

**Tison's Landing  
Community Development District**

**ANNUAL FINANCIAL REPORT**

**September 30, 2020**

**Tison's Landing Community Development District**

**ANNUAL FINANCIAL REPORT**

**September 30, 2020**

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## REPORT OF INDEPENDENT AUDITORS

To the Board of Supervisors  
Tison's Landing Community Development District  
Jacksonville, Florida

### Report on the Financial Statements

We have audited the accompanying basic financial statements of the Tison's Landing Community Development District as of and for the year ended September 30, 2020, as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Fort Pierce / Stuart

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To the Board of Supervisors  
Tison's Landing Community Development District

## Opinion

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund as of September 30, 2020, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Governmental accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by *Governmental Accounting Standards Board* who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures in accordance with governmental auditing standards generally accepted in the United States of America, which consisted principally of inquires of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated March 16, 2021 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts.

The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tison's Landing Community Development District's internal control over financial reporting and compliance.



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

March 16, 2021

**Tison's Landing Community Development District**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended September 30, 2020**

Management's discussion and analysis of Tison's Landing Community Development District's (the "District") financial performance provides an objective and easily readable analysis of the District's financial activities. The analysis provides summary financial information for the District and should be read in conjunction with the District's financial statements.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

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

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

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

**Tison's Landing Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2020**

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

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

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

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

**Financial Highlights**

The following are the highlights of the financial activity for the year ended September 30, 2020.

- ◆ The District's total assets and deferred outflows of resources exceeded total liabilities by \$6,801,806 (net position). Unrestricted net position for Governmental Activities was \$195,946. Restricted net position-debt service was \$18,042. Net investment in capital assets was \$6,587,818.
- ◆ Governmental activities revenues totaled \$925,087 while governmental activities expenses totaled \$1,086,948.

**Tison's Landing Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2020**

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

**Financial Analysis of the District**

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

**Net Position**

|                                                    | <b>Governmental Activities</b> |              |
|----------------------------------------------------|--------------------------------|--------------|
|                                                    | <b>2020</b>                    | <b>2019</b>  |
| Current assets                                     | \$ 226,357                     | \$ 137,574   |
| Restricted assets                                  | 276,862                        | 464,434      |
| Capital assets                                     | 11,109,970                     | 11,410,123   |
| Total Assets                                       | 11,613,189                     | 12,012,131   |
| Deferred outflows of resources                     | 22,481                         | 23,817       |
| Current liabilities                                | 318,599                        | 313,782      |
| Non-current liabilities                            | 4,515,265                      | 4,758,499    |
| Total Liabilities                                  | 4,833,864                      | 5,072,281    |
| Net position - net investment<br>in capital assets | 6,587,818                      | 6,657,056    |
| Net position - restricted                          | 18,042                         | 64,098       |
| Net position - unrestricted                        | 195,946                        | 242,513      |
| Total Net Position                                 | \$ 6,801,806                   | \$ 6,963,667 |

The increase in current assets and the decrease in restricted assets is primarily related to the transfer between certain investments.

The decrease in total liabilities is related primarily to the current year principal payments.

The decrease in restricted net position is related to the reserve requirements for debt service funded by debt proceeds.

**Tison's Landing Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2020**

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

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

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

**Financial Activity**

|                                  | <b>Governmental Activities</b> |                     |
|----------------------------------|--------------------------------|---------------------|
|                                  | <b>2020</b>                    | <b>2019</b>         |
| Program Revenues                 |                                |                     |
| Charges for services             | \$ 910,969                     | \$ 920,511          |
| General Revenues                 |                                |                     |
| Miscellaneous revenues           | 6,427                          | 6,972               |
| Investment earnings              | 7,691                          | 17,593              |
| Total Revenues                   | <u>925,087</u>                 | <u>945,076</u>      |
| Expenses                         |                                |                     |
| General government               | 111,384                        | 111,596             |
| Physical environment             | 426,087                        | 429,604             |
| Culture/Recreation               | 379,401                        | 313,505             |
| Interest on long-term debt       | 170,076                        | 176,016             |
| Total Expenses                   | <u>1,086,948</u>               | <u>1,030,721</u>    |
| Change in Net Position           | (161,861)                      | (85,645)            |
| Net Position - Beginning of Year | <u>6,963,667</u>               | <u>7,049,312</u>    |
| Net Position - End of Year       | <u>\$ 6,801,806</u>            | <u>\$ 6,963,667</u> |

The increase in culture/recreation expenses is related to additional facility staff and maintenance expenses in the current year.



