Ongoing General Counsel Services, Special Issuer's  
Counsel Services and Issuer's Counsel Services

Dear Mr. McKinnon:

The purpose of this letter is to advise you of our fees and to describe the legal services we will perform as general counsel to the Capital Trust Agency (the "Agency") on various legal issues related to the Agency's business of issuing conduit revenue bonds (the "Bonds").

#### **SCOPE OF ENGAGEMENT**

As part of this engagement, as the Agency's general counsel, at the Agency's request, we expect to perform the following duties for the Agency:

- (1) perform various legal tasks for the Agency with respect to issues related to its primary mission of issuing and monitoring its outstanding Bonds, including providing ongoing counsel regarding compliance with applicable laws and the Agency's corporate documents ("Ongoing General Counsel Services");
- (2) review correspondence, requests and other documentation submitted to the Agency in connection with a request for certain action by the Agency in connection with outstanding Bonds ("Special Issuer's Counsel Services"); and
- (3) perform various legal tasks typical of issuer's counsel in connection with the issuance of new Bonds by the Agency, including: (a) drafting resolutions, interlocal agreements and TEFRA materials of the Agency and other governmental entities necessary to issue the Bonds, (b) reviewing, on behalf of the Agency, basic agreements governing the issuance of the Bonds, including trust indentures and loan agreements, and delivery of our opinion of issuer's counsel, (c) reviewing, on behalf of the Agency, the other documents necessary or appropriate to the

Mr. Denis McKinnon, III  
Capital Trust Agency  
May 24, 2022  
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authorization, issuance and delivery of the Bonds, and (d) reviewing, on behalf of the Agency, legal issues related to the structure of the Bond issue (collectively, "Issuer's Counsel Services").

We further understand that from time-to-time the Agency may request we undertake additional responsibilities, including legislative or legal updates, interacting with other attorneys or other professionals, and providing general guidance. These assignments would be undertaken on a case-by-case basis and considered Ongoing General Counsel Services.

### **ATTORNEY-CLIENT RELATIONSHIP**

In connection with the representations described herein, the Agency will be our client and an attorney client relationship will exist between the Agency and us. Subject to "CONFLICTS," below and notwithstanding which party is responsible for payment of our fee, in performing our services as general counsel, we will represent the interests of the Agency exclusively.

Throughout all of this, I will be your primary contact.

### **CONFLICTS**

The *Rules Regulating The Florida Bar* provide that common representation of multiple parties is permissible where the clients are generally aligned in interest, even though there is some difference in interest among them. We have disclosed to the Agency that we have, currently do and may in the future, serve as bond, disclosure or other counsel to other local governments, or otherwise act as counsel to underwriters, investment banks and commercial banks on public finance matters. In particular, we currently serve as bond counsel to the City of Gulf Breeze, Florida and the City of Quincy, Florida. In addition, from time to time, we may represent the firms which may underwrite the Agency's bonds, notes or other obligations (and other financial institutions hired by the Agency) in connection with financings for other governmental entities on unrelated matters. This representation is standard and customary within the industry and we can effectively represent the Agency, and the discharge of our professional responsibilities to the Agency will not be prejudiced as a result. This is true because such engagement will be sufficiently different and because the potential for such prejudice is remote and minor and outweighed by the consideration that it is unlikely that advice given to the other client will be relevant in any respect to the subject matter. The Agency expressly consents to such other representations consistent with the circumstances herein described. The Agency acknowledges and agrees that our role hereunder is not likely to create or cause any actual conflict with the Agency and will not *per se* be construed as a conflict or be objectionable to the Agency. However, the Agency reserves the right to identify a

representation that it finds objectionable in the future, in which case we agree to take appropriate steps to resolve the issue. The Agency also acknowledges that this waiver shall apply to separate engagements of the firm for our services as bond counsel or special counsel to the Agency on specific public finance transactions.

### FEES

Based upon: (i) the duties we will undertake pursuant to this engagement letter; (ii) the time we anticipate devoting to assisting in these matters; and (iii) the responsibilities we will assume, our fees will be as follows:

- (1) **Ongoing General Counsel Services:** In connection with the provision of Ongoing General Counsel Services, our fee will be an hourly rate of \$400 per hour for shareholders and of-counsel attorneys, \$300 per hour for associates and public finance professionals, \$250 per hour for paralegals and lobbyists, and \$150 per hour for law clerks and legal assistants (the "Hourly Fees");
- (2) **Special Issuer's Counsel Services:** In connection with the provision of Special Issuer's Counsel Services, at the option of the Agency, our fee will be either: (i) the Hourly Fees, or (ii) a flat fee, payable by either the Agency, the conduit borrower or the entity necessitating or requesting the provision of such Special Issuer's Counsel Services. In connection with the foregoing (ii), our fees for any requested representation will be agreed upon by the Agency and Bryant Miller Olive P.A. ("BMO"), in writing, at the time such representation is undertaken; and
- (3) **Issuer's Counsel Services:** In connection with the provision of Issuer's Counsel Services, our fees for any requested representation will be agreed upon by the Agency and BMO, in writing, at the time such representation is undertaken. Unless expressly agreed upon by the Agency and BMO, our fee will be payable by the conduit borrower.

In addition, we will expect the party responsible for the payment of our fee to reimburse us for all reasonable client charges made or incurred in connection with this engagement, such as travel costs, photocopying, deliveries, document printing charges, long distance telephone charges, telecopier charges, filing fees, computer-assisted research, binding of transcripts, and other expenses. Unless otherwise agreed upon by BMO and the Agency at the time the work is undertaken, with respect to Hourly Fees, we will invoice the Agency on a monthly basis. Although we generally have a policy of requiring an advance fee deposit, we have determined, based on our relationship with the Agency, that no initial deposit will be required.



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If, for any reason our services are terminated, we will expect to be promptly compensated for time expended on this transaction at the hourly rates described above, plus client charges.

#### **TERMINATION**

If, for any reason, our representation is no longer necessary or desirable, please advise us and our services will be considered terminated; we will expect to be compensated for time expended on your behalf to such date, plus client charges, as described above.

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**EXECUTION**

This letter is being sent to you electronically (.pdf file). If the foregoing terms are acceptable to you, please so indicate by returning the enclosed copy of this Engagement Letter dated and signed by an authorized officer to [kspratling@bmolaw.com](mailto:kspratling@bmolaw.com). We look forward to working with you.

BRYANT MILLER OLIVE P.A.



Kareem J. Spratling, Shareholder

**Accepted and Approved:**

CAPITAL TRUST AGENCY

By: \_\_\_\_\_  
Name: Denis McKinnon, III  
Title: Executive Director  
Date: \_\_\_\_\_, 2022

[Signature Page | Engagement Letter]