



Rizzetta & Company

World Commerce Community Development District

Board of Supervisors' Meeting April 21, 2020

**District Office:
2806 N. Fifth Street
Unit 403
St. Augustine, FL 32084**

www.worldcommercecdd.org

WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT

Rizzetta & Company, Inc., 2806 North Fifth Street, Unit 403, St Augustine, FL 32084

Board of Supervisors	Curtis Robinson	Chairman
	Elizabeth Pappaceno	Vice Chairman
	Karen McNairn	Assistant Secretary
	Kenneth Hall	Assistant Secretary
	Jeffrey Silagy	Assistant Secretary
District Manager	Lesley Gallagher	Rizzetta & Company, Inc.
District Counsel	Wes Haber	Hopping Green & Sams, P.A.
District Engineer	Ryan Stilwell	Prosser

All cellular phones must be placed on mute while in the meeting room.

The first section of the meeting is called Audience Comments, which is the portion of the agenda where individuals may make comments on Agenda Items. The final section of the meeting will provide an additional opportunity for Audience Comments on other matters of concern that were not addressed during the meeting. Individuals are limited to a total of three (3) minutes to make comments during these times.

Pursuant to provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this meeting/hearing/workshop is asked to advise the District Office at least forty-eight (48) hours before the meeting/hearing/workshop by contacting the District Manager at (904) 436-6270. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) 1-800-955-8770 (Voice), who can aid you in contacting the District Office.

A person who decides to appeal any decision made at the meeting/hearing/workshop with respect to any matter considered at the meeting/hearing/workshop is advised that person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made including the testimony and evidence upon which the appeal is to be based.

April 14, 2020

**Board of Supervisors
World Commerce Community
Development District**

AGENDA

Dear Board Members:

The regular meeting of the Board of Supervisors of World Commerce Community Development District will be held on **Tuesday, April 21, 2020 at 9:00 a.m.** via teleconference at 813-658-6070 guest code 440109, pursuant to Executive Orders 20-52 and 20-69 issued by Governor DeSantis on March 9, 2020, and March 20, 2020, respectively, and pursuant to Section 120.54(5)(b)2., Florida Statutes. The following is the agenda for this meeting.

- 1. CALL TO ORDER/ROLL CALL**
- 2. PUBLIC COMMENTS**
- 3. BUSINESS ADMINISTRATION**
 - A. Consideration of the Minutes of the Board of Supervisors' Regular Meeting held on January 21, 2020.....Tab 1
 - B. Ratification of the Operation and Maintenance Expenditures for December 2019, January 2020, February 2020 and March 2020.....Tab 2
 - C. Consideration of LLS Tax Solutions Engagement Letter, Series 2007.....Tab 3
 - D. Ratification of Acceptance of Annual Audit Report, Fiscal Year Ending September 30, 2019.....Tab 4
- 4. STAFF REPORTS**
 - A. District Counsel
 - B. District Engineer
 - C. Landscape
 - 1.) BrightView Landscape Report, April 8, 2020.....Tab 5
 - 2.) Consideration of BrightView Entry Landscape Enhancement Proposals.....Tab 6
 - D. District Manager
 - 1.) Charles Aquatics Pond Report, March 17, 2020.....Tab 7
 - 2.) Innovative Fountain Report, March 26, 2020.....Tab 8
- 5. BUSINESS ITEMS**
 - A. Consideration of Innovative Fountain Repair Proposal.....Tab 9
 - B. Consideration of Resolution 2020-04, Adopting Internal Controls Policy.....Tab 10
 - C. Consideration of Resolution 2020-05, Approving Fiscal Year 2020-2021 Proposed Budget, Setting Public Hearing.....Tab 11
- 6. SUPERVISOR REQUESTS**
- 7. ADJOURNMENT**

I look forward to seeing you at the meeting. In the meantime, if you have any questions, please do not hesitate to contact me at (904) 436-6270.

Very truly yours,
Lesley Gallagher
World Commerce Community Development District

CALL TO ORDER / ROLL CALL

PUBLIC COMMENTS

BUSINESS ADMINISTRATION

Tab 1

MINUTES OF MEETING

Each person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

**WORLD COMMERCE
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of World Commerce Community Development District was held on **Tuesday, January 21, 2020 at 9:00 a.m.** at the St. Johns County Airport Authority Meeting Room Facility located at 4730 Casa Cola Way, St. Augustine, Florida 32095.

Present and constituting a quorum:

Curtis Robinson	Board Supervisors, Chairman
Liz Pappaceno	Board Supervisor, Vice Chairman
Karen McNairn	Board Supervisor, Assistant Secretary
Jeff Silagy	Board Supervisor, Assistant Secretary
Kenneth Hall	Board Supervisor, Assistant Secretary

Also present were:

Lesley Gallagher	District Manager, Rizzetta & Company
Wes Haber	District Counsel, Hopping Green & Sams (via speakerphone)
Michael Cills	Representative, Steinman & Co.
Ryan Stilwell	District Engineer, Prosser Hallock
Rodney Hicks	Branch Manager, BrightView Landscaping
Steve McAvoy	Account Manager, BrightView Landscaping

Audience present.

FIRST ORDER OF BUSINESS**Call to Order**

Ms. Gallagher called the meeting to order at 9:00 a.m. and read the roll call.

SECOND ORDER OF BUSINESS**Audience Comments on Agenda Items**

There were no audience comments.

THIRD ORDER OF BUSINESS**Consideration of the Minutes of the
Board of Supervisors' Regular
Meeting held on October 15, 2019**

On a motion by Mr. Silagy, seconded by Mr. Robinson, with all in favor, the Board approved the Minutes of the Board of Supervisors' Regular Meeting held on October 15, 2019 for World Commerce Community Development District.

FOURTH ORDER OF BUSINESS**Ratification of the Operation and
Maintenance Expenditures for
September 2019, October 2019 and
November 2019**

On a motion by Mr. Robinson, seconded by Mr. Silagy, with all in favor, the Board ratified the Operation and Maintenance Expenditures for September 2019 in the amount of \$33,011.21, October 2019 in the amount of \$28,517.22 and November 2019 in the amount of \$16,122.39 for World Commerce Community Development District.

FIFTH ORDER OF BUSINESS**Selecting an Audit Committee and
Setting First Audit Committee Meeting**

The Board set the first audit committee date for April 21, 2020 at 9:00 a.m., prior to the onset of the regular meeting.

On a motion by Mr. Silagy, seconded by Mr. Robinson, with all in favor, the Board selected themselves as the audit committee and set the first audit committee meeting date for April 21, 2020 at 9:00 a.m. for World Commerce Community Development District.

SIXTH ORDER OF BUSINESS**Staff Reports**

- A. District Counsel
Mr. Haber had no specific report but was available to answer any questions.
- B. District Engineer
 - 1.) Consideration of Proposal for 2020 Public Facilities Report and Consulting Engineers Report
The Board reviewed the proposal from Prosser for the 2020 Public Facilities Report and 2020 Engineer's Report.

On a motion by Mr. Silagy, seconded by Ms. McNair, with all in favor, the Board approved the Prosser 2020 Public Facilities Report and 2020 Engineer's Report for World Commerce Community Development District.