**Tison's Landing Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2020**

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

**Capital Assets Activity**

The following schedule provides a summary of the District's capital assets activity as of September 30, 2020 and 2019:

| Description              | Governmental Activities |               |
|--------------------------|-------------------------|---------------|
|                          | 2020                    | 2019          |
| Capital Assets           |                         |               |
| Land and improvements    | \$ 5,607,329            | \$ 5,607,329  |
| Buildings                | 3,909,381               | 3,909,381     |
| Infrastructure           | 5,688,380               | 5,688,380     |
| Equipment                | 314,572                 | 231,978       |
| Accumulated depreciation | (4,409,692)             | (4,026,945)   |
| Capital Assets, Net      | \$ 11,109,970           | \$ 11,410,123 |

Depreciation was \$382,747 and additions to equipment were \$82,594 in the current year.

**General Fund Budgetary Highlights**

Actual expenditures exceeded budgeted expenditures primarily due to higher legal and water expenses than were anticipated.

The September 30, 2020 budget was amended for additional capital outlay, security and amenity management expenditures.

**Debt Management**

Governmental Activities debt includes the following:

- ◆ In August 2016, the District issued \$4,520,000 Series 2016A-1 Senior Special Assessment Revenue Refunding and Improvement Bonds and \$1,135,000 2016A-2 Subordinate Special Assessment Revenue Refunding and Improvement Bonds. These bonds were issued to refund and redeem the 2005A Bonds and to finance improvements within the District. As of September 30, 2020, the outstanding balance of the Series 2016A-1 and Series 2016A-2 were \$3,815,000 and \$950,000, respectively.

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

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

**Tison's Landing Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2020**

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

**Request for Information**

The financial report is designed to provide a general overview of Tison's Landing Community Development District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Tison's Landing Community Development District, Governmental Management Services, 475 West Town Place, Suite 114, St. Augustine, FL 32092.

**Tison's Landing Community Development District**  
**STATEMENT OF NET POSITION**  
**September 30, 2020**

|                                          | <b>Governmental<br/>Activities</b> |
|------------------------------------------|------------------------------------|
| <b>ASSETS</b>                            |                                    |
| Current Assets:                          |                                    |
| Cash and cash equivalents                | \$ 32,859                          |
| Investment                               | 162,104                            |
| Prepaid expenses                         | 27,192                             |
| Deposits                                 | 4,202                              |
| Total Current Assets                     | 226,357                            |
| Non-current Assets:                      |                                    |
| Restricted assets:                       |                                    |
| Investments                              | 276,862                            |
| Capital assets not being depreciated     |                                    |
| Land and improvements                    | 5,607,329                          |
| Capital assets being depreciated         |                                    |
| Buildings                                | 3,909,381                          |
| Infrastructure                           | 5,688,380                          |
| Equipment                                | 314,572                            |
| Accumulated depreciation                 | (4,409,692)                        |
| Total Non-current Assets                 | 11,386,832                         |
| Total Assets                             | 11,613,189                         |
| <br><b>DEFERRED OUTLOWS OF RESOURCES</b> |                                    |
| Deferred amount on refunding             | 22,481                             |
| <br><b>LIABILITIES</b>                   |                                    |
| Current Liabilities:                     |                                    |
| Accounts payable                         | 30,411                             |
| Accrued interest payable                 | 68,188                             |
| Bonds payable                            | 220,000                            |
| Total Current Liabilities                | 318,599                            |
| Non-current Liabilities:                 |                                    |
| Bonds payable, net                       | 4,515,265                          |
| Total Liabilities                        | 4,833,864                          |
| <br><b>NET POSITION</b>                  |                                    |
| Net investment in capital assets         | 6,587,818                          |
| Restricted-debt service                  | 18,042                             |
| Unrestricted                             | 195,946                            |
| Total Net Position                       | \$ 6,801,806                       |

