

**Easton Park Community  
Development District**

**ANNUAL FINANCIAL REPORT**

**September 30, 2017**

**Easton Park Community Development District**

**ANNUAL FINANCIAL REPORT**

**Fiscal Year Ended September 30, 2017**

TABLE OF CONTENTS

	<u>Page Number</u>
REPORT OF INDEPENDENT AUDITORS	1-2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3-8
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements	
Statement of Net Position	9
Statement of Activities	10
Fund Financial Statements:	
Balance Sheet – Governmental Funds	11
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	12
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	13
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	14
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	15
Notes to Financial Statements	16-28
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 <i>GOVERNMENT AUDITING STANDARDS</i>	29-30
MANAGEMENT LETTER	31-32
INDEPENDENT ACCOUNTANT'S REPORT/COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES	33



# Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue  
Suite 200  
Fort Pierce, Florida 34950

772/461-6120 // 461-1155  
FAX: 772/468-9278

## **Report of Independent Auditors**

To the Board of Supervisors  
Easton Park Community Development District  
Tampa, Florida

### **Report on the Financial Statements**

We have audited the accompanying basic financial statements of Easton Park Community Development District as of and for the year ended September 30, 2017, 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 audits. We conducted our audits 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.



To the Board of Supervisors  
Easton Park Community Development District

### Opinion

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of Easton Park Community Development District as of September 30, 2017, 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 to the required supplementary information in accordance with governmental auditing standards generally accepted in the United States of America, which consisted principally of inquires of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated June 14, 2018 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 Easton Park Community Development District's internal control over financial reporting and compliance.

*Berger Toombs Elam  
Gaines & Frank*

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

June 14, 2018

**Easton Park Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2017**

Management's discussion and analysis of Easton Park Community Development District's (the "District") financial performance provides an objective and easily readable analysis of the District's financial activities for the fiscal year ended September 30, 2017. The analysis provides summary financial information for the District and should be read in conjunction with the District's financial statements.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

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

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

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

**Easton Park Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2017**

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

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

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

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

**Financial Highlights**

The following are the highlights of financial activity for the year ended September 30, 2017.

- ◆ The District's total assets were exceeded by total liabilities by \$(823,944) (net position). Unrestricted net position for Governmental Activities was \$(2,602,550). Net investment in capital assets was \$1,747,237 and restricted net position was \$31,369.
- ◆ Governmental activities revenues and debt forgiveness totaled \$1,135,282 while governmental activities expenses totaled \$ 1,215,843.

**Easton Park Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2017**

**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>2017</b>	<b>2016</b>
Current assets	\$ 184,099	\$ 186,581
Restricted assets	228,220	565,809
Capital assets	4,625,479	4,929,613
Total Assets	<u>5,037,798</u>	<u>5,682,003</u>
Deferred amount on refunding	<u>163,940</u>	<u>-</u>
Current liabilities	330,682	302,877
Non-current liabilities	5,695,000	6,122,509
Total Liabilities	<u>6,025,682</u>	<u>6,425,386</u>
Net Position		
Net investment in capital assets	1,747,237	1,834,875
Restricted	31,369	48,229
Unrestricted	<u>(2,602,550)</u>	<u>(2,626,487)</u>
Total Net Position	<u>\$ (823,944)</u>	<u>\$ (743,383)</u>

The decrease in capital assets and net investment in capital assets is primarily the result of depreciation in the current year.

The decrease in restricted cash and long-term liabilities is related to the bond refunding in the current year.

**Easton Park Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2017**

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

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

The following schedule provides a summary of the changes in net position of the District and is presented by category for comparison purposes. It is not intended to be a complete presentation of District-wide financial activity.

