

**Amelia Concourse  
Community Development District**

**ANNUAL FINANCIAL REPORT**

**September 30, 2020**

**Amelia Concourse Community Development District**

**ANNUAL FINANCIAL REPORT**

**September 30, 2020**

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## REPORT OF INDEPENDENT AUDITORS

To the Board of Supervisors  
Amelia Concourse Community Development District  
Nassau County, Florida

### Report on the Financial Statements

We have audited the accompanying financial statements of Amelia Concourse Community Development District as of and for the year ended September 30, 2020, and the related notes to financial statements, which collectively comprise the District's basic financial statements 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 and the standards applicable to financial audits contained in *Government Accounting Standards*, issued by the Comptroller General of the United States. 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.

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To the Board of Supervisors  
Amelia Concourse Community Development District

## Opinion

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

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management Discussion and Analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about 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 21, 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 Amelia Concourse Community Development District's internal control over financial reporting and compliance.



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

June 21, 2021

**Amelia Concourse Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2020**

Management's discussion and analysis of Amelia Concourse 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 the private-sector. 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 are 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 funded by the District include general government, physical environment, culture and recreation, transportation 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.

**Amelia Concourse 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 and SPE 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.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the statement of revenues, expenditures, and changes in fund balances provide reconciliations to facilitate this comparison between governmental funds and governmental activities.

*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, 2020.

- The District's total assets were exceeded by total liabilities by \$(3,868,333) (net position). Unrestricted net position was \$(2,526,359). Restricted net position was \$3,013. Net investment in capital assets was \$(1,344,987).
- Governmental activities revenues totaled \$2,223,099 while governmental activities expenses totaled \$1,393,620.

**Amelia Concourse 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.

	<b>Governmental Activities</b>	
	<b>2020</b>	<b>2019</b>
Current assets	\$ 495,391	\$ 477,639
Restricted assets	3,573,265	5,720,639
Capital assets, net of depreciation	8,736,141	5,834,269
Total Assets	<u>12,804,797</u>	<u>12,032,547</u>
Current liabilities	2,948,130	1,915,359
Non-current liabilities	13,725,000	14,815,000
Total Liabilities	<u>16,673,130</u>	<u>16,730,359</u>
Net investment in capital assets	(1,344,987)	(1,170,322)
Net position-restricted	3,013	18,888
Net position-unrestricted	<u>(2,526,359)</u>	<u>(3,546,378)</u>
Total Net Position	<u>\$ (3,868,333)</u>	<u>\$ (4,697,812)</u>

The decrease in restricted assets and the increase in capital assets is related to the additions to construction in progress in the current year.

The decrease in non-current liabilities and the increase in current liabilities is related to the debt service payments that were not paid in the current year.

**Amelia Concourse 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.

	<b>Governmental Activities</b>	
	<b>2020</b>	<b>2019</b>
Program Revenues		
Charges for services	\$ 1,384,052	\$ 1,371,148
Operating grants and contributions	-	30,966
General Revenues		
Investments earnings	32,784	69,622
Other revenues	806,263	2,687,972
Total Revenues	<u>2,223,099</u>	<u>4,159,708</u>
Expenses		
General government	155,209	160,861
Physical environment	213,277	231,062
Culture/recreation	114,700	99,481
Interest and other charges	910,434	1,084,555
Total Expenses	<u>1,393,620</u>	<u>1,575,959</u>
Change in Net Position	829,479	2,583,749
Net Position - Beginning of Year	<u>(4,697,812)</u>	<u>(7,281,561)</u>
Net Position - End of year	<u>\$ (3,868,333)</u>	<u>\$ (4,697,812)</u>

The decrease in other revenues is related to the land sale revenues received in the prior year.

The decrease in physical environment is primarily related to repairs expenditures in the capital Projects Fund in the prior year.

The increase in culture recreation is related to pool maintenance expenses in the current year.



**Amelia Concourse 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 as of September 30, 2020 and 2019.

<u>Description</u>	<u>Governmental Activities</u>	
	<u>2020</u>	<u>2019</u>
Land and improvements	\$ 719,533	\$ 719,533
Construction in progress	5,096,491	2,019,954
Improvements other than buildings	423,490	423,490
Infrastructure	2,315,537	2,315,537
Recreation facilities	1,526,077	1,526,077
Accumulated depreciation	(1,344,987)	(1,170,322)
Total Capital Assets (Net)	<u>\$ 8,736,141</u>	<u>\$ 5,834,269</u>

During the year, depreciation was \$174,665 and additions of \$3,076,537 was added to construction in progress.