*See accompanying notes to financial statements.*

**Tison's Landing Community Development District**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2020**

| <u>Functions/Programs</u>     | <u>Expenses</u>       | <u>Program<br/>Revenues<br/>Charges for<br/>Services</u> | <u>Net (Expense)<br/>Revenues and<br/>Changes in<br/>Governmental<br/>Activities</u> |
|-------------------------------|-----------------------|----------------------------------------------------------|--------------------------------------------------------------------------------------|
| <b>Primary government</b>     |                       |                                                          |                                                                                      |
| Governmental Activities       |                       |                                                          |                                                                                      |
| General government            | \$ (111,384)          | \$ 110,057                                               | \$ (1,327)                                                                           |
| Physical environment          | (426,087)             | 233,656                                                  | (192,431)                                                                            |
| Culture/Recreation            | (379,401)             | 184,047                                                  | (195,354)                                                                            |
| Interest and other charges    | (170,076)             | 383,209                                                  | 213,133                                                                              |
| Total Governmental Activities | <u>\$ (1,086,948)</u> | <u>\$ 910,969</u>                                        | <u>(175,979)</u>                                                                     |
| <br>                          |                       |                                                          |                                                                                      |
| <b>General revenues:</b>      |                       |                                                          |                                                                                      |
|                               |                       |                                                          | 6,427                                                                                |
|                               |                       |                                                          | 7,691                                                                                |
|                               |                       |                                                          | <u>14,118</u>                                                                        |
| <br>                          |                       |                                                          |                                                                                      |
|                               |                       |                                                          | (161,861)                                                                            |
| <br>                          |                       |                                                          |                                                                                      |
|                               |                       |                                                          | 6,963,667                                                                            |
|                               |                       |                                                          | <u>\$ 6,801,806</u>                                                                  |

See accompanying notes to financial statements.

**Tison's Landing Community Development District**  
**BALANCE SHEET –**  
**GOVERNMENTAL FUNDS**  
**September 30, 2020**

| <b>ASSETS</b>                            | <u>General</u>    | <u>Debt<br/>Service</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|------------------------------------------|-------------------|-------------------------|-----------------------------------------|
| Cash and cash equivalents                | \$ 32,859         | \$ -                    | \$ 32,859                               |
| Investment                               | 162,104           | -                       | 162,104                                 |
| Prepaid expenses                         | 27,192            | -                       | 27,192                                  |
| Deposits                                 | 4,202             | -                       | 4,202                                   |
| Restricted assets:                       |                   |                         |                                         |
| Restricted investments                   | -                 | 276,862                 | 276,862                                 |
| Total Assets                             | <u>\$ 226,357</u> | <u>\$ 276,862</u>       | <u>\$ 503,219</u>                       |
| <br><b>LIABILITIES AND FUND BALANCES</b> |                   |                         |                                         |
| <br>LIABILITIES                          |                   |                         |                                         |
| Accounts payable                         | <u>\$ 30,411</u>  | <u>\$ -</u>             | <u>\$ 30,411</u>                        |
| <br>FUND BALANCES                        |                   |                         |                                         |
| Nonspendable-prepays/deposits            | 31,394            | -                       | 31,394                                  |
| Restricted for:                          |                   |                         |                                         |
| Debt service                             | -                 | 276,862                 | 276,862                                 |
| Assigned for capital projects            | 143,874           | -                       | 143,874                                 |
| Unassigned                               | 20,678            | -                       | 20,678                                  |
| Total Fund Balances                      | <u>195,946</u>    | <u>276,862</u>          | <u>472,808</u>                          |
| Total Liabilities and Fund Balances      | <u>\$ 226,357</u> | <u>\$ 276,862</u>       | <u>\$ 503,219</u>                       |

*See accompanying notes to financial statements.*

**Tison's Landing Community Development District**  
**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES**  
**TO NET POSITION OF GOVERNMENTAL ACTIVITIES**  
**September 30, 2020**

|                                                                                                                                                                                                                                                                                                                         |    |                         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|-------------------------|
| Total Governmental Fund Balances                                                                                                                                                                                                                                                                                        | \$ | 472,808                 |
| Amounts reported for governmental activities in the Statement of Net Position are different because:                                                                                                                                                                                                                    |    |                         |
| Capital assets, land and improvements (\$5,607,329), buildings (\$3,909,381) infrastructure (\$5,688,380) and equipment (\$314,572) net of accumulated depreciation (\$4,409,692)) used in governmental activities are not current financial resources; and therefore, are not reported at the governmental fund level. |    | 11,109,970              |
| Deferred amounts on refunding are not current financial uses, and therefore, are not recognized at the fund level. At the government-wide level they are reflected as a deferred outflow of resources.                                                                                                                  |    | 22,481                  |
| Long-term liabilities, including bonds payable (\$4,765,000)), net of bond discount, net (\$29,735) are not due and payable in the current period; therefore, are not reported at the governmental fund level.                                                                                                          |    | (4,735,265)             |
| Accrued interest expense for long-term debt is not a current financial use; therefore, it is not reported at the governmental fund level.                                                                                                                                                                               |    | <u>(68,188)</u>         |
| Net Position of Governmental Activities                                                                                                                                                                                                                                                                                 | \$ | <u><u>6,801,806</u></u> |