**Change in Net Position**

	<b>Governmental Activities</b>	
	<u>2017</u>	<u>2016</u>
Program Revenues		
Charges for services	\$ 973,101	\$ 980,299
General Revenues		
Investment earnings	2,112	1,354
Total Revenues	<u>975,213</u>	<u>981,653</u>
Expenses		
General government	102,369	92,163
Physical environment	718,253	738,353
Interest on long-term debt	395,221	314,196
Total Expenses	<u>1,215,843</u>	<u>1,144,712</u>
Debt forgiveness	160,069	-
Change in Net Position	(80,561)	(163,059)
Net Position - Beginning of Year	<u>(743,383)</u>	<u>(580,324)</u>
Net Position - End of Year	<u>\$ (823,944)</u>	<u>\$ (743,383)</u>

The increase in forgiveness of debt was related to the pay off of the developer advance in the current year.

The increase in interest on long-term debt is related to the refunding of the bond in the current year.

**Easton Park Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2017**

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

**Capital Assets Activity**

The following schedule provides a summary of the District's capital assets as of September 30, 2017 and 2016.

<u>Description</u>	<b>Governmental Activities</b>	
	<u>2017</u>	<u>2016</u>
Infrastructure	\$ 7,532,206	\$ 7,532,206
Equipment	14,230	14,230
Accumulated depreciation	<u>(2,920,957)</u>	<u>(2,616,823)</u>
Total Capital Assets (Net)	<u>\$ 4,625,479</u>	<u>\$ 4,929,613</u>

The activity for the year consisted of \$304,134 in depreciation.

**General Fund Budgetary Highlights**

Actual expenditures were less than budgeted amounts primarily because maintenance and contingency expenditures was less than expected.

The budget was amended for supervisor fees, streetlights, aquatic maintenance and legal fees that were greater than originally expected.

**Debt Management**

Governmental Activities debt includes the following:

- ◆ In March 2007, the District issued \$7,105,000 Series 2007 Special Assessment Bonds. These bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. Many of those improvements have been conveyed to other governments. The bonds were refunded and paid off during the current year.

The developer advanced the District certain monies that the District has agreed to reimburse the Developer when and if funds become available from debt service funds as the reserve requirement is reduced. The District reached an agreement with the developer and the outstanding balance was retired.

**Easton Park Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2017**

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

**Debt Management (Continued)**

In February 2017, the District issued \$5,905,000 Capital Improvement Revenue Refunding Bonds, Series 2017. The bonds were issued to refund and retire the Series 2007 Special Assessment Bonds. The balance outstanding at September 30, 2017 was \$5,905,000.

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

The District does not anticipate any major changes for 2018.

**Request for Information**

The financial report is designed to provide a general overview of Easton Park 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 Easton Park Community Development District, 12750 Citrus Park Lane, Ste 115, Tampa, FL 33625.

**Easton Park Community Development District**  
**STATEMENT OF NET POSITION**  
**September 30, 2017**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Current Assets	
Cash	\$ 165,464
Accounts receivable	4,159
Assessments receivable	1,905
Prepaid expenses	9,836
Deposits	2,735
Total Current Assets	184,099
Non-current Assets	
Restricted assets	
Investments	228,220
Capital assets	
Assets being depreciated	
Infrastructure	7,532,206
Equipment	14,230
Less: accumulated depreciation	(2,920,957)
Total Non-current Assets	4,853,699
Total Assets	5,037,798
 <b>DEFERRED OUTFLOWS</b>	
Deferred amount on refunding, net	163,940
 <b>LIABILITIES</b>	
Current Liabilities	
Accounts payable and accrued expenses	34,567
Accrued interest	86,115
Bonds payable - current portion	210,000
Total Current Liabilities	330,682
Non-current Liabilities	
Bonds payable	5,695,000
Total Liabilities	6,025,682
 <b>NET POSITION</b>	
Net investment in capital assets	1,747,237
Restricted for debt service	31,369
Unrestricted	(2,602,550)
Total Net Position	\$ (823,944)