**General Fund Budgetary Highlights**

The budget exceeded actual expenditures primarily because amenity and reserve expenditures were less than anticipated.

There were no amendments to the September 30, 2020 General Fund Budget.

**Debt Management**

Governmental Activities debt includes the following:

- In July 2007, the District issued \$7,350,000 Series 2007 Capital Improvement Revenue Bonds. The bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. The District has \$585,000 in matured bonds outstanding and the remaining balance outstanding at September 30, 2020 was \$5,540,000.
- In June 2016, the District issued \$3,385,000 Series 2016 Capital Improvement Revenue Bonds. The bonds were issued to finance the acquisition, construction, equipping and installation of certain improvement for the benefit of Phase II of the District improvements. The balance outstanding at September 30, 2020 was \$2,120,000.

**Amelia Concourse Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2020**

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

**Debt Management (Continued)**

- In March 2019, the District issued \$3,035,000 Series 2019A Capital Improvement bonds. The bonds were issued to finance a portion of the cost of acquisition, construction, installation, and equipping of the Phase III Project. The balance outstanding at September 30, 2020 was \$2,995,000.
- In March 2019, the District issued \$1,920,000 Series 2019B-1 Capital Improvement bonds. The bonds were issued to finance a portion of the cost of acquisition, construction, installation, and equipping of the Phase III Project. The balance outstanding at September 30, 2020 was \$1,920,000.
- In March 2019, the District issued \$1,415,000 Series 2019B-2 Capital Improvement bonds. The bonds were issued to finance a portion of the cost of acquisition, construction, installation, and equipping of the Phase III Project. The balance outstanding at September 30, 2020 was \$1,415,000.

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

The District's financial conditions has changed since prior years; however, the future of the project remains uncertain. In June 2016, the District issued 2016 Capital Improvement Revenue Bonds amounting to \$3,385,000. However, the District is still in default on the Series 2007 Bonds outstanding balance. The District issued new debt in fiscal year 2019 and began a new capital project. The effect of the above on the September 30, 2021 budget cannot be determined.

**Request for Information**

The financial report is designed to provide a general overview of Amelia Concourse 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 Amelia Concourse Community Development District, Governmental Management Services, 475 West Town Place, Suite 114, St. Augustine, Florida 32092.

**Amelia Concourse Community Development District**  
**STATEMENT OF NET POSITION**  
**September 30, 2020**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Current Assets	
Cash and cash equivalents	\$ 96,401
Investments	264,371
Assessments receivable	101,694
Due from other governments	2,237
Deposits	2,475
Prepaid expenses	28,213
Total Current Assets	495,391
Non-Current Assets	
Restricted assets	
Investments	3,573,265
Capital assets, not being depreciated	
Land and improvements	719,533
Construction in progress	5,096,491
Capital assets, being depreciated	
Improvements other than buildings	423,490
Recreation facilities and amenities	1,526,077
Infrastructure	2,315,537
Less: accumulated depreciation	(1,344,987)
Total Non-Current Assets	12,309,406
Total Assets	12,804,797
<b>LIABILITIES</b>	
Current Liabilities	
Accounts payable and accrued expenses	18,986
Contracts payable	505,597
Accrued interest	363,262
Due to other governments	29
Matured bonds payable	930,000
Matured interest payable	865,256
Bonds payable	265,000
Total Current Liabilities	2,948,130
Non-Current Liabilities	
Bonds payable	13,725,000
Total Liabilities	16,673,130
<b>NET POSITION</b>	
Net investment in capital assets	(1,344,987)
Restricted for special purpose entity	3,013
Unrestricted	(2,526,359)
Total Net Position	\$ (3,868,333)

See accompanying notes.

**Amelia Concourse Community Development District**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2020**

<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>
<b>Primary government</b>			
Governmental Activities			
General government	\$ (155,209)	\$ 170,079	\$ 14,870
Physical environment	(213,277)	144,955	(68,322)
Culture/recreation	(114,700)	38,156	(76,544)
Interest and other charges	(910,434)	1,030,862	120,428
Total Governmental Activities	<u>\$ (1,393,620)</u>	<u>\$ 1,384,052</u>	<u>(9,568)</u>
 <b>General Revenues</b>			
			32,784
			806,263
			<u>839,047</u>
			829,479
			<u>(4,697,812)</u>
			<u>\$ (3,868,333)</u>

See accompanying notes.