*See accompanying notes to financial statements.*

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

|                                              | General           | Debt<br>Service   | Capital<br>Projects | Total<br>Governmental<br>Funds |
|----------------------------------------------|-------------------|-------------------|---------------------|--------------------------------|
| Revenues                                     |                   |                   |                     |                                |
| Special assessments                          | \$ 527,760        | \$ 383,209        | \$ -                | \$ 910,969                     |
| Miscellaneous revenues                       | 6,427             | -                 | -                   | 6,427                          |
| Investment earnings                          | 4,244             | 3,197             | 250                 | 7,691                          |
| Total Revenues                               | <u>538,431</u>    | <u>386,406</u>    | <u>250</u>          | <u>925,087</u>                 |
| Expenditures                                 |                   |                   |                     |                                |
| Current                                      |                   |                   |                     |                                |
| General government                           | 111,384           | -                 | -                   | 111,384                        |
| Physical environment                         | 236,474           | -                 | -                   | 236,474                        |
| Culture/recreation                           | 186,267           | -                 | -                   | 186,267                        |
| Capital outlay                               | 50,873            | -                 | 31,721              | 82,594                         |
| Debt service                                 |                   |                   |                     |                                |
| Principal                                    | -                 | 235,000           | -                   | 235,000                        |
| Interest                                     | -                 | 169,547           | -                   | 169,547                        |
| Total Expenditures                           | <u>584,998</u>    | <u>404,547</u>    | <u>31,721</u>       | <u>1,021,266</u>               |
| Excess of Revenues over/(under) Expenditures | <u>(46,567)</u>   | <u>(18,141)</u>   | <u>(31,471)</u>     | <u>(96,179)</u>                |
| Other Financing Sources/(Uses)               |                   |                   |                     |                                |
| Transfers in                                 | -                 | 3                 | 1,572               | 1,575                          |
| Transfers out                                | -                 | (1,572)           | (3)                 | (1,575)                        |
| Total Other Financing Sources/(Uses)         | <u>-</u>          | <u>(1,569)</u>    | <u>1,569</u>        | <u>-</u>                       |
| Net Change in Fund Balances                  | (46,567)          | (19,710)          | (29,902)            | (96,179)                       |
| Fund Balances - October 1, 2019              | <u>242,513</u>    | <u>296,572</u>    | <u>29,902</u>       | <u>568,987</u>                 |
| Fund Balances - September 30, 2020           | <u>\$ 195,946</u> | <u>\$ 276,862</u> | <u>\$ -</u>         | <u>\$ 472,808</u>              |

See accompanying notes to financial statements.

**Tison's Landing Community Development District**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2020**

Net Change in Fund Balances - Total Governmental Funds \$ (96,179)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays (\$82,594) as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation (\$(382,747)). This is the net amount in the current year. (300,153)

Payment of long-term liabilities are reported as expenditures in the governmental fund statement but such repayments reduce long-term liabilities in the Statement of Net Position. 235,000

Amortization expense of bond discounts and deferred amount on refunding does not require the use of current resources and therefore is not reported at the governmental funds level. This is the amount of amortization in the current period. (3,102)

In the Statement of Activities, interest is accrued on outstanding bonds; whereas at governmental funds level, interest expenditures are reported when due. This is the change in accrued interest from the prior year. 2,573

Change in Net Position of Governmental Activities \$ (161,861)

*See accompanying notes to financial statements.*



**Tison's Landing Community Development District  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –  
GENERAL FUND**

**For the Year Ended September 30, 2020**

|                                    | <u>Original<br/>Budget</u> | <u>Final<br/>Budget</u> | <u>Actual</u>     | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|------------------------------------|----------------------------|-------------------------|-------------------|-------------------------------------------------------------------|
| Revenues                           |                            |                         |                   |                                                                   |
| Special assessments                | \$ 527,464                 | \$ 527,464              | \$ 527,760        | \$ 296                                                            |
| Miscellaneous revenues             | 5,000                      | 5,000                   | 6,427             | 1,427                                                             |
| Interest earnings                  | 4,500                      | 7,000                   | 4,244             | (2,756)                                                           |
| Total Revenues                     | <u>536,964</u>             | <u>539,464</u>          | <u>538,431</u>    | <u>(1,033)</u>                                                    |
| Expenditures                       |                            |                         |                   |                                                                   |
| Current                            |                            |                         |                   |                                                                   |
| General government                 | 102,306                    | 101,654                 | 111,384           | (9,730)                                                           |
| Physical environment               | 236,258                    | 228,826                 | 236,474           | (7,648)                                                           |
| Culture/recreation                 | 107,840                    | 185,784                 | 186,267           | (483)                                                             |
| Capital outlay                     | -                          | 50,000                  | 50,873            | (873)                                                             |
| Total Expenditures                 | <u>446,404</u>             | <u>566,264</u>          | <u>584,998</u>    | <u>(18,734)</u>                                                   |
| Net Change in Fund Balances        | 90,560                     | (26,800)                | (46,567)          | (19,767)                                                          |
| Fund Balances - October 1, 2019    | <u>105,862</u>             | <u>143,874</u>          | <u>242,513</u>    | <u>98,639</u>                                                     |
| Fund Balances - September 30, 2020 | <u>\$ 196,422</u>          | <u>\$ 117,074</u>       | <u>\$ 195,946</u> | <u>\$ 78,872</u>                                                  |