C. Landscape

1.) BrightView Landscape Report, January 3, 2020

Mr. Hicks reviewed introduced Steve McAvoy as the new Account Manager for World Commerce and reviewed his report found under Tab 4 of the agenda.

2.) Consideration of BrightView Proposals for Landscape Enhancement

i.) Area Across from Sevilla

ii.) West Entrance Sign

iii.) East Entrance Sign

The Board reviewed three (3) proposals from BrightView for the area across from Sevilla, West Entrance and East Entrance. Discussions ensued.

Ms. Pappaceno joined the meeting in progress.

On a motion by Mr. McNairn, seconded by Mr. Robinson, with all in favor, the Board approved Prosser to prepare a design concept for the East and West entries at a cost not to exceed \$2,500.00 and then work with BrightView on this concept who will prepare a design and renderings. The Board also approved Mr. Hall to review and approve the concept prior to BrightView preparing the design and proposals for full Board consideration at the April 2020 meeting for World Commerce Community Development District.

D. District Manager

1.) Update on the Palms at East Entrance

2.) Charles Aquatics Service Report, December 2 & 19, 2019

3.) Innovative Fountain Service Report, December 19, 2019

Ms. Gallagher provided an update that the insurance adjuster had noted the claim for the palms was still under review and that she would continue to follow up. She also noted that the ADA website had been completed.

SEVENTH ORDER OF BUSINESS**Public Hearing on Rules of Procedure**

1.) Consideration of Resolution 2020-02, Adopting Amended Rules of Procedure

On a motion by Mr. Robinson, seconded by Mr. Silagy, with all in favor, the Board opened the Public Hearing on Rules of Procedure for World Commerce Community Development District.

Mr. Haber provided a recap from the last meeting when the Public Hearing was set and that the revised Rules of Procedure were being presented in response to legislative changes.

On a motion by Mr. Silagy, seconded by Mr. Robinson, with all in favor, the Board closed the Public Hearing on Rules of Procedure for World Commerce Community Development District.

On a motion by Mr. Robinson, seconded by Ms. McNairn, with all in favor, the Board adopted Resolution 2020-02, Amended Rules of Procedure for World Commerce Community Development District.

EIGHTH ORDER OF BUSINESS**Consideration of Resolution 2020-03,
Regarding the General Election**

Ms. Gallagher reviewed Resolution 2020-03 and that this engages the St Johns County Supervisor of Elections to handle the General Election process for the District in November for seats four (4) and five (5).

On a motion by Mr. Robinson, seconded by Ms. McNairn, with all in favor, the Board adopted Resolution 2020-03, Regarding the General Election for World Commerce Community Development District.

NINETH ORDER OF BUSINESS**Supervisor Requests and Audience
Comments**

A question was asked regarding an area of sidewalk that has caution tape around it.

TENTH ORDER OF BUSINESS**Adjournment**

On a motion by Ms. McNairn, seconded by Mr. Robinson, with all in favor, the Board adjourned the meeting at 9:33 a.m. for World Commerce Community Development District.

159
160
161
162
163
164
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167
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169
170
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172
173
174
175
176

Secretary/Assistant Secretary

Chairman/Vice Chairman

Tab 2

WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT

DISTRICT OFFICE · 2806 N. FIFTH STREET · UNIT 403 · ST. AUGUSTINE, FLORIDA 32084

Operation and Maintenance Expenditures December 2019 Presented For Board Approval

Attached please find the check register listing the Operation and Maintenance expenditures paid from December 1, 2019 through December 31, 2019. This does not include expenditures previously approved by the Board.

The total items being presented: **\$25,469.86**

Approval of Expenditures:

_____ Chairperson

_____ Vice Chairperson

_____ Assistant Secretary

World Commerce Community Development District

Paid Operation & Maintenance Expenditures

December 1, 2019 Through December 31, 2019

Vendor Name	Check Number	Invoice Number	Invoice Description	Invoice Amount
BrightView Landscape Services, Inc.	003130	6600303	Remove Magnolias & Install Sod 11/19	\$ 691.50
BrightView Landscape Services, Inc.	003130	6600310	Repair Damage 11/19	\$ 676.04
BrightView Landscape Services, Inc.	003130	6603487	Exterior Maintenance 12/19	\$ 9,364.76
Charles Aquatics, Inc	003131	37563	Monthly Aquatic Management Services 12/19	\$ 475.00
Florida Power & Light Company	003124	74760-43505 11/19	185 International Golf Pkwy 11/19	\$ 1,684.25
Florida Power & Light Company	003133	Electric Summary 11/19	Electric Summary 11/19	\$ 879.86
Hopping Green & Sams	003125	111012	General/Monthly Legal Services 10/19	\$ 2,366.68
Innersync	003126	17707	ADA Website Compliance	\$ 2,325.00
Innovative Fountain Services	003134	2019801	Fountain Maintenance 12/19	\$ 320.00
Prosser, Inc.	003132	43021	Project 101029.60 Engineering Services 10/19	\$ 1,276.43
Rizzetta & Company, Inc.	003127	INV0000045214	District Management Fees 12/19	\$ 4,716.00
Rizzetta Technology Services, LLC	003128	INV0000004969	Website Hosting Services 12/19	\$ 100.00
St Johns County Utility Department	003129	524989-114648 11/19	100-2 World Comm Pkwy 11/19	<u>\$ 594.34</u>
Report Total				<u>\$ 25,469.86</u>

WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT

DISTRICT OFFICE · 2806 N. FIFTH STREET · UNIT 403 · ST. AUGUSTINE, FLORIDA 32084

Operation and Maintenance Expenditures January 2020 Presented For Board Approval

Attached please find the check register listing the Operation and Maintenance expenditures paid from January 1, 2020 through January 31, 2020. This does not include expenditures previously approved by the Board.

The total items being presented: **\$77,329.49**

Approval of Expenditures:

_____ Chairperson

_____ Vice Chairperson

_____ Assistant Secretary

World Commerce Community Development District

Paid Operation & Maintenance Expenditures

January 1, 2020 Through January 31, 2020

Vendor Name	Check Number	Invoice Number	Invoice Description	Invoice Amount
Bob's Backflow & Pumbing	003137	63579	Backflow Certification 12/19	\$ 40.00
BrightView Landscape Services, Inc.	003140	6640132	Removal of Dead Palms 12/19	\$ 1,575.00
BrightView Landscape Services, Inc.	003140	6640133	Replace Pump System 12/19	\$ 49,517.99
BrightView Landscape Services, Inc.	003142	6646632	Exterior Maintenance 01/20	\$ 9,364.76
Charles Aquatics, Inc	003143	37813	Monthly Aquatic Management Services 01/20	\$ 475.00
Curtis J Robinson	003151	CR012120	Board of Supervisors Meeting 01/21/20	\$ 200.00
Dennis W Hollingsworth, St Johns Cty Tax Collector	003154	012320	Postage On Non Ad Valorem Tax Notices FY19-20	\$ 82.43
Elizabeth Pappaceno	003148	LP012120	Board of Supervisors Meeting 01/21/20	\$ 200.00
Florida Power & Light Company	003135	74760-43505 12/19	185 International Golf Pkwy 12/19	\$ 1,633.61
Florida Power & Light Company	003144	Electric Summary 12/19	Electric Summary 12/19	\$ 174.44
Hopping Green & Sams	003138	111783	General/Monthly Legal Services 11/19	\$ 215.50
Innovative Fountain Services	003146	2019721	Fountain Maintenance 11/19	\$ 320.00
Jeffrey J. Silagy	003152	JS012120	Board of Supervisors Meeting 01/21/20	\$ 200.00
Karen L. McNairn	003147	KM012120	Board of Supervisors Meeting 01/21/20	\$ 200.00