*See accompanying notes to financial statements.*

**Easton Park Community Development District**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2017**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues Charges for Services</u>	<u>Net (Expense) Revenues and Changes in Net Position Governmental Activities</u>
Governmental Activities			
General government	\$ (102,369)	\$ 97,617	\$ (4,752)
Physical environment	(718,253)	394,897	(323,356)
Interest on long-term debt	(395,221)	480,587	85,366
Total Governmental Activities	<u>\$ (1,215,843)</u>	<u>\$ 973,101</u>	<u>(242,742)</u>
 <b>General revenues:</b>			
Investment earnings			<u>2,112</u>
Debt forgiveness			<u>160,069</u>
			(80,561)
			<u>(743,383)</u>
			<u>\$ (823,944)</u>

*See accompanying notes to financial statements.*

**Easton Park Community Development District**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**September 30, 2017**

ASSETS	General	Debt Service	Total Governmental Funds
Cash	\$ 165,464	\$ -	\$ 165,464
Due from other funds	-	12,132	12,132
Accounts receivable	4,159	-	4,159
Assessments receivable	964	941	1,905
Prepaid items	9,836	-	9,836
Deposits	2,735	-	2,735
Restricted assets			
Investments, at fair value	-	228,220	228,220
Total Assets	\$ 183,158	\$ 241,293	\$ 424,451
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	\$ 34,567	\$ -	\$ 34,567
Due to other funds	12,132	-	12,132
Total Liabilities	46,699	-	46,699
<b>FUND BALANCES</b>			
Nonspendable			
Prepays/deposits	12,571	-	12,571
Restricted			
Debt service	-	241,293	241,293
Unassigned	123,888	-	123,888
Total Fund Balances	136,459	241,293	377,752
Total Liabilities and Fund Balances	\$ 183,158	\$ 241,293	\$ 424,451

*See accompanying notes to financial statements.*

**Easton Park Community Development District**  
**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES**  
**TO NET POSITION OF GOVERNMENTAL ACTIVITIES**  
**September 30, 2017**

Total Governmental Fund Balances	\$	377,752
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets being depreciated, infrastructure, \$7,532,206 ,and equipment, \$14,230, net of accumulated depreciation, \$(2,920,957), used in governmental activities are not financial resources and; therefore, are not reported in the funds.		4,625,479
Deferred outflows of resources for refunding debt, \$170,219 net of accumulated amortization, \$(6,279), are not current financial resources and therefore, are recognized at the government-wide level.		163,940
Long-term liabilities, bonds payable, are not payable in the current period and therefore, are not reported at the fund level.		(5,905,000)
Accrued interest expense for long-term debt is not a financial use, and therefore, is not reported in the funds.		<u>(86,115)</u>
Net Position of Governmental Activities	\$	<u><u>(823,944)</u></u>

*See accompanying notes to financial statements.*

**Easton Park Community Development District**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS**  
**September 30, 2017**

	General	Debt Service	Capital Projects	Total Governmental Funds
Revenues				
Special assessments	\$ 492,514	\$ 480,587	\$ -	\$ 973,101
Investment earnings	594	1,499	19	2,112
Total Revenues	<u>493,108</u>	<u>482,086</u>	<u>19</u>	<u>975,213</u>
Expenditures				
Current				
General government	102,369	-	-	102,369
Physical environment	414,119	-	-	414,119
Debt service				
Principal	-	5,970,000	176,675	6,146,675
Interest	-	351,965	-	351,965
Other debt service costs	-	225,113	-	225,113
Total Expenditures	<u>516,488</u>	<u>6,547,078</u>	<u>176,675</u>	<u>7,240,241</u>
Excess/(deficiency) of revenues over/(under) expenditures	(23,380)	(6,064,992)	(176,656)	(6,265,028)
Other Financing Sources(Uses)				
Issuance of long term debt	-	5,905,000	-	5,905,000
Transfers in	-	-	176,201	176,201
Transfers out	-	(176,201)	-	(176,201)
Total Other Financing Sources (Uses)	<u>-</u>	<u>5,728,799</u>	<u>176,201</u>	<u>5,905,000</u>
Net change in fund balances	(23,380)	(336,193)	(455)	(360,028)
Fund Balances - October 1, 2016	<u>159,839</u>	<u>577,486</u>	<u>455</u>	<u>737,780</u>
Fund Balances - September 30, 2017	<u>\$ 136,459</u>	<u>\$ 241,293</u>	<u>\$ -</u>	<u>\$ 377,752</u>

See accompanying notes to financial statements.