*See accompanying notes to financial statements.*

**Tison's Landing Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2020**

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

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

**1. Reporting Entity**

The District was established on August 23, 2005, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes and City of Jacksonville Ordinance 2005-841. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of the infrastructure necessary for community development within its jurisdiction. The District is authorized to issue bonds for the purpose, among others, of financing, funding, planning, establishing, acquiring, constructing or re-constructing, enlarging or extending, equipping, operating and maintaining water management, bridges or culverts, district roads, landscaping, street lights and other basic infrastructure projects within or without the boundaries of the Tison's Landing Community Development District. The District is governed by a five-member Board of Supervisors who are elected on an at-large basis by landowners within the District. The District operates within the criteria established by Chapter 190.

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

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

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

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

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

**Tison's Landing Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2020**

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

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

**a. Government-wide Financial Statements**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Government-wide financial statements report all non-fiduciary information about the reporting government as a whole. These statements include all the governmental activities of the primary government. The effect of interfund activity has been removed from these statements.

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

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

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

**b. Fund Financial Statements**

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

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

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

**Tison's Landing Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2020**

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

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

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

**Governmental Funds**

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

The District has various policies governing the fund balance classifications.

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

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

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

**Unassigned Fund Balance** – This classification is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

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

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

**Tison's Landing Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2020**

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

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

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

**Governmental Funds (Continued)**

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

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

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

Debt service expenditures are recorded only when payment is due.

**3. Basis of Presentation**

**a. Governmental Major Funds**

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

Debt Service Fund – Accounts for debt service requirements to retire the capital improvement bonds which were used to finance the construction of District infrastructure improvements.

Capital Projects Fund – Accounts for the remaining construction funds and the Board assigned capital reserves.

**Tison's Landing Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2020**

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

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

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

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

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

**a. Cash and Investments**

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

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

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

**b. Restricted Assets**

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

**Tison's Landing Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2020**

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

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

**c. Capital Assets**

Capital assets, which include land improvements, buildings and improvements, improvements other than buildings, and equipment are reported in governmental activities.

The District defines capital assets as assets with an initial, individual cost of \$750 or more and an estimated useful life in excess of one year. The valuation basis for all assets is historical cost.

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

Depreciation of capital assets is computed and recorded by utilizing the straight-line method over the assets' estimated useful lives ranging from 3 to 39 years.

**d. Bond Discounts**

Bond discounts are amortized over the life of the bonds.

**e. Deferred Amount on Refunding**

Deferred costs of refunding associated with the issuance of refunding bonds are presented on the financial statements as deferred outflows of resources and amortized over the life of the bonds using the straight-line method.

**f. Budgets**

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

**g. Net Position**

Net position represents the difference between assets and liabilities and is reported in three categories. Net investment in capital assets, represents capital assets, net of accumulated depreciation and any outstanding debt related to those assets. Net position is reported as restricted when there are legal limitations imposed on their use by legislation, or external restrictions imposed by other governments, creditors, or grantors. Unrestricted net position is assets that do not meet definitions of the classifications previously described.

**Tison's Landing Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2020**

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

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

“Total fund balances” of the District’s governmental funds, \$472,808, differs from “net position” of governmental activities, \$6,801,806, reported in the Statement of Net Position. This difference primarily results from the long-term economic focus of the Statement of Net position versus the current financial resources focus of the Governmental Fund Balance Sheet. The effect of the differences is illustrated below.