**Amelia Concourse Community Development District**  
**BALANCE SHEET -**  
**GOVERNMENTAL FUNDS**  
**September 30, 2020**

	General	Special Purpose Entity	Debt Service	Capital Projects	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 88,114	\$ 8,287	\$ -	\$ -	\$ 96,401
Investments	264,371	-	-	-	264,371
Assessments receivable	-	-	101,694	-	101,694
Due from other governments	945	-	1,292	-	2,237
Due from other funds	14,302	-	707	-	15,009
Deposits	2,475	-	-	-	2,475
Prepaid expenses	28,213	-	-	-	28,213
Restricted assets					
Investments, at fair value	-	-	2,295,483	1,277,782	3,573,265
Total Assets	<u>\$ 398,420</u>	<u>\$ 8,287</u>	<u>\$ 2,399,176</u>	<u>\$ 1,277,782</u>	<u>\$ 4,083,665</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable and accrued expenses	\$ 14,448	\$ 4,538	\$ -	\$ -	\$ 18,986
Contracts payable	-	-	-	505,597	505,597
Due to other funds	-	707	5,443	8,859	15,009
Due to other governments	-	29	-	-	29
Matured bonds payable	-	-	930,000	-	930,000
Matured interest payable	-	-	865,256	-	865,256
Total Liabilities	<u>14,448</u>	<u>5,274</u>	<u>1,800,699</u>	<u>514,456</u>	<u>2,334,877</u>
Fund Balances:					
Nonspendable					
Deposits and prepaid expenses	30,688	-	-	-	30,688
Restricted					
Debt service	-	-	598,477	-	598,477
Capital projects	-	-	-	763,326	763,326
Special purpose	-	3,013	-	-	3,013
Unassigned	353,284	-	-	-	353,284
Total Fund Balances	<u>383,972</u>	<u>3,013</u>	<u>598,477</u>	<u>763,326</u>	<u>1,748,788</u>
Total Liabilities and Fund Balances	<u>\$ 398,420</u>	<u>\$ 8,287</u>	<u>\$ 2,399,176</u>	<u>\$ 1,277,782</u>	<u>\$ 4,083,665</u>

See accompanying notes.

**Amelia Concourse Community Development District**  
**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES**  
**TO NET POSITION OF GOVERNMENTAL ACTIVITIES**  
**September 30, 2020**

Total Governmental Fund Balances	\$ 1,748,788
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets not being depreciated, land and improvements, \$719,533, and construction in progress, \$5,096,491, used in governmental activities are not current financial resources and, therefore, are not reported at the fund level.	5,816,024
Capital assets being depreciated, infrastructure, \$2,315,537, improvements other than buildings, \$423,490, and recreation facilities and amenities, \$1,526,077, net of accumulated depreciation, \$(1,344,987), used in governmental activities are not financial resources and therefore, are not reported at the fund level.	2,920,117
Long-term liabilities, including bonds payable, are not due and payable in the current period and; therefore, are not reported at the fund level.	(13,990,000)
Accrued interest expense for long-term debt is not a current financial use and; therefore, is not reported at the fund level.	<u>(363,262)</u>
Net Position of Governmental Activities	<u><u>\$ (3,868,333)</u></u>

See accompanying notes.

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

	General	Special Purpose Entity	Debt Service	Capital Projects	Total Governmental Funds
Revenues					
Special assessments	\$ 353,190	\$ -	\$ 1,030,862	\$ -	\$ 1,384,052
Investment earnings	244	-	8,946	23,594	32,784
Miscellaneous revenues	1,724	-	804,539	-	806,263
Total Revenues	<u>355,158</u>	<u>-</u>	<u>1,844,347</u>	<u>23,594</u>	<u>2,223,099</u>
Expenditures					
Current					
General government	134,834	20,375	-	-	155,209
Physical environment	114,916	-	-	-	114,916
Culture/recreation	30,249	-	-	8,147	38,396
Capital outlay	-	-	-	3,076,537	3,076,537
Debt service					
Principal	-	-	1,085,000	-	1,085,000
Interest	-	-	908,291	-	908,291
Other debt service costs	-	-	24,835	-	24,835
Total Expenditures	<u>279,999</u>	<u>20,375</u>	<u>2,018,126</u>	<u>3,084,684</u>	<u>5,403,184</u>
Excess of revenues over expenditures	<u>75,159</u>	<u>(20,375)</u>	<u>(173,779)</u>	<u>(3,061,090)</u>	<u>(3,180,085)</u>
Other financing sources (uses)					
Operating transfers in	-	4,500	-	41,298	45,798
Operating transfers out	(40,282)	-	(5,516)	-	(45,798)
Total Other Financing Sources (Uses)	<u>(40,282)</u>	<u>4,500</u>	<u>(5,516)</u>	<u>41,298</u>	<u>-</u>
Net change in fund balances	34,877	(15,875)	(179,295)	(3,019,792)	(3,180,085)
Fund Balances - October 1, 2019	<u>349,095</u>	<u>18,888</u>	<u>777,772</u>	<u>3,783,118</u>	<u>4,928,873</u>
Fund Balances - September 30, 2020	<u>\$ 383,972</u>	<u>\$ 3,013</u>	<u>\$ 598,477</u>	<u>\$ 763,326</u>	<u>\$ 1,748,788</u>