**Easton Park 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, 2017**

Net Change in Fund Balances - Total Governmental Funds \$ (360,028)

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

Governmental funds report capital outlays as expenditures, however in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation. This is the amount of depreciation in the current period. (304,134)

The issuance of long-term debt is reported as an other financing source at the fund level. At the government-wide level it increase liabilities. This is the amount of long-term debt issued in the current year. (5,905,000)

Deferred outflows of resources for refunding debt is recognized as other debt service costs at the fund level. At the government-wide level it is a deferred outflow of resources and is amortized as interest expense. This is the net amount of change in the current year. 163,940

Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 6,146,675

The forgiveness of a portion of the developer advance did not utilize current financial resources, so it was not reflected at the fund level. The forgiveness did reduce the long-term liability so the amount forgiven was recognized at the government-wide level. 160,069

Amortization of bond discount reported in the Statement of Activities does not require use of current financial resources and therefore, is not reported as an expenditure at the fund level. (24,235)

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, interest expenditures are reported when due. This is the net amount between the prior year and the current year accruals. 42,152

Change in Net Position of Governmental Activities \$ (80,561)

*See accompanying notes to financial statements.*

**Easton Park Community Development District**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**For the Year Ended September 30, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues				
Special assessments	\$ 480,738	\$ 480,738	\$ 492,514	\$ 11,776
Investment earnings	-	-	594	594
Total Revenues	<u>480,738</u>	<u>480,738</u>	<u>493,108</u>	<u>12,370</u>
Expenditures				
Current				
General government	93,062	102,880	102,369	511
Physical environment	<u>406,566</u>	<u>422,120</u>	<u>414,119</u>	<u>8,001</u>
Total Expenditures	<u>499,628</u>	<u>525,000</u>	<u>516,488</u>	<u>8,512</u>
Net change in fund balances	(18,890)	(44,262)	(23,380)	20,882
Fund Balances - October 1, 2016	<u>18,890</u>	<u>44,262</u>	<u>159,839</u>	<u>115,577</u>
Fund Balances - September 30, 2017	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 136,459</u></u>	<u><u>\$ 136,459</u></u>

*See accompanying notes to financial statements.*

**Easton Park Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2017**

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

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

**1. Reporting Entity**

The District was established on June 1, 2006 by Ordinance No. 2006-13 of the City Of Tampa, Florida, under the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), as a Community Development District. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of the infrastructure necessary for community development within its jurisdiction. The District is governed by a five-member Board of Supervisors, three are elected on an at-large basis by the landowners of the District and two are elected on an at-large basis by qualified electors that reside within the District. The District operates within the criteria established by Chapter 190. The Board has the responsibility for allocating and levying assessments, approving budgets, exercising control over facilities and properties, controlling the use of funds generated by the District, approving the hiring and firing of key personnel, and financing improvements.

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

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

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

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

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

**Easton Park Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2017**

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

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

**a. Government-wide Financial Statements**

Government-wide financial statements report all non-fiduciary information about the reporting government as a whole. These statements include the governmental activities of the primary government. The effect of interfund activity has been removed from these statements.

Governmental activities are supported by special assessments and interest. 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.

**Easton Park Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2017**

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

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

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

**Governmental Funds**

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

The District has various policies governing the fund balance classifications.

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

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

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

**Unassigned Fund Balance** – This classification is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. Unassigned fund balance is considered to be utilized first when expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

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

**Easton Park Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2017**

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

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

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

**Governmental Funds (Continued)**

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

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

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

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

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

Debt service expenditures are recorded only when payment is due.