**Capital related items**

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

|                          |                      |
|--------------------------|----------------------|
| Land and improvements    | \$ 5,607,329         |
| Buildings                | 3,909,381            |
| Infrastructure           | 5,688,380            |
| Equipment                | 314,572              |
| Accumulated depreciation | <u>(4,409,692)</u>   |
| Net Capital Assets       | <u>\$ 11,109,970</u> |

**Long-term debt transactions**

Long-term liabilities and the deferred amount on refunding applicable to the District’s governmental activities are not current uses or resources and accordingly are not reported at the fund level. All uses and resources (both current and long-term) are reported in the Statement of Net Position. Balances at September 30, 2020 were:

|                              |                       |
|------------------------------|-----------------------|
| Bonds payable                | \$ (4,765,000)        |
| Bond discount, net           | 29,735                |
| Total                        | <u>\$ (4,735,265)</u> |
| Deferred amount on refunding | <u>\$ 22,481</u>      |

**Accrued interest**

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

|                  |                    |
|------------------|--------------------|
| Accrued interest | <u>\$ (68,188)</u> |
|------------------|--------------------|



**Tison's Landing Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2020**

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

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

The “net change in fund balances” for government funds, \$(96,179), differs from the “change in net position” for governmental activities, \$(161,861), reported in the Statement of Activities. The differences arise primarily from the long-term economic focus of the Statement of Activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

**Capital related items**

When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the Statement of Activities, the costs of those assets are allocated over their estimated useful lives as depreciation. The loss on disposal of capital assets is recognized at the government-wide level. The following is the amount of depreciation, loss on disposal and capital additions in the current year.

|                |                     |
|----------------|---------------------|
| Depreciation   | \$ (382,747)        |
| Capital outlay | <u>82,594</u>       |
| Total          | <u>\$ (300,153)</u> |

**Long-term debt transactions**

Repayment of long-term liabilities are reported as expenditures in the governmental fund statements, but such repayments reduce liabilities in the Statement of Net Position and are eliminated in the Statement of Activities.

|                         |                   |
|-------------------------|-------------------|
| Debt principal payments | <u>\$ 235,000</u> |
|-------------------------|-------------------|

Amortization expense of the bond discount and deferred amount on refunding does not require the use of current resources and therefore is not reported in the governmental funds.

|                                                                   |                   |
|-------------------------------------------------------------------|-------------------|
| Amortization of bond discount and<br>deferred amount on refunding | <u>\$ (3,102)</u> |
|-------------------------------------------------------------------|-------------------|

Some expenses reported in the Statement of Activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds.

|                                    |                 |
|------------------------------------|-----------------|
| Change in accrued interest payable | <u>\$ 2,573</u> |
|------------------------------------|-----------------|

**Tison's Landing Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2020**

**NOTE C – CASH AND INVESTMENTS**

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

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District follows the provisions of Chapter 280, Florida Statutes regarding deposits and investments to manage custodial credit risk. The District maintains all deposits in a qualified public depository, so that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes. As of September 30, 2020, the District's bank balance was \$42,334 and the carrying value was \$32,859.

As of September 30, 2020, the District had the following investments and maturities:

| Investment                                | Maturities | Fair Value |
|-------------------------------------------|------------|------------|
| SBA Local Government Surplus Funds        | 48 Days*   | \$ 162,104 |
| First American Government Obligation Fund | 44 Days*   | 276,862    |
| Total                                     |            | \$ 438,966 |

\* Weighted Average Maturity

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

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

Based on the criteria in the preceding paragraph, the investment in First American Government Obligation Fund is a Level 1 asset.

Investments

The District's investment policy allows management to invest funds in investments permitted under Section 218.415, Florida Statutes. Among other investments, the policy allows the District to invest in the State Board of Administration Local Government Surplus Trust Funds.

**Tison's Landing Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2020**

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

Investments (Continued)

Cash placed with the State Board of Administration represents the District's participation in the Local Government Surplus Trust Funds Investment Pool and is reported at fair value. As a pool participant the District invests in pools of investments in which shares are owned in the pool rather than the underlying investments.

Interest Rate Risk

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

Credit Risk

The District's investments in treasury funds, commercial paper, and government loans are limited by state statutory requirements and bond compliance. The District has no investment policy that would further limit its investment choices. As of September 30, 2020, the District's investment in SBA Local Government Surplus Fund and First American Government Obligation were rated AAAM by Standard & Poor's.

Concentration of Credit Risk

The District places no limit on the amount it may invest. The investments in First American Government Obligation Fund represent 63% and the investments in SBA Government Surplus Fund represents 37% of the District's total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2020 were typical of these items during the fiscal year then ended. The District considers any decline in fair value for certain investments to be temporary.