See accompanying notes.

**Amelia Concourse 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	\$ (3,180,085)
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 are allocated over their estimated useful lives as depreciation. This is the amount that capital outlay, \$3,076,537, exceeded depreciation, \$(174,665), in the current period.	2,901,872
Repayments of bond principal are expenditures at the fund level, but the repayments reduce long-term liabilities in the Statement of Net Position.	1,085,000
In the Statement of Activities, interest is accrued on outstanding bonds; whereas in the fund level interest expenditures are reported when due. This is the change in accrued interest in the current period.	<u>22,692</u>
Change in Net Position of Governmental Activities	<u><u>\$ 829,479</u></u>

See accompanying notes.



**Amelia Concourse 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 Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Special assessments	\$ 348,677	\$ 348,677	\$ 353,190	\$ 4,513
Investment earnings	250	250	244	(6)
Miscellaneous revenues	500	500	1,724	1,224
Total Revenues	<u>349,427</u>	<u>349,427</u>	<u>355,158</u>	<u>5,731</u>
Expenditures				
Current				
General government	131,278	131,278	134,834	(3,556)
Physical environment	89,748	89,748	114,916	(25,168)
Culture/recreation	68,119	68,119	30,249	37,870
Capital outlay	20,000	20,000	-	20,000
Total Expenditures	<u>309,145</u>	<u>309,145</u>	<u>279,999</u>	<u>29,146</u>
Excess of revenues over expenditures	<u>40,282</u>	<u>40,282</u>	<u>75,159</u>	<u>34,877</u>
Other financing sources (uses)				
Transfer out	<u>(40,282)</u>	<u>(40,282)</u>	<u>(40,282)</u>	<u>-</u>
Net change in fund balances	-	-	34,877	34,877
Fund Balances - October 1, 2019	<u>-</u>	<u>-</u>	<u>349,095</u>	<u>349,095</u>
Fund Balances - September 30, 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 383,972</u>	<u>\$ 383,972</u>

See accompanying notes.

**Amelia Concourse Community Development District**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES – BUDGET AND ACTUAL – SPECIAL PURPOSE ENTITY**  
**For the Year Ended September 30, 2020**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Bondholder contributions	\$ 25,650	\$ 25,650	\$ -	\$ (25,650)
Expenditures				
Current				
General government	25,650	25,650	20,375	5,275
Excess of revenues over expenditures	-	-	(20,375)	(20,375)
Other financing sources (uses)				
Transfer in	-	-	4,500	4,500
Net change in fund balances	-	-	(15,875)	(15,875)
Fund Balances - October 1, 2019	-	-	18,888	18,888
Fund Balances - September 30, 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,013</u>	<u>\$ 3,013</u>

See accompanying notes.

**Amelia Concourse Community Development District**  
**NOTES TO THE 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 July 10, 2006, by Ordinance 2006-58 of Nassau County, Florida, pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes. 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 Amelia Concourse Community Development District. The District is governed by a five-member Board of Supervisors who are elected for four year terms. The District operates within the criteria established by Chapter 190, Florida Statutes.

As required by GAAP, these financial statements present the Amelia Concourse Community Development District (the primary government) as a local unit of special-purpose 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. To be includable within the District's financial statements, the component unit must be financially accountable or the exclusion of the nature and significance of their relationship with the District would cause the financial statements to be misleading or incomplete. Blended component units must be financially accountable to the District; there must be a financial burden/benefit relationship and the entity, although legally separate, must operate like a fund of the District.

Based upon the application of the above-mentioned criteria as set forth in Governmental Accounting Standards Board, the District has identified one blended component unit.