**3. Basis of Presentation**

**a. Governmental Major Funds**

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

**Easton Park Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2017**

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

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

**a. Governmental Major Funds (Continued)**

Debt Service Fund – Accounts for debt service requirements to retire certain capital improvement revenue bonds which were used to finance the construction of District infrastructure improvements and finance certain additional improvements. The bond series is secured by a pledge of debt service special assessment revenues in any fiscal year related to the improvements. A lien is placed on all benefited land in relationship to the debt outstanding.

Capital Projects Fund – The Capital Project Fund accounts for construction of infrastructure improvements within the boundaries of the district, which is funded by bond proceeds. The Capital Projects Fund was discontinued during the current year.

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

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

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

**a. Cash and Investments**

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

**Easton Park Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2017**

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

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

**a. Cash and Investments (Continued)**

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

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

Cash equivalents include time deposits and certificates of deposit with original maturities of three months or less and held in a qualified public depository as defined by Florida Statute 280.02.

**b. Receivables and Payables**

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds”. Any residual balances outstanding between the governmental activities and business-type activities are reported as “internal balances”.

**c. Restricted Net Position**

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

**d. Capital Assets**

Capital assets, which include land and infrastructure, are reported in the applicable governmental activities column.

The District defines capital assets as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of two years. 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.

**Easton Park Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2017**

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

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

**d. Capital Assets (Continued)**

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation of capital assets is computed and recorded by utilizing the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows:

Infrastructure and improvements	25 years
---------------------------------	----------

**e. Unamortized Bond Discounts**

Bond discounts associated with the issuance of revenue bonds are amortized according to the straight line method of accounting. For financial reporting, unamortized bond discounts are netted against the applicable long-term debt.

**f. Budgets**

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

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

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

“Total fund balances” of the District’s governmental funds, \$377,752, differs from “net position” of governmental activities, \$(823,944), 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.

**Easton Park Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2017**

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

**1. Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position (Continued)**

**Capital related items**

When capital assets (land, infrastructure and improvements that are to be used in governmental activities) are purchased or constructed, the cost of those assets is reported as expenditures in governmental funds. However, the statement of net position included those capital assets among the assets of the District as a whole.

Infrastructure	\$ 7,532,206
Equipment	14,230
Accumulated depreciation	<u>(2,920,957)</u>
Total	<u>\$ 4,625,479</u>

**Deferred outflows of resources**

Deferred outflows of resources are not current financial resources and therefore, are not reported at the fund level.

Deferred amount on refunding	<u>\$ 163,940</u>
------------------------------	-------------------

**Long-term debt transactions**

Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the statement of net position. Balances at September 30, 2017 were:

Bonds payable	<u>\$ (5,905,000)</u>
---------------	-----------------------

**Accrued interest**

Accrued liabilities in the statement of net position differ from the amount reported in governmental funds due to accrued interest on bonds.

Accrued interest on bonds payable	<u>\$ (86,115)</u>
-----------------------------------	--------------------

**Easton Park Community Development District  
 NOTES TO FINANCIAL STATEMENTS  
 September 30, 2017**

**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, \$(360,028), differs from the “change in net position” for governmental activities, \$(80,561), 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 is allocated over their estimated useful lives and reported as depreciation. As a result, fund balances decrease by the amount of financial resources expended, whereas net position decrease by the amount of depreciation charged for the year.

Depreciation	\$ <u>(304,134)</u>
--------------	---------------------

**Long-term debt transactions**

Repayments of long-term debt are reported as an expenditure in the governmental funds and, thus, have the effect of reducing fund balance because current financial resources have been used.

Issuance of long-term debt	\$ (5,905,000)
Debt principal payments	6,146,675
Debt forgiveness	160,069
Deferred amount on refunding	163,940
Amortization of bond discount	<u>(24,235)</u>
Total	<u>\$ 541,449</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.