World Commerce Community Development District

Paid Operation & Maintenance Expenditures

January 1, 2020 Through January 31, 2020

Vendor Name	Check Number	Invoice Number	Invoice Description	Invoice Amount
Kenneth O. Hall II	003145	KH012120	Board of Supervisors Meeting 01/21/20	\$ 200.00
Rizzetta & Company, Inc.	003139	INV0000045878	District Management Fees 01/20	\$ 4,716.00
Rizzetta & Company, Inc.	003149	INV0000046419	Annual Dissemination Agent Fee FY 2019/2020	\$ 7,000.00
Rizzetta Technology Services, LLC	003150	INV0000005414	Website Hosting Services 01/20	\$ 100.00
St Johns County Utility Department	003153	524989-114648 01/20	100-2 World Comm Pkwy 01/20	\$ 19.82
St Johns County Utility Department	003136	524989-114648 12/19	100-2 World Comm Pkwy 12/19	\$ 839.15
The St. Augustine Record	003141	I03241177-12092019	Legal Ad Invoice 12/19	<u>\$ 255.79</u>
Report Total				<u>\$ 77,329.49</u>

WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT

DISTRICT OFFICE · 2806 N. FIFTH STREET · UNIT 403 · ST. AUGUSTINE, FLORIDA 32084

Operation and Maintenance Expenditures February 2020 Presented For Board Approval

Attached please find the check register listing the Operation and Maintenance expenditures paid from February 1, 2020 through February 29, 2020. This does not include expenditures previously approved by the Board.

The total items being presented: **\$18,705.40**

Approval of Expenditures:

_____ Chairperson

_____ Vice Chairperson

_____ Assistant Secretary

World Commerce Community Development District

Paid Operation & Maintenance Expenditures

February 1, 2020 Through February 29, 2020

Vendor Name	Check Number	Invoice Number	Invoice Description	Invoice Amount
BrightView Landscape Services, Inc.	003160	6681183	Exterior Maintenance 02/20	\$ 9,364.76
Charles Aquatics, Inc	003161	38053	Monthly Aquatic Management Services 02/20	\$ 475.00
Florida Power & Light Company	003155	74760-43505 01/20	185 International Golf Pkwy 01/20	\$ 1,657.65
Florida Power & Light Company	003162	Electric Summary 01/20	Electric Summary 01/20	\$ 83.92
Hopping Green & Sams	003163	112589	General/Monthly Legal Services 01/20	\$ 191.00
Innersync	003159	17828	Quarterly ADA Website Services 10/31/19-12/31/19	\$ 384.38
Innersync	003156	18223	ADA Website Compliance 01/20	\$ 384.38
Prosser, Inc.	003164	43404	Project 101029.60 Engineering Services 02/20	\$ 1,258.56
Rizzetta & Company, Inc.	003157	INV0000046547	District Management Fees 02/20	\$ 4,716.00
Rizzetta Technology Services, LLC	003158	INV0000005516	Website Hosting Services 02/20	\$ 100.00
The St. Augustine Record	003165	I03247127-01072020	Legal Ad Invoice 01/20	<u>\$ 89.75</u>
Report Total				<u>\$ 18,705.40</u>

WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT

DISTRICT OFFICE · 2806 N. FIFTH STREET · UNIT 403 · ST. AUGUSTINE, FLORIDA 32084

Operation and Maintenance Expenditures March 2020 Presented For Board Approval

Attached please find the check register listing the Operation and Maintenance expenditures paid from March 1, 2020 through March 31, 2020. This does not include expenditures previously approved by the Board.

The total items being presented: **\$19,767.79**

Approval of Expenditures:

_____ Chairperson

_____ Vice Chairperson

_____ Assistant Secretary

World Commerce Community Development District

Paid Operation & Maintenance Expenditures

March 1, 2020 Through March 31, 2020

Vendor Name	Check Number	Invoice Number	Invoice Description	Invoice Amount
BrightView Landscape Services, Inc.	003171	6721554	Exterior Maintenance 03/20	\$ 9,364.76
Charles Aquatics, Inc	003172	38274	Monthly Aquatic Management Services 03/20	\$ 475.00
Florida Power & Light Company	003166	74760-43505 02/20	185 International Golf Pkwy 02/20	\$ 1,657.65
Florida Power & Light Company	003173	Electric Summary 02/20	Electric Summary 02/20	\$ 121.70
Hopping Green & Sams	003174	113323	General/Monthly Legal Services 01/20	\$ 507.50
Innovative Fountain Services	003170	2020052	Fountain Maintenance 01/20	\$ 320.00
Innovative Fountain Services	003170	2020163	Fountain Maintenance 02/20	\$ 320.00
Prosser, Inc.	003175	43611	Project 101029.60 Engineering Services 03/20	\$ 1,295.00
Rizzetta & Company, Inc.	003167	INV0000047403	District Management Fees 03/20	\$ 4,716.00
Rizzetta Technology Services, LLC	003168	INV0000005616	Website Hosting Services 03/20	\$ 100.00
St Johns County Utility Department	003169	524989-114648 02/20	100-2 World Comm Pkwy 02/20	\$ 12.98
St Johns County Utility Department	003176	524989-114648 03/20	100-2 World Comm Pkwy 03/20	<u>\$ 877.20</u>

Report Total

\$ 19,767.79

Tab 3



LLS Tax Solutions Inc.
2172 W. Nine Mile Rd.
#352
Pensacola, FL 32534
Telephone: 850-754-0311
Email: liscott@llstax.com

February 4, 2020

World Commerce Community Development District
c/o Rizzetta & Company, Inc.
12750 Citrus Park Lane, Suite 115
Tampa, Florida 33625

Thank you for choosing LLS Tax Solutions Inc. ("LLS Tax") to provide arbitrage services to World Commerce Community Development District ("Client") for the following bond issue. This Engagement Letter describes the scope of the LLS Tax services, the respective responsibilities of LLS Tax and Client relating to this engagement and the fees LLS Tax expects to charge.

- \$12,275,000 World Commerce Community Development District (St. Johns County, Florida) Special Assessment Bonds, Series 2007

SCOPE OF SERVICES

The procedures that we will perform are as follows:

- Assist in calculation of the bond yield, unless previously computed and provided to us.
- Assist in determination of the amount, if any, of required rebate to the federal government.
- Issuance of a report presenting the cumulative results since the issue date of the issue of bonds.
- Preparation of necessary reports and Internal Revenue Service ("IRS") forms to accompany any required payment to the federal government.

As a part of our engagement, we will read certain documents associated with each issue of bonds for which services are being rendered. We will determine gross proceeds of each issue of bonds based on the information provided in such bond documents. You will have sole responsibility for determining any other amounts not discussed in those documents that may constitute gross proceeds of each series of bonds for the purposes of the arbitrage requirements.