The blended component unit is a legally separate entity. It is reported as a Special Revenue Fund. The blended component unit of the District is as follows:

**Amelia Concourse Community Development District**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**September 30, 2020**

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

**1. Reporting Entity (Continued)**

Amelia Concourse SPE, LLC – The Company is a Special Purpose Entity (the “SPE”) that owns, manages, maintains, and will sell and/or dispose of the Property for the benefit of the District. The District, pursuant to an agreement between the Company, the District, and the U.S. Bank National Association (the “Trustee”), will not impose annual maintenance assessments on the Property but instead will receive funding per request from the Trustee on a quarterly basis. Should funding cease or become delinquent for sixty days, the District holds the right to impose maintenance assessments and take all actions necessary, including foreclosure. In such a scenario, the Company waive any rights, arguments, claims or defenses of the Company in foreclosure proceedings and agree in no way to prevent the District from taking action. Whenever the Company receives cash from the sale of any portion of the Property, all monies will be remitted to the Trustee to apply pursuant to the Trust Indenture.

**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

**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 and its blended component unit. These statements include all the governmental activities of the primary government and its component unit. The effect of interfund activity has been removed from these statements.

Governmental activities are supported by special assessments, developer contributions, intergovernmental revenues 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.

**Amelia Concourse Community Development District**  
**NOTES TO THE 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**

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. 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 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 classifications include non-spendable, restricted, committed, assigned and unassigned.

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.

**Committed Fund Balance** – This classification consists of amounts that can only be used for specific purposes pursuant to the constraints imposed by a formal action of the government's highest level of decision making authority.

**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.

**Amelia Concourse Community Development District**  
**NOTES TO THE 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)**

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 an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Fund Balance Spending Hierarchy – 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.

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 are expended, rather than as fund assets. In addition, 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.

**Amelia Concourse Community Development District**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**September 30, 2020**

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

**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.

Special Purpose Entity Fund – The Special Purpose Entity Fund is a Special Revenue Fund that accounts for the activities of the SPE, a blended component unit of the government. The SPE owns, manages, maintains, and will sell and/or dispose of the Property for the benefit of the District.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for the annual payment of principal and interest on long-term debt.

Capital Projects Fund – Accounts for construction of infrastructure improvements within the District.

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

GASB Statement 34 requires that non-current governmental assets, such as infrastructure and improvements, 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.

**Amelia Concourse Community Development District**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**September 30, 2020**

**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 Section 280.02, Florida Statutes.

**b. Restricted Assets**

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 assets, qualified expenses are considered to be paid first from restricted net position and then from unrestricted net position.

**c. Capital Assets**

Capital assets, which include land and improvements, recreational facilities and infrastructure are reported in the governmental activities column in the government-wide statements.

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 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.

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



**Amelia Concourse Community Development District**  
**NOTES TO THE 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 (Continued)**

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	20 years
Improvements other than buildings	20 years
Recreational facilities	30 years

**d. 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. 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.

**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, \$1,748,788, differs from “net position” of governmental activities, \$(3,868,333) 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 (infrastructure and recreational facilities 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	\$ 719,533
Construction in progress	5,096,491
Improvements other than buildings	1,526,077
Infrastructure	2,315,537
Recreational facilities	423,490
Accumulated depreciation	(1,344,987)
Total	<u>\$ 8,736,141</u>

**Amelia Concourse Community Development District**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**September 30, 2020**

**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)**

**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, 2020 were:

Bonds payable	\$ <u>(13,990,000)</u>
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**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>(363,262)</u>
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**2. Explanation of Differences Between the Governmental Fund Operating Statements and the Statement of Activities**

The “net change in fund balances” for government funds, \$(3,180,085), differs from the “change in net position” for governmental activities, \$829,479, 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 following is the amount that capital outlay exceeded depreciation in the current year.

Capital outlay	\$ 3,076,537
Depreciation	<u>(174,665)</u>
Total	<u>\$ 2,901,872</u>

**Amelia Concourse Community Development District**  
**NOTES TO THE 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 (Continued)**

**Long-term debt transactions**

Repayments of bond principal are expenditures at the fund level but reduce liabilities in the Statement of Net Position. The issuance of new debt is an other financing source at the fund level but it increases long-term liabilities in the Statement of Net Position.

Principal payments	\$ <u>1,085,000</u>
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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>22,692</u>
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**NOTE C – CASH AND INVESTMENTS**

All deposits are held in qualified public depositories and are included on the accompanying balance sheet and statement of net position 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. The investment policy of the District follows the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2020, the District's bank balance was \$99,205 and the carrying value was \$96,401. The District controls its exposure to custodial credit risk because it 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.