Net change in accrued interest payable	\$ <u>42,152</u>
--	------------------

**Easton Park Community Development District  
 NOTES TO FINANCIAL STATEMENTS  
 September 30, 2017**

**NOTE C – CASH AND INVESTMENTS**

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

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk, however, they follow the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2017, the District's bank balance was \$176,259 and carrying value was \$165,464. Exposure to custodial credit risk was as follows. The District maintains all deposits in a qualified public depository in accordance with the provisions of Chapter 280, Florida Statutes, which means that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes.

As of September 30, 2017, the District had the following investments and maturities:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
Federated Government Obligation	35 days*	<u>\$228,220</u>

\*Maturity is a weighted maturity.

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

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

The investment listed above is a level 1 asset.

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.

**Easton Park Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2017**

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

Credit Risk

The District's investments in government loans are limited by state statutory requirements and bond compliance. The District has no investment policy that would further limit its investment choices. As of September 30, 2017, the District's investment in the Federated Government Obligation was rated AAAM by Standard & Poor's.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one fund. The investment in the Federated Government Obligation is 100% of the District's total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2017 were typical of these items during the fiscal year then ended. The District considers any decline in fair value for certain investments to be temporary.

**NOTE D – SPECIAL ASSESSMENT REVENUES**

Special assessment revenues recognized for the 2016-2017 fiscal year were levied in October 2016. All taxes certified to the County's Tax Collector are due and payable on November 1, and certified to the County's Tax Collector. Per Section 197.162, Florida Statutes discounts are allowed for early payment at the rate of 4% in November, 3% in December, 2% in January, and 1% in February. Taxes paid in March are without discount.

**NOTE E – CAPITAL ASSETS**

Capital Asset activity for the year ended September 30, 2017 was as follows:

	October 1, 2016	Additions	Disposals	September 30, 2017
<u>Governmental Activities:</u>				
Capital assets, being depreciated:				
Infrastructure	\$ 7,532,206	\$ -	\$ -	\$ 7,532,206
Equipment	14,230	-	-	14,230
Total Capital Assets Depreciated	<u>7,546,436</u>	<u>-</u>	<u>-</u>	<u>7,546,436</u>
Less accumulated depreciation for:				
Infrastructure	(2,611,842)	(301,288)	-	(2,913,130)
Equipment	(4,981)	(2,846)	-	(7,827)
Total Accumulated Depreciation	<u>(2,616,823)</u>	<u>(304,134)</u>	<u>-</u>	<u>(2,920,957)</u>
Governmental Activities Capital Assets	<u>\$ 4,929,613</u>	<u>\$ (304,134)</u>	<u>\$ -</u>	<u>\$ 4,625,479</u>

Depreciation of \$304,134 was charged to physical environment.

**Easton Park Community Development District  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2017**

**NOTE F – LONG-TERM DEBT**

The following is a summary of activity for long-term debt of the District for the year ended September 30, 2017:

	Balance October 1, 2016	Additions	Deletions	Balance September 30, 2017	Due Within One Year
Special Assessment Bonds, Series 2007	\$ 5,920,000	\$ -	\$ 5,920,000	\$ -	\$ -
Special Assessment Bonds, Series 2007, Bond Discount	(24,235)	-	(24,235)	-	-
Capital Improvement Revenue Refunding Bond, Series 2017	-	5,905,000		5,905,000	210,000
Developer Advance	386,744	-	386,744	-	-
Total	<u>\$ 6,282,509</u>	<u>\$ 5,905,000</u>	<u>\$ 6,282,509</u>	<u>\$ 5,905,000</u>	<u>\$ 210,000</u>

Long-term debt is comprised of the following:

**Special Assessment Bonds**

\$5,905,000 Series 2017 Capital Improvement Revenue Refunding Bonds due in annual principal installments beginning May 2018, maturing in May 2037. Interest at a rate of 3.5% is due May 1 and November 1 beginning May 2018.