TAX POSITIONS AND REPORTABLE TRANSACTIONS

Because the tax law is not always clear, we will use our professional judgment in resolving questions affecting the arbitrage calculations. Unless you instruct us otherwise, we will take the reporting position most favorable to you whenever reasonable. Any of your bond issues may be selected for review by the IRS, which may not agree with our positions. Any proposed adjustments are subject to

certain rights of appeal. Because of the lack of clarity in the law, we cannot provide assurances that the positions asserted by the IRS may not ultimately be sustained, which could result in the assessment of potential penalties. You have the ultimate responsibility for your compliance with the arbitrage laws; therefore, you should review the calculations carefully.

The IRS and some states have promulgated “tax shelter” rules that require taxpayers to disclose their participation in “reportable transactions” by attaching a disclosure form to their federal and/or state income tax returns and, when necessary, by filing a copy with the Internal Revenue Service and/or the applicable state agency. These rules impose significant requirements to disclose transactions and such disclosures may encompass many transactions entered into in the normal course of business. Failure to make such disclosures will result in substantial penalties. In addition, an excise tax is imposed on exempt organizations (including state and local governments) that are a party to prohibited tax shelter transactions (which are defined using the reportable transaction rules). Client is responsible for ensuring that it has properly disclosed all “reportable transactions” and, where applicable, complied with the excise tax provision. The LLS Tax services that are the subject of this Engagement Letter do not include any undertaking by LLS Tax to identify any reportable transactions that have not been the subject of a prior consultation between LLS Tax and Client. Such services, if desired by Client, will be the subject of a separate engagement letter. LLS Tax may also be required to report to the IRS or certain state tax authorities certain tax services or transactions as well as Client’s participation therein. The determination of whether, when and to what extent LLS Tax complies with its federal or state “tax shelter” reporting requirements will be made exclusively by LLS Tax. LLS Tax will not be liable for any penalties resulting from Client’s failure to accurately and timely file any required disclosure or pay any related excise tax nor will LLS Tax be held responsible for any consequences of its own compliance with its reporting obligations. Please note that any disclosure required by or made pursuant to the tax shelter rules is separate and distinct from any other disclosure that Client might be required to or choose to make with its tax returns (e.g., disclosure on federal Form 8275 or similar state disclosure).

PROFESSIONAL FEES AND EXPENSES

Our professional fees for services listed above for the three annual bond years ending January 31, 2020, January 31, 2021, and January 31, 2022 is \$1,500, which is \$500 each year. We will bill you upon completion of our services or on a monthly basis. Our invoices are payable upon receipt. Additionally, you may request additional consulting services from us upon occasion; we will bill you for these consulting services at a beforehand agreed upon rate.

Unanticipated factors that could increase our fees beyond the estimate given above include the following (without limitation). Should any of these factors arise we will alert you before additional fees are incurred.

- Investment data provided by you is not in good order or is unusually voluminous.
- Proceeds of bonds have been commingled with amounts not considered gross proceeds of the bonds (if that circumstance has not previously been communicated to us).
- A review or other inquiry by the IRS with respect to an issue of bonds.

The Client (District) has the option to terminate this Agreement within ninety days of providing notice to LLS Tax Solutions Inc. of its intent.

ACCEPTANCE

You understand that the arbitrage services, report and IRS forms described above are solely to assist you in meeting your requirements for federal income tax compliance purposes. This Engagement Letter constitutes the entire agreement between Client and LLS Tax with respect to this engagement, supersedes all other oral and written representations, understandings or agreements relating to this engagement, and may not be amended except by the mutual written agreement of the Client and LLS Tax.

Please indicate your acceptance of this agreement by signing in the space provided below and returning a copy of this Engagement Letter to us. Thank you again for this opportunity to work with you.

Very truly yours,
LLS Tax Solutions Inc.

AGREED AND ACCEPTED:
World Commerce Community Development
District

By: Linda L. Scott
Linda L. Scott, CPA

By: _____
Print Name _____
Title _____
Date: _____

Tab 4

**WORLD COMMERCE
COMMUNITY DEVELOPMENT DISTRICT
ST. JOHNS COUNTY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2019**

**WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT
ST. JOHNS COUNTY, FLORIDA**

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1-2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3-6
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Statement of Net Position	7
Statement of Activities	8
Fund Financial Statements:	
Balance Sheet – Governmental Funds	9
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	10
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	11
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	12
Notes to the Financial Statements	13-20
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	21
Notes to Required Supplementary Information	22
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	23-24
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA	25
MANAGEMENT LETTER PURSUANT TO THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA	26-28



Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road • Suite 280
Boca Raton, Florida 33431
(561) 994-9299 • (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
World Commerce Community Development District
St. Johns County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of World Commerce Community Development District, St. Johns County, Florida ("District") as of and for the fiscal year ended September 30, 2019, and the related notes to the 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 opinions 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 Auditing 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 opinions.

Opinions

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 the District as of September 30, 2019, and the respective changes in financial position thereof for the fiscal 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's discussion and analysis and budgetary comparison information 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 our report dated March 31, 2020, 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, contracts, grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

March 31, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of World Commerce Community Development District, St. Johns County, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2019. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The liabilities of the District exceeded its assets at the close of the most recent fiscal year resulting in a net position deficit balance of (\$8,336,949).
- The change in the District's total net position in comparison with the prior fiscal year was \$772,288, an increase. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2019, the District's governmental funds reported combined ending fund balances of \$3,957,906, an increase of \$164,127 in comparison with the prior fiscal year. The total fund balance is non-spendable for prepaid items and deposits, restricted for debt service, and the remainder is unassigned fund balance which is available for spending at the District's discretion.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as the introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the residual amount being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements include all governmental activities that are principally supported by special assessment revenues. The District does not have any business-type activities. The governmental activities of the District include the general government (management) and maintenance and operations.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has one fund category: the governmental funds.

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

Governmental Funds

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 on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a District'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 governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains three governmental funds for external reporting. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund and capital projects fund, all of which are considered major funds. The capital projects fund was closed during the current fiscal year.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the District, liabilities exceeded assets at the close of the most recent fiscal year.

Key components of the District's net position are reflected in the following table:

NET POSITION SEPTEMBER 30,		
	2019	2018
Current and other assets	\$ 3,966,197	\$ 3,797,004
Capital assets, net of depreciation	18,888,219	19,273,317
Total assets	22,854,416	23,070,321
Current liabilities	743,262	758,761
Long-term liabilities	30,448,103	31,420,797
Total liabilities	31,191,365	32,179,558
Net position		
Net investment in capital assets	1,879,540	1,679,318
Restricted	762,446	625,978
Unrestricted	(10,978,935)	(11,414,533)
Total net position	\$ (8,336,949)	\$ (9,109,237)

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The District's net position reflects its investment in capital assets (e.g. land, land improvements, and infrastructure) less any related debt used to acquire those assets that is still outstanding. These assets are used to provide services to residents; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of the District's net position represents resources that are subject to external restrictions on how they may be used.