**Amelia Concourse Community Development District**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**September 30, 2020**

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

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

<u>Investment</u>	<u>Maturity</u>	<u>Fair Value</u>
Local Government Surplus Florida Prime	48 Days *	\$ 76,806
First American Treasury Obligation	46 Days *	1,121,275
US Bank Mmkt Managed	N/A	2,639,555
Total		<u>\$ 3,837,636</u>

\* 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 uses 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 Treasury Obligation and US Bank Managed Money Market are Level 1 assets.

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 Local Government Surplus Florida Prime.

Cash placed with the State Board of Administration represents the District's participation in the Local Government Surplus Florida Prime 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.

**Amelia Concourse Community Development District**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**September 30, 2020**

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

Interest Rate Risk

The District monitors 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. The Local Government Surplus Florida Prime is an authorized investment under Section 218.415, Florida Statutes. The District's investments in the state investment pool and government loans are limited by state statutory requirements and bond compliance. The District had monies invested with the Local Government Surplus Florida Prime, at September 30, 2020. This fund met the requirements of a "2-7a like pool" as defined in Government Accounting Standards Board, Statement 31. As of September 30, 2020, the District's investment in the First American Treasury Obligation and Local Government Surplus Funds were rated AAAM by Standard & Poor's.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one issuer. The investment in First Treasury Obligation represents 29% of the District's total investments. The investment in Local Government Surplus Florida Prime represents 2% of the District's total investments. The remaining 69% is invested in US Bank Managed Money Market Accounts.

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. In addition, the District has the ability to hold investments to maturity that have fair values less than cost. The District's investments are recorded at book value.

**NOTE D – INTERFUND ACTIVITY**

Interfund transfers for the fiscal year ended September 30, 2020 were as follows:

<b>Transfers In</b>	<b>Transfers Out</b>		<b>Total</b>
	General Fund	Debt Service Fund	
Special Revenue	\$ -	\$ 4,500	\$ 4,500
Capital Projects Fund	40,282	1,016	41,298
Total	\$ 40,282	\$ 5,516	\$ 45,798

The amount transferred to the Capital Projects Fund relate to funds received from the General Fund for capital reserve funding. The amount transferred to the Special Revenue Fund from the Debt Service Fund relate to payment for SPE management fees. Amounts transferred from the Debt Service Fund to the Capital Projects fund are interest transfers per the bond indenture.

**Amelia Concourse Community Development District  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2020**

**NOTE D – INTERFUND ACTIVITY (CONTINUED)**

Interfund balances at September 30, 2020, consisted of the following:

<b>Receivable Fund</b>	<b>Payable Fund</b>			<b>Total</b>
	<b>Special Revenue</b>	<b>Debt Service Fund</b>	<b>Capital Projects Fund</b>	
General Fund	\$ -	\$ 5,443	\$ 8,859	\$ 14,302
Debt Service Fund	707	-	-	707
Total	<u>\$ 707</u>	<u>\$ 5,443</u>	<u>\$ 8,859</u>	<u>\$ 15,009</u>

The amount due to the General Fund from the Debt Service Fund and Capital Projects Fund is the related to property appraisal fees paid by the General Fund. The amount due to the Debt Service Fund from the Special Revenue Fund is related to land sale proceeds.

**NOTE E – SPECIAL ASSESSMENT REVENUES**

Assessments are non-ad valorem assessments on benefitted property within the District. Operating and Maintenance Assessments are based upon adopted 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. Property owners may prepay a portion or all of the Debt Service Assessments on their property subject to various provisions in the bond documents.

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.

**Amelia Concourse Community Development District**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**September 30, 2020**

**NOTE F – CAPITAL ASSETS**

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

	Balance October 1, 2019	Additions	Deletions	Balance September 30, 2020
<u>Governmental Activities:</u>				
Capital assets, not being depreciated:				
Land and improvements	\$ 719,533	\$ -	\$ -	\$ 719,533
Construction in progress	2,019,954	3,076,537	-	5,096,491
<b>Total Capital Assets Not Being Depreciated</b>	<u>2,739,487</u>	<u>3,076,537</u>	<u>-</u>	<u>5,816,024</u>
Capital assets, being depreciated:				
Improvements other than buildings	423,490	-	-	423,490
Infrastructure	2,315,537	-	-	2,315,537
Recreational facilities	1,526,077	-	-	1,526,077
<b>Total Capital Assets Being Depreciated</b>	<u>4,265,104</u>	<u>-</u>	<u>-</u>	<u>4,265,104</u>
Less accumulated depreciation for:				
Improvements other than buildings	(42,350)	(21,175)	-	(63,525)
Infrastructure	(267,841)	(77,186)	-	(345,027)
Buildings and recreational facilities	(860,131)	(76,304)	-	(936,435)
<b>Total Accumulated Depreciation</b>	<u>(1,170,322)</u>	<u>(174,665)</u>	<u>-</u>	<u>(1,344,987)</u>
<b>Governmental Activities Capital Assets</b>	<u>\$ 5,834,269</u>	<u>\$ 2,901,872</u>	<u>\$ -</u>	<u>\$ 8,736,141</u>