**NOTE D – SPECIAL ASSESSMENT REVENUES**

Assessments are non-ad valorem assessments on benefitted property within the District. Operating and Maintenance Assessments are based upon adopted general fund budget and levied annually. Debt Service Assessments are levied when bonds are issued and collected annually. The District may collect assessments directly or utilize the uniform method of collection (Chapter 197.3632, Florida Statutes). Direct collected assessments are due as determined by annual assessment resolution adopted by the Board of Supervisors. Assessments collected under the uniform method are mailed by County Tax Collector on November 1 and due on or before March 31 of each year.

Assessments and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

**Tison's Landing Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2020**

**NOTE E – CAPITAL ASSETS**

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

|                                         | Balance<br>October 1,<br>2019 | Additions           | Deletions   | Balance<br>September 30,<br>2020 |
|-----------------------------------------|-------------------------------|---------------------|-------------|----------------------------------|
| <u>Governmental Activities:</u>         |                               |                     |             |                                  |
| Capital assets, not being depreciated   |                               |                     |             |                                  |
| Land and improvements                   | \$ 5,607,329                  | \$ -                | \$ -        | \$ 5,607,329                     |
| Capital assets, being depreciated:      |                               |                     |             |                                  |
| Buildings                               | 3,909,381                     | -                   | -           | 3,909,381                        |
| Infrastructure                          | 5,688,380                     | -                   | -           | 5,688,380                        |
| Equipment                               | 231,978                       | 82,594              | -           | 314,572                          |
| Total Capital Assets, Depreciated       | <u>9,829,739</u>              | <u>82,594</u>       | <u>-</u>    | <u>9,912,333</u>                 |
| Less accumulated depreciation for:      |                               |                     |             |                                  |
| Building                                | (1,864,149)                   | (163,612)           | -           | (2,027,761)                      |
| Infrastructure                          | (2,063,652)                   | (189,613)           | -           | (2,253,265)                      |
| Equipment                               | (99,144)                      | (29,522)            | -           | (128,666)                        |
| Total Accumulated Depreciation          | <u>(4,026,945)</u>            | <u>(382,747)</u>    | <u>-</u>    | <u>(4,409,692)</u>               |
| Total Capital Assets Depreciated, Net   | <u>5,802,794</u>              | <u>(300,153)</u>    | <u>-</u>    | <u>5,502,641</u>                 |
| Governmental Activities, Capital Assets | <u>\$ 11,410,123</u>          | <u>\$ (300,153)</u> | <u>\$ -</u> | <u>\$ 11,109,970</u>             |

Depreciation of \$382,747 was charged to culture/recreation (\$193,134), and physical environment (\$189,613).

**Tison's Landing Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2020**

**NOTE F – LONG-TERM DEBT**

The following is a summary of debt activity for the District for the year ended September 30, 2020:

|                                | Balance<br>October 1,<br>2019 | Additions   | Deletions           | Balance<br>September 30,<br>2020 |
|--------------------------------|-------------------------------|-------------|---------------------|----------------------------------|
| <u>Governmental Activities</u> |                               |             |                     |                                  |
| Bonds payable:                 |                               |             |                     |                                  |
| Series 2016                    | \$ 5,000,000                  | \$ -        | \$ (235,000)        | \$ 4,765,000                     |
| Less: Bond discount, net       | <u>(31,501)</u>               | <u>-</u>    | <u>1,766</u>        | <u>(29,735)</u>                  |
| Bonds Payable, net             | <u>\$ 4,968,499</u>           | <u>\$ -</u> | <u>\$ (233,234)</u> | <u>\$ 4,735,265</u>              |

Long-term debt for Governmental Activities is comprised of the following:

Special Assessment Revenue Refunding and Improvement Bonds

\$4,520,000 Series 2016A-1 Senior Special Assessment Revenue Refunding and Improvement Bonds due in annual principal installments maturing May 2037. Interest is due semi-annually on May 1 and November 1, at various rates between 2% and 3.6%. Current portion is \$180,000. \$ 3,815,000

\$1,135,000 Series 2016A-2 Subordinate Special Assessment Revenue Refunding and Improvement Bonds due in annual principal installments maturing May 2037. Interest is due semi-annually on May 1 and November 1 with a fixed interest rate of 4.7%. Current portion is \$40,000. 950,000

Bond payable 4,765,000

Bond discount, net (29,735)