\$ 5,905,000

The annual requirements to amortize the principal and interest of bonded debt outstanding as of September 30, 2017 are as follows:

Year Ending September 30,	Principal	Interest	Total
2018	\$ 210,000	\$ 206,675	\$ 416,675
2019	215,000	199,325	414,325
2020	220,000	191,800	411,800
2021	230,000	184,100	414,100
2022	240,000	176,050	416,050
2023-2027	1,325,000	749,000	2,074,000
2028-2032	1,580,000	499,625	2,079,625
2033-2037	1,885,000	202,650	2,087,650
Totals	<u>\$ 5,905,000</u>	<u>\$ 2,409,225</u>	<u>\$ 8,314,225</u>

**Easton Park Community Development District  
 NOTES TO FINANCIAL STATEMENTS  
 September 30, 2017**

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

Summary of Significant Bonds Resolution Terms and Covenants

The bond resolution and the trust indenture provide for the establishment of certain accounts. The accounts include a construction, revenue, redemption, reserve, interest and prepayment account and are maintained by a trustee.

The bond indenture provides for Debt Service Reserve Funds, which shall be held by the Trustee separate and apart from all other funds. The following is a schedule of reserve requirements and balances in the reserve accounts at September 30, 2017:

	Reserve Balance	Reserve Requirement
Series 2017	\$ 123,900	\$ 123,900

**NOTE G – MANAGEMENT COMPANY**

The District has contracted with a management company to perform management services, which include financial and accounting services. Certain employees of the management company also serve as officers of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, computer and other administrative costs.

**NOTE H – 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. The District filed one claim of approximately \$17,223 under this commercial coverage during the last three years.



Berger, Toombs, Elam,  
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue  
Suite 200  
Fort Pierce, Florida 34950

772/461-6120 // 461-1155  
FAX: 772/468-9278

**INDEPENDENT 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  
Easton Park Community Development District  
Tampa, 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 Easton Park Community Development District, as of and for the year ended September 30, 2017, and the related notes to the financial statements, and have issued our report thereon dated June 14, 2018.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Easton Park Community Development District's internal control over financial reporting to determine the 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 Easton Park Community Development District's internal control. Accordingly, we do not express an opinion on the effectiveness of Easton Park Community Development District's internal control over financial reporting.

*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 over financial reporting 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.



Board of Supervisors  
Easton Park Community Development District

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Easton Park 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  
Fort Pierce, Florida

June 14, 2018



# Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue  
Suite 200  
Fort Pierce, Florida 34950

772/461-6120 // 461-1155  
FAX: 772/468-9278

## MANAGEMENT LETTER

To the Board of Supervisors  
Easton Park Community Development District  
Tampa, Florida

### **Report on the Financial Statements**

We have audited the financial statements of the Easton Park Community Development District as of and for the year ended September 30, 2017, and have issued our report thereon dated June 14, 2018.

### **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 June 14, 2018, 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 Easton Park 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 Easton Park Community Development District did not meet any of the conditions described in Section 218.503(1) Florida Statutes.



To the Board of Supervisors  
Easton Park Community Development District

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for Easton Park Community Development District. It is management's responsibility to monitor the Easton Park 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, 2017.

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.

### **Annual Financial Report**

Section 10.554(1)(i)5.b. 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 the annual financial report for the Easton Park Community Development District for the fiscal year ended September 30, 2017, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2017. In connection with our audit, we determined that these two reports were in agreement.

### **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 not note any such findings.

### **Purpose of this Letter**

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

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

June 14, 2018



Berger, Toombs, Elam,  
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue  
Suite 200  
Fort Pierce, Florida 34950

772/461-6120 // 461-1155  
FAX: 772/468-9278

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

To the Board of Supervisors  
Easton Park Community Development District  
Tampa, Florida

We have examined Easton Park Community Development District's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2017. Management is responsible for Easton Park Community Development District's compliance with those requirements. Our responsibility is to express an opinion on Easton Park 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 Easton Park 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 Easton Park Community Development District's compliance with the specified requirements.

In our opinion, Easton Park Community Development District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2017.

*Berger Toombs Elam  
Gaines & Frank*

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

June 14, 2018