Depreciation of \$98,361 was charged to physical environment and \$76,304 was charged to culture/recreation.

**Amelia Concourse Community Development District**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**September 30, 2020**

**NOTE G – LONG-TERM DEBT**

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

Long-term debt at October 1, 2019	\$ 15,075,000
Principal payments	<u>(1,085,000)</u>
Long-term debt at September 30, 2020	<u>\$ 13,990,000</u>

Long-term debt is comprised of the following:

**Capital Improvement Revenue Bonds**

\$7,350,000 Series 2007 Capital Improvement Revenue Bonds due in annual principal installments beginning May 2009 and maturing May 1, 2038. Interest at a rate of 5.75% is due May and November beginning November 2007.	\$ 5,540,000
\$3,385,000 Series 2016 Capital Improvement Revenue Bonds due in annual principal installments beginning May 2018 and maturing May 1, 2047. Interest at a rate of 6.00% is due May and November beginning November 2016.	2,120,000
\$3,035,000 Series 2019A Capital Improvement Revenue Bonds due in annual principal installments beginning May 2020 and maturing May 1, 2049. Interest is at a rate of 5.650% is due May and November beginning May 2019.	2,995,000
\$1,920,000 Series 2019B-1 Capital Improvement Revenue Bonds due in on balloon payment May 2029. Interest is at a rate of 5.250% is due May and November beginning May 2019.	1,920,000
\$1,415,000 Series 2019B-2 Capital Improvement Revenue Bonds due in on balloon payment May 2029. Interest is at a rate of 7.250% is due May and November beginning May 2019.	<u>1,415,000</u>
Total Long-term Debt	<u>\$ 13,990,000</u>



**Amelia Concourse Community Development District**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**September 30, 2020**

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

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

Year Ending September 30,	Principal	Interest	Total
2021	\$ 265,000	\$ 871,831	\$ 1,136,831
2022	280,000	856,546	1,136,546
2023	290,000	840,406	1,130,406
2024	315,000	823,686	1,138,686
2025	325,000	805,524	1,130,524
2026-2030	5,300,000	3,516,927	8,816,927
2031-2035	2,630,000	2,063,397	4,693,397
2036-2040	2,195,000	1,159,977	3,354,977
2041-2045	1,340,000	544,662	1,884,662
2046-2049	1,050,000	136,628	1,186,628
Totals	<u>\$ 13,990,000</u>	<u>\$ 11,619,584</u>	<u>\$ 25,609,584</u>

Summary of Significant Bonds Resolution Terms and Covenants

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:

1. Reserve Fund – The 2007 Reserve Account is funded from the proceeds of the Bonds in an amount equal to the reserve percentage, 7.0264%, times the deemed outstanding amount. Monies held in the reserve accounts will be used only for the purposes established in the Trust Indenture.
2. Reserve Fund – The 2016 Reserve Account is funded from the proceeds of the Bonds in an amount equal to 50% of the maximum annual debt service requirement for the Series 2016 Bonds, which amount initially equals \$123,050. Monies held in the reserve accounts will be used only for the purposes established in the Trust Indenture.
3. Reserve Fund – The 2019A Reserve Account is funded from the proceeds of the Bonds in an amount equal to 50% of the maximum annual debt service requirement for the Series 2019A Bonds, which initially equals \$106,301. Monies held in the reserve accounts will be used only for the purposes established in the Trust Indenture.
4. Reserve Fund – The 2019B-1 and 2019B-2 Reserve Account is funded from the proceeds of the Bonds in an amount equal to 50% of the annual interest requirement for the Series 2019B-1 Bonds and Series 2019B-2 Bonds, which amount initially equals \$50,400 and \$51,294 respectively. Monies held in the reserve accounts will be used only for the purposes established in the Trust Indenture.