The District's net position increased during the most recent fiscal year. The majority of the increase represents the extent to which ongoing program revenues exceeded the cost of operations and depreciation expense.

Key elements of the change in net position are reflected in the following table:

CHANGES IN NET POSITION FOR THE FISCAL YEAR ENDED SEPTEMBER 30,		
	2019	2018
Revenues:		
Program revenues		
Charges for services	\$ 3,157,592	\$ 3,169,889
Operating grants and contributions	60,962	39,449
Capital grants and contributions	107	261
General revenues		
Unrestricted investment earnings	263	79
Total revenues	3,218,924	3,209,678
Expenses:		
General government	105,989	107,477
Maintenance and operations	545,814	555,870
Interest on long-term debt	1,794,833	1,842,614
Total expenses	2,446,636	2,505,961
Change in net position	772,288	703,717
Net position - beginning	(9,109,237)	(9,812,954)
Net position - ending	\$ (8,336,949)	\$ (9,109,237)

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2019 was \$2,446,636. The costs of the District's activities were primarily funded by program revenues. Program revenues were comprised primarily of assessments during the current and prior fiscal years.

GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2019.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2019, the District had \$23,144,249 invested in capital assets for its governmental activities. In the government-wide financial statements depreciation of \$4,256,030 has been taken, which resulted in a net book value of \$18,888,219. More detailed information about the District's capital assets is presented in the notes to the financial statements.

CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

Capital Debt

At September 30, 2019, the District had \$30,485,000 Bonds outstanding for its governmental activities. More detailed information about the District's capital debt is presented in the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND OTHER EVENTS

The District does not anticipate any major projects or significant changes to its infrastructure maintenance program for the subsequent fiscal year. In addition, it is anticipated that the general operations of the District will remain fairly constant.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, land owners, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact the World Commerce Community Development District's Finance Department at 12750 Citrus Park Lane, Suite 115, Tampa, Florida 33625.

FINANCIAL STATEMENTS

**WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT
ST. JOHNS COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2019**

	Governmental Activities
ASSETS	
Cash	\$ 268,810
Investments	345
Prepaid items and deposits	16,823
Restricted assets:	
Investments	3,680,219
Capital assets:	
Nondepreciable	13,899,500
Depreciable, net	4,988,719
Total assets	<u>22,854,416</u>
 LIABILITIES	
Accounts payable and accrued expenses	8,291
Accrued interest payable	734,971
Non-current liabilities:	
Due within one year	1,015,000
Due in more than one year	29,433,103
Total liabilities	<u>31,191,365</u>
 NET POSITION	
Net investment in capital assets	1,879,540
Restricted for debt service	762,446
Unrestricted	(10,978,935)
Total net position	<u>\$ (8,336,949)</u>

See notes to the financial statements

**WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT
ST. JOHNS COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

<u>Functions/Programs</u>	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary government:					
Governmental activities:					
General government	\$ 105,989	\$ 105,989	\$ -	\$ -	\$ -
Maintenance and operations	545,814	208,677	-	107	(337,030)
Interest on long-term debt	1,794,833	2,842,926	60,962	-	1,109,055
Total governmental activities	2,446,636	3,157,592	60,962	107	772,025
General revenues:					
Unrestricted investment earnings					263
Total general revenues					263
Change in net position					772,288
Net position - beginning					(9,109,237)
Net position - ending					<u>\$ (8,336,949)</u>

See notes to the financial statements

**WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT
ST. JOHNS COUNTY, FLORIDA
BALANCE SHEET –
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019**

	Major Funds		Total
	General	Debt Service	Governmental Funds
ASSETS			
Cash	\$ 268,810	\$ -	\$ 268,810
Investments	345	3,680,219	3,680,564
Prepaid items and deposits	16,823	-	16,823
Total assets	<u>\$ 285,978</u>	<u>\$ 3,680,219</u>	<u>\$ 3,966,197</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued expenses	\$ 8,291	\$ -	\$ 8,291
Total liabilities	<u>8,291</u>	<u>-</u>	<u>8,291</u>
Fund balances:			
Nonspendable:			
Prepaid items and deposits	16,823	-	16,823
Restricted for:			
Debt service	-	3,680,219	3,680,219
Unassigned	260,864	-	260,864
Total fund balances	<u>277,687</u>	<u>3,680,219</u>	<u>3,957,906</u>
Total liabilities and fund balances	<u>\$ 285,978</u>	<u>\$ 3,680,219</u>	<u>\$ 3,966,197</u>

See notes to the financial statements

**WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT
ST. JOHNS COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2019**

Fund balance - governmental funds \$ 3,957,906

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The statement of net position includes those capital assets, net of any accumulated depreciation, in the net position of the government as a whole.

Cost of capital assets	23,144,249	
Accumulated depreciation	<u>(4,256,030)</u>	18,888,219

Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide financial statements.

Accrued interest payable	(734,971)	
Bonds payable	<u>(30,448,103)</u>	<u>(31,183,074)</u>
Net position of governmental activities		<u><u>\$ (8,336,949)</u></u>

See notes to the financial statements

**WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT
ST. JOHNS COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

	Major Funds			Total Governmental Funds
	General	Debt Service	Capital Projects	
REVENUES				
Assessments	\$ 314,666	\$ 2,842,926	\$ -	\$ 3,157,592
Interest income	263	60,962	107	61,332
Total revenues	314,929	2,903,888	107	3,218,924
EXPENDITURES				
Current:				
General government	105,989	-	-	105,989
Maintenance and operations	160,716	-	-	160,716
Debt service:				
Principal	-	975,000	-	975,000
Interest	-	1,813,092	-	1,813,092
Total expenditures	266,705	2,788,092	-	3,054,797
Excess (deficiency) of revenues over (under) expenditures	48,224	115,796	107	164,127
OTHER FINANCING SOURCES (USES)				
Transfer in	-	28,205	-	28,205
Transfer out	-	-	(28,205)	(28,205)
Total other financing sources (uses)	-	28,205	(28,205)	-
Net change in fund balances	48,224	144,001	(28,098)	164,127
Fund balances - beginning	229,463	3,536,218	28,098	3,793,779
Fund balances - ending	\$ 277,687	\$ 3,680,219	\$ -	\$ 3,957,906

See notes to the financial statements

**WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT
ST. JOHNS COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

Net change in fund balances - total governmental funds	\$ 164,127
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Amounts reported for governmental activities in the statement of activities are different because:

Repayment of long-term liabilities are reported as expenditures in the governmental fund financial statements, but such repayments reduce liabilities in the statement of net position and are eliminated in the statement of activities.	975,000
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Depreciation of capital assets is not recognized in the governmental fund financial statements, but is reported as an expense in the statement of activities.	(385,098)
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Amortization of bond discount is not recognized in the governmental fund financial statements, but is reported as an expense in the statement of activities.	(2,306)
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The change in accrued interest on long-term liabilities between the current and prior fiscal year is recorded in the statement of activities but not in the fund financial statements.	20,565
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Change in net position of governmental activities	<div style="border-top: 1px solid black; border-bottom: 3px double black; display: inline-block; width: 100%;">\$ 772,288</div>
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See notes to the financial statements

**WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT
ST. JOHNS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

World Commerce Community Development District (the "District") was established by St. Johns County Ordinance 2003-100 enacted on December 3, 2003 pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes. The Act provides among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District.