Bonds Payable, Net \$ 4,735,265

**Tison's Landing Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2020**

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

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

| <u>Year Ending<br/>September 30,</u> | <u>Principal</u>    | <u>Interest</u>     | <u>Total</u>        |
|--------------------------------------|---------------------|---------------------|---------------------|
| 2021                                 | \$ 220,000          | \$ 163,651          | \$ 383,651          |
| 2022                                 | 220,000             | 158,171             | 378,171             |
| 2023                                 | 225,000             | 152,691             | 377,691             |
| 2024                                 | 235,000             | 146,741             | 381,741             |
| 2025                                 | 240,000             | 140,066             | 380,066             |
| 2026-2030                            | 1,315,000           | 579,611             | 1,894,611           |
| 2031-2035                            | 1,590,000           | 323,339             | 1,913,339           |
| 2036-2037                            | 720,000             | 41,826              | 761,826             |
| Totals                               | <u>\$ 4,765,000</u> | <u>\$ 1,706,096</u> | <u>\$ 6,471,096</u> |

Summary of Significant Bond Resolution Terms and Covenants

**Special Assessment Revenue Refunding and Improvement Bonds**

Significant Bond Provisions

The Series 2016 Senior and Subordinate Bonds are subject to redemption at the option of the District prior to their maturity, in whole or in part, at any time after May 1, 2026 at a redemption price equal to the principal amount of the Series 2016 Senior and Subordinate Bonds to be redeemed, together with accrued interest to the date of redemption. The Series 2016 Senior and Subordinate Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Trust Indenture.

The Trust Indenture established certain amounts be maintained in a reserve account. In addition, the Trust Indenture has certain restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements.

**Tison's Landing Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2020**

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

Depository Funds

The bond resolution establishes certain funds and determines the order in which revenues are to be deposited into these funds. A description of the significant funds, including their purposes, is as follows:

Reserve Fund – The Series 2016A-1 and Series 2016A-2 Reserve Accounts were funded from the proceeds of the Series 2016A-1 and Series 2016A-2 Bonds in amounts equal to 50 percent of the maximum annual debt outstanding for Series 2016A-1 and Series 2016A-2 Bonds. Monies held in the reserve accounts will be used only for the purposes established in the Trust Indenture.

The following is a schedule of required reserve deposits as of September 30, 2020:

|                                                                | <u>Balance</u> | <u>Requirement</u> |
|----------------------------------------------------------------|----------------|--------------------|
| Senior Special Assessment Refunding Bonds, Series 2016A-1      | \$ 149,251     | \$ 148,777         |
| Subordinate Special Assessment Refunding Bonds, Series 2016A-2 | \$ 42,220      | \$ 41,855          |

**NOTE G – RISK MANAGEMENT**

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



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

To the Board of Supervisors  
Tison's Landing Community Development District  
Jacksonville, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Tison's Landing Community Development District, as of and for the year ended September 30, 2020, and the related notes to the financial statements, and have issued our report thereon dated March 16, 2021.

### **Internal Control Over Financial Reporting**

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

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

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



To the Board of Supervisors  
Tison's Landing Community Development District

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Tison's Landing Community Development District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

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



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

March 16, 2021



# Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

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## MANAGEMENT LETTER

To the Board of Supervisors  
Tison's Landing Community Development District  
Jacksonville, Florida

### Report on the Financial Statements

We have audited the financial statements of the Tison's Landing Community Development District as of and for the year ended September 30, 2020, and have issued our report thereon dated March 16, 2021.

### Auditor's Responsibility

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

### Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and our Independent Auditor's Report on an examination conducted in accordance with *AICPA Professionals Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 16, 2021, should be considered in conjunction with this management letter.

### Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings or recommendations in the preceding audit.

### Financial Condition and Management

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

To the Board of Supervisors  
Tison's Landing Community Development District

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for Tison's Landing Community Development District. It is management's responsibility to monitor the Tison's Landing Community Development District's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same as of September 30, 2020.

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

#### **Additional Matters**

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did note the following finding.

#### 2020-01

Finding: The General Fund actual expenditures exceeded the budget for the year ended September 30, 2020 which is in violation of Section 189.016, Florida Statutes.

Response: Management will review current year spending to ensure that expenditures do not exceed budgeted appropriations.

#### **Purpose of this Letter**

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

*Berger Toombs Elam  
Gaines + Frank*

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

March 16, 2021



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

To the Board of Supervisors  
Tison's Landing Community Development District  
Jacksonville, Florida

We have examined Tison's Landing Community Development District's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2020. Management is responsible for Tison's Landing Community Development District's compliance with those requirements. Our responsibility is to express an opinion on Tison's Landing Community Development District's compliance based on our examination.

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

In our opinion, Tison's Landing Community Development District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2020.

*Berger Toombs Elam  
Gaines & Frank*

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

March 16, 2021