**Amelia Concourse Community Development District**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**September 30, 2020**

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

The following is a schedule for the reserve requirements:

	<u>Revenue Bonds</u>	
	<u>Reserve Balance</u>	<u>Reserve Requirement</u>
Series 2007 Capital Improvement Revenue Bonds	\$ 85,594	\$ 454,608
Series 2016 Capital Improvement Revenue Bonds	\$ 80,575	\$ 80,575
Series 2019A Capital Improvement Revenue Bonds	\$ 106,301	\$ 106,301
Series 2019B-1 Capital Improvement Revenue Bonds	\$ 50,400	\$ 50,400
Series 2019B-2 Capital Improvement Revenue Bonds	\$ 51,294	\$ 51,294

**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. These risks are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage over the past three years.

**NOTE I – SUBSEQUENT EVENT**

In November 2020, the District made a \$105,000 prepayment on the Capital Improvement Revenue Bonds, Series 2016.



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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  
Amelia Concourse Community Development District  
Nassau County, 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 Amelia Concourse 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 June 21, 2021.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Amelia Concourse 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 Amelia Concourse Community Development District's internal control. Accordingly, we do not express an opinion on the effectiveness of Amelia Concourse 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.

Board of Supervisors  
Amelia Concourse Community Development District

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Amelia Concourse 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*.

We noted a compliance matter and other matters that we reported to management of the District in a separate letter dated June 21, 2021.

The District's responses to the findings identified in our audit are described in the accompanying management letter. We did not audit the District's responses and, accordingly, we express no opinion on them.

### **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

June 21, 2021



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## MANAGEMENT LETTER

To the Board of Supervisors  
Amelia Concourse Community Development District  
Nassau County, Florida

### Report on the Financial Statements

We have audited the financial statements of the Amelia Concourse Community Development District as of and for the year ended September 30, 2020, and have issued our report thereon dated June 21, 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 Reports and Schedule

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 that report, which is dated June 21, 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 made to address findings and recommendations made in the preceding financial audit report. The following findings or recommendations were made in the preceding financial audit report:

### Findings and Recommendations

#### 2012-01/2013-01/2014-01 Reserve Requirement

Finding: The Debt Service Reserve Requirement for 2007 Bond was not met at fiscal year end.

Recommendation: The District should make the necessary arrangements to ensure funds are available to make debt service payments.

To the Board of Supervisors  
Amelia Concourse Community Development District

Management Response: The District is working directly with the Trustee and Bondholders to resolve all financial issues related to the non-payment of assessments which resulted in foreclosure of property, insufficient funds to meet debt service requirements, fund balance deficits and failure to meet Debt Service Reserve Fund requirements.

Current Status: This finding has not been corrected as of September 30, 2020.

2012-02/2013-02/2014-02 Financial Condition Assessment

Finding: The District's financial conditions continue to deteriorate and the future of the project remains uncertain. The Debt Service Fund has reported deficit fund balances at the end of the fiscal year for six years. Nonpayment of assessments by the former Developer caused there to be insufficient funds available to make the required debt service payments on the Series 2007 bond beginning with the scheduled payment due on May 1, 2009. As a result, the interest portion of the May 1, 2009 debt service payment for the Series 2007 Bonds was made, in part, by a draw on the Debt Service Reserve Account and the May 1, 2009 principal payment was not made until March 12, 2013. Additional debt service payments were not made. However, the District did not make the current year principal payment, any of the past due interest nor did they make full payment of the current year interest due. The failures by the District to pay its debt service on 2007 Bond are considered events of default. The District remains obligated with respect to the principal and interest on the Series 2007 Bonds.

Recommendation: The District should take the necessary steps to improve the deteriorating financial condition.

Management Response: The District is working directly with the Trustee and Bondholders to resolve all financial issues related to the non-payment of assessments which resulted in foreclosure of property, insufficient funds to meet debt service requirements, fund balance deficits and failure to meet Debt Service Reserve Fund requirements.

Current Status: This finding has not been corrected as of September 30, 2020.

To the Board of Supervisors  
Amelia Concourse Community Development District

### **Financial Condition**

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not Amelia Concourse 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 the Amelia Concourse Community Development District met one of the conditions described in Section 218.503(1), Florida Statutes (See finding above).

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial conditions assessment procedures as of September 30, 2020 for the Amelia Concourse Community Development District. It is management's responsibility to monitor the Amelia Concourse 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.

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 which 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 21, 2021



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

To the Board of Supervisors  
Amelia Concourse Community Development District  
Nassau County, Florida

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

In our opinion, Amelia Concourse 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

June 21, 2021