The District is governed by the Board of Supervisors ("Board"), which is composed of five members. The Supervisors are elected on an at large basis by the qualified electors within the District. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes. At September 30, 2019, none of the Board members are affiliated with World Commerce Center, LLP ("Developer"). All current Board members are residents of the District.

The Board has the responsibility for:

1. Allocating and levying assessments.
2. Approving budgets.
3. Exercising control over facilities and properties.
4. Controlling the use of funds generated by the District.
5. Approving the hiring and firing of key personnel.
6. Financing improvements.

The financial statements were prepared in accordance with Governmental Accounting Standards Board ("GASB") Statements. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the District is considered to be financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; operating-type special assessments for maintenance and debt service are treated as charges for services and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not included among program revenues are reported instead as *general revenues*.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Assessments are recognized as revenues in the year for which they are levied. Grants and similar items are to be recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Assessments

Assessments are non-ad valorem assessments imposed on assessable lands located within the District. Assessments may be levied on property to pay for the operations and maintenance of the District. The fiscal year for which annual assessments may be levied begins on October 1 with discounts available for payments through February 28 and become delinquent on April 1. For debt service assessments, amounts collected as advance payments are used to prepay a portion of the Bonds outstanding. Otherwise, assessments are collected annually to provide funds for the debt service on the portion of the Bonds which are not paid with prepaid assessments.

Assessments and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. The portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period.

The District reports the following major governmental funds:

General Fund

The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

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

This fund accounts for the financial resources to be used for the acquisition or construction of major infrastructure within the District. This fund was closed during the current fiscal year.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first for qualifying expenditures, then unrestricted resources as they are needed.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity

Restricted Assets

These assets represent cash and investments set aside pursuant to Bond covenants or other contractual restrictions.

Deposits and Investments

The District's cash on hand and demand deposits are considered to be cash and cash equivalents.

The District has elected to proceed under the Alternative Investment Guidelines as set forth in Section 218.415 (17) Florida Statutes. The District may invest any surplus public funds in the following:

- a) The Local Government Surplus Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act;
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
- c) Interest bearing time deposits or savings accounts in qualified public depositories;
- d) Direct obligations of the U.S. Treasury.

In addition, surplus funds may be deposited into certificates of deposit which are insured and any unspent Bond proceeds are required to be held in investments as specified in the Bond Indenture.

The District records all interest revenue related to investment activities in the respective funds. Investments are measured at amortized cost or reported at fair value as required by generally accepted accounting principles.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets which include property, plant and equipment, and infrastructure assets (e.g., roads, sidewalks and similar items) are reported in the governmental activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Stormwater system	25
Landscaping and streetscaping	15

In the governmental fund financial statements, amounts incurred for the acquisition of capital assets are reported as fund expenditures. Depreciation expense is not reported in the governmental fund financial statements.

Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized ratably over the life of the Bonds. Bonds payable are reported net of applicable premiums or discounts. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Fund Equity/Net Position

In the fund financial statements, governmental funds report non spendable and restricted fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change.

The District can establish limitations on the use of fund balance as follows:

Committed fund balance – Amounts that can be used only for the specific purposes determined by a formal action (resolution) of the Board of Supervisors. Commitments may be changed or lifted only by the Board of Supervisors taking the same formal action (resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

Assigned fund balance – Includes spendable fund balance amounts established by the Board of Supervisors that are intended to be used for specific purposes that are neither considered restricted nor committed. The Board may also assign fund balance as it does when appropriating fund balance to cover differences in estimated revenue and appropriations in the subsequent year's appropriated budget. Assignments are generally temporary and normally the same formal action need not be taken to remove the assignment.

The District first uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Net position is the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position in the government-wide financial statements are categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets represents net position related to infrastructure and property, plant and equipment. Restricted net position represents the assets restricted by the District's Bond covenants or other contractual restrictions. Unrestricted net position consists of the net position not meeting the definition of either of the other two components.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other Disclosures

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 3 – BUDGETARY INFORMATION

The District is required to establish a budgetary system and an approved Annual Budget. Annual Budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. All annual appropriations lapse at fiscal year-end.

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

- a) Each year, the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- b) A public hearing is conducted to obtain comments.
- c) Prior to October 1, the budget is legally adopted by the District Board.
- d) All budget changes must be approved by the District Board.
- e) The budgets are adopted on a basis consistent with generally accepted accounting principles.
- f) Unused appropriation for annually budgeted funds lapse at the end of the year.

NOTE 4 – DEPOSITS AND INVESTMENTS

Deposits

The District's cash balances were entirely covered by federal depository insurance or by a collateral pool pledged to the State Treasurer. Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", requires all qualified depositories to deposit with the Treasurer or another banking institution eligible collateral equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. Governmental and agency securities, state or local government debt, or corporate Bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

Investments

The District's investments were held as follows at September 30, 2019:

	Amortized Cost	Credit Risk	Maturities
US Bank Money Market	\$ 3,680,219	Not available	Not available
Investment in Local Government Surplus			Weighted average of the fund
Funds Trust Fund (Florida PRIME)	345	S&P AAAM	portfolio: 37 days
Total Investments	<u>\$ 3,680,564</u>		

Credit risk – For investments, credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investment ratings by investment type are included in the preceding summary of investments.

Concentration risk – The District places no limit on the amount the District may invest in any one issuer.

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

NOTE 4 – DEPOSITS AND INVESTMENTS

Investments (Continued)

However, the Bond Indentures limit the type of investments held using unspent proceeds.

Fair Value Measurement – When applicable, the District measures and records its investments using fair value measurement guidelines established in accordance with GASB Statements. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques.

These guidelines recognize a three-tiered fair value hierarchy, in order of highest priority, as follows:

- *Level 1:* Investments whose values are based on unadjusted quoted prices for identical investments in active markets that the District has the ability to access;
- *Level 2:* Investments whose inputs - other than quoted market prices - are observable either directly or indirectly; and,
- *Level 3:* Investments whose inputs are unobservable.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the entire fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

Money market investments that have a maturity at the time of purchase of one year or less and are held by governments other than external investment pools should be measured at amortized cost. Accordingly, the District's investments have been reported at amortized cost above.

NOTE 5 – INTERFUND TRANSFERS

Interfund transfers for the fiscal year ended September 30, 2019 were as follows:

Fund	Transfer in	Transfer out
Debt service	\$ 28,205	\$ -
Capital projects	-	28,205
Total	<u>\$ 28,205</u>	<u>\$ 28,205</u>

Transfers are used to move revenues from the fund where collection occurs to the fund where funds have been reallocated for use. In the case of the District, transfers from the Series 2007 capital project fund to the Series 2007 debt service fund were to move excess reserves previously deposited to the construction account in error into the Redemption and General trust accounts.

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2019 was as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
<u>Governmental activities</u>				
Capital assets, not being depreciated				
Land	\$ 13,899,500	\$ -	\$ -	\$ 13,899,500
Total capital assets, not being depreciated	13,899,500	-	-	13,899,500
Capital assets, being depreciated				
Stormwater system	8,670,704	-	-	8,670,704
Landscaping and streetscaping	574,045	-	-	574,045
Total capital assets, being depreciated	9,244,749	-	-	9,244,749
Less accumulated depreciation for:				
Stormwater system	(3,429,738)	(346,828)	-	(3,776,566)
Landscaping and streetscaping	(441,194)	(38,270)	-	(479,464)
Total accumulated depreciation	(3,870,932)	(385,098)	-	(4,256,030)
Total capital assets, being depreciated, net	5,373,817	(385,098)	-	4,988,719
Governmental activities capital assets, net	\$ 19,273,317	\$ (385,098)	\$ -	\$ 18,888,219

Depreciation expense was charged to the maintenance and operations function.

NOTE 7 – LONG-TERM LIABILITIES

At September 30, 2019, the District had outstanding Bond issues as follows:

Series	Issue Date	Original Face Amount	Interest Rate	Maturity
Special Assessment Bonds:				
Series 2004A-1	July 26, 2004	\$ 6,555,000	6.250%	May 1, 2022
Series 2004A-1	July 26, 2004	14,825,000	6.500%	May 1, 2036
Series 2007	January 24, 2007	12,275,000	5.500%	May 1, 2038
Special Assessment Refunding Bonds:				
Series 2015	June 30, 2015	2,950,000	2% - 4.1%	May 1, 2016 - May 1, 2027
Series 2015	June 30, 2015	1,310,000	4.50%	May 1, 2031
Series 2015	June 30, 2015	1,570,000	4.60%	May 1, 2035

The Special Assessment Bonds, Series 2004A-1 and 2007 Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. The Series 2015 Special Assessment Refunding Bonds were issued to refund and redeem all of the District's outstanding Series 2004A-2 Bonds outstanding at the time of the issuance.

The Series 2004A-1, 2007, and 2015 Bonds are subject to redemption at the option of the District prior to maturity. Each Bond Series is subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture. This occurred during the year, as \$10,000 of the Series 2015 Bonds were prepaid.

The Bond Indentures established debt service reserve requirements as well as other restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District is in compliance with those requirements of the Bond Indentures at September 30, 2019.

NOTE 7 – LONG-TERM LIABILITIES (Continued)

Changes in long-term liability activity for the fiscal year ended September 30, 2019 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Bonds payable:					
Series 2004	\$ 16,530,000	\$ -	\$ (465,000)	\$ 16,065,000	\$ 495,000
Series 2007	9,765,000	-	(275,000)	9,490,000	290,000
Series 2015	5,165,000	-	(235,000)	4,930,000	230,000
Less issue discount	(39,203)	-	2,306	(36,897)	-
Total	<u>\$ 31,420,797</u>	<u>\$ -</u>	<u>\$ (972,694)</u>	<u>\$ 30,448,103</u>	<u>\$ 1,015,000</u>

At September 30, 2019, the scheduled debt service requirements on the long-term debt were as follows:

Year ending, September 30:	Governmental Activities		
	Principal	Interest	Total
2020	\$ 1,015,000	\$ 1,763,930	\$ 2,778,930
2021	1,070,000	1,711,293	2,781,293
2022	1,130,000	1,654,930	2,784,930
2023	1,250,000	1,594,243	2,844,243
2024	1,320,000	1,524,255	2,844,255
2025-2029	7,875,000	6,394,420	14,269,420
2030-2034	10,560,000	3,795,465	14,355,465
2035-2038	6,265,000	718,895	6,983,895
Total	<u>\$ 30,485,000</u>	<u>\$ 19,157,431</u>	<u>\$ 49,642,431</u>

NOTE 8 – ASSESSMENTS

The Developer owns a portion of the land within the District; therefore, assessment revenues in the general and debt service funds include the assessments levied on those lots owned by the Developer.

NOTE 9 – CONCENTRATION

The District's activity is dependent upon the continued involvement of the Developer, the loss of which could have a material adverse effect on the District's operations.

NOTE 10 – 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 (Board appointed non-voting positions) of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, and other administrative costs.

NOTE 11 – 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. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. There were two settled claims during the past three years totaling approximately \$5,050. There is also one open claim filed in fiscal year 2019 for approximately \$39,000. As of March 31, 2020, this claim has not been settled.

**WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT
ST. JOHNS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts <u>Original & Final</u>	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Assessments	\$ 314,050	\$ 314,666	\$ 616
Interest Income	-	263	263
Total revenues	<u>314,050</u>	<u>314,929</u>	<u>879</u>
EXPENDITURES			
Current:			
General government	112,422	105,989	6,433
Maintenance and operations	186,628	160,716	25,912
Capital Outlay	<u>15,000</u>	-	15,000
Total expenditures	<u>314,050</u>	<u>266,705</u>	<u>47,345</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	48,224	<u>\$ 48,224</u>
Fund balance - beginning		<u>229,463</u>	
Fund balance - ending		<u>\$ 277,687</u>	

See notes to required supplementary information

**WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT
ST. JOHNS COUNTY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

The District is required to establish a budgetary system and an approved Annual Budget for the general fund. The District's budgeting process is based on estimates of cash receipts and cash expenditures which are approved by the Board. The budget approximates a basis consistent with accounting principles generally accepted in the United States of America (generally accepted accounting principles).

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2019.



**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
World Commerce Community Development District
St. Johns 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 the governmental activities and each major fund of World Commerce Community Development District, St. Johns County, Florida ("District") as of and for the fiscal year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated March 31, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) 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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 a 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and 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 matter that we reported to management of the District in a separate letter dated March 31, 2020.

The District's response to the finding identified in our audit is described in the accompanying Management Letter. We did not audit the District's response and, accordingly, we express no opinion on it.

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.

March 31, 2020



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

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Boca Raton, Florida 33431
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE
REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY
RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Board of Supervisors
World Commerce Community Development District
St. Johns County, Florida

We have examined World Commerce Community Development District, St. Johns County, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2019. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the 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. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2019.

This report 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, management, and the Board of Supervisors of World Commerce Community Development District, St. Johns County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

March 31, 2020



Grau & Associates

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MANAGEMENT LETTER PURSUANT TO THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

To the Board of Supervisors
World Commerce Community Development District
St. Johns County, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of World Commerce Community Development District, St. Johns County, Florida ("District") as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated March 31, 2020.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; 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 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 the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 31, 2020, should be considered in conjunction with this management letter.

Purpose of this Letter

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General of the State of Florida. Accordingly, in connection with our audit of the financial statements of the District, as described in the first paragraph, we report the following:

- I. **Current year findings and recommendations.**
- II. **Status of prior year findings and recommendations.**
- III. **Compliance with the Provisions of the Auditor General of the State of Florida.**

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, as applicable, management, and the Board of Supervisors of World Commerce Community Development District, St. Johns County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank World Commerce Community Development District, St. Johns County, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements, and the courtesies extended to us.

March 31, 2020

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

2019-01 Reserve Compliance:

Observation: The Series 2004 and 2007 Bond Indentures stipulate that each March 15 and September 15, it is to be determined if there are excess reserves held for the Bonds. If such an excess exists, the amounts should be transferred from the reserve account to the Prepayment account and be used to prepay the Bonds. At September 30, 2019 there exists excess reserve amounts as follows; Series 2004 - \$68,368, and Series 2007 - \$36,632. The amounts were also not transferred subsequent to year end. As such, the District is not in compliance with the Bond Indentures.

Recommendation: The District should ensure the Trustee immediately transfers all excess amounts and prepay the Bonds at the next available date. In addition, the District should instruct the Trustee of their noncompliance with the Indenture and direct them to track the excess reserves on an ongoing basis and make the necessary transfers.

Management Response: The District has directed the Trustee to calculate excess reserves on March 15 and September 15 as per the Bond Indenture. The Trustee has determined there are excess reserves for the Series 2004 and 2007 bonds and will be transferring excess reserves to the Prepayment account to be used to prepay the Bonds on May 1, 2020.

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

2018-01 Reserve Account

Current Status: Matter was resolved.

III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2018, except as noted above.

2. Any recommendations to improve the local governmental entity's financial management.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2019.

3. 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.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2019, except as noted above.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.

STAFF REPORTS

District Counsel

District Engineer

Landscape

Tab 5

Quality Site Assessment

General Information

Property Name: World Comm Center

Date: Wednesday, April 08, 2020

Next Inspection Date: Thursday, April 08, 2021

Client Attendees:

Brightview Attendees: Steve Mcavoy, Steve Mcavoy

CUSTOMER FOCUS AREA:

Focal areas and weed control

CARRYOVER ITEMS (CheckBox = DONE):

MAINTENANCE ITEMS:

- 1) Palms are starting to decline. I will get a recommendation.
- 2) Plant material as been trimmed and sprayed with growth regulator.
- 3) Area behind gate across from Buc-ee's has been mowed as requested
- 4) Canal across from Buc-ee's has been mowed as requested.
- 5) Edging crisp and clean
- 6) Oaks need to be selectively pruned
- 7) Curbs are clean and weed free
- 8) Fertilizer and turf weed application scheduled for 3rd week of April
- 9) Palms at west entrance in need of pruning

RECOMMENDATIONS FOR PROPERTY ENHANCEMENTS:

- 1) Replaced 60 amp service and #6 wires to 125 amp service and #3 wires. The pump was tripping the breaker because this service was the wrong size.

NOTES TO OWNER/CLIENT:

Quality Site Assessment

Maintenance Items

Palms are starting to decline. I will get a recommendation.



[1 / 9]

Maintenance Items

Plant material as been trimmed and sprayed with growth regulator.



[2 / 9]

Maintenance Items

Area behind gate across from Buc-ee's has been mowed as requested



[3 / 9]

Maintenance Items

Canal across from Buc-ee's has been mowed as requested.



[4 / 9]

Quality Site Assessment

Maintenance Items

Edging crisp and clean



[5 / 9]

Maintenance Items

Oaks need to be selectively pruned



[6 / 9]

Maintenance Items

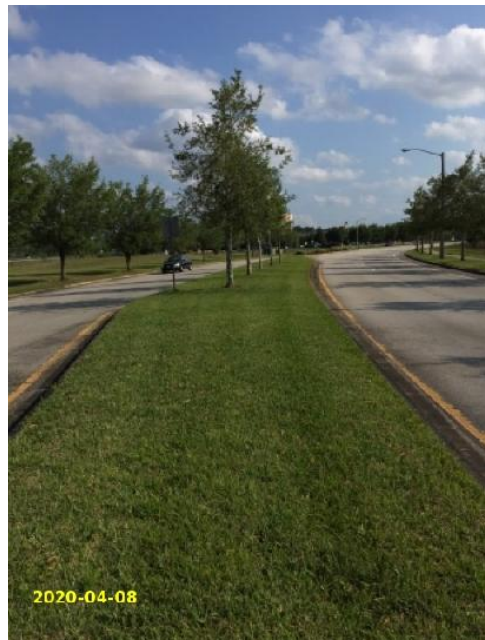
Curbs are clean and weed free



[7 / 9]

Maintenance Items

Fertilizer and turf weed application scheduled for 3rd week of April



[8 / 9]

Quality Site Assessment

Maintenance Items

Palms at west entrance in need of pruning



[9 / 9]

Quality Site Assessment

Recommendations for Property Enhancements

Replaced 60 amp service and #6 wires to 125 amp service and #3 wires. The pump was tripping the breaker because this service was the wrong size.



[1 / 1]

Tab 6

Proposal for Extra Work at World Comm Center

Property Name	World Comm Center	Contact	Lesley Gallagher
Property Address	500 World Commerce Pkwy Saint Augustine, FL 32092	To	World Commerce Center CDD
		Billing Address	c/o Rizzetta and Company 2806 N 5th St Unit #403 Saint Augustine, FL 32084

Project Name World Comm Center: North and South Entrance Redo

Project Description Landscape Enhancements

Scope of Work

QTY	UoM/Size	Material/Description	Total
North Entrance:			\$45,071.19
1.00	LUMP SUM	Prep area for install of plants remove any mulch or sod for new plants. Grade bed. Dispatch of Crews	
2.00	LUMP SUM	Prep holes with new soils and Install 24 CT 30 foot OA Medjool Palm Includes 1 year warranty	
1.00	LUMP SUM	Transplant 1 Medjool Palm	
1.00	LUMP SUM	Stump Grind Existing Stumps	
3.00	EACH	Tree Stakes for Palms	
12.00	EACH	Burfordii Hollie 7 gal. - Installed	
44.00	EACH	Loropetulum 7 gal. - Installed	
2.00	EACH	Holly Tree (Matching) - Installed	
1.00	EACH	Live Oak 8" Cal - Installed	
400.00	EACH	Annuals 4" - Installed	
4.00	CUBIC YARD	Soil for Annuals - Installed	
8.00	CUBIC YARD	Fill Dirt - Installed (To bring grade up on right side)	
1.00	SQUARE FEET	St Augustine Sod- Installed (For any rut damage due to crane and for where stump were located)	
1.00	LUMP SUM	Inspection and/or adjustments to provide proper coverage to all specified areas	
South Entrance:			\$8,339.20
1.00	LUMP SUM	Prep area for install of plants remove any mulch or sod for new plants. Grade bed. Cut Loropetalum down to 24". Remove debris from site. Dispatch of Crews	
24.00	EACH	Burfordii Hollie 7 gal. - Installed	
140.00	EACH	Pink Muhly Grass 3 gal. - Installed	
400.00	EACH	Annuals 4" - Installed	
4.00	CUBIC YARD	Soil for Annuals - Installed	
100.00	BAG	Mulch - Installed	

THIS IS NOT AN INVOICE

This proposal is valid for 60 days unless otherwise approved by BrightView Landscape Services, Inc.
11530 Davis Creek Court, Jacksonville, FL 32256 ph. (904) 292-0716 fax (904) 292-1014

Proposal for Extra Work at World Comm Center

1.00	LUMP SUM	Inspection and/or adjustments to provide proper coverage to all specified areas
------	----------	---

For internal use only

SO#	7168576
JOB#	346102100
Service Line	130

Total Price	\$53,410.39
--------------------	--------------------

THIS IS NOT AN INVOICE

This proposal is valid for 60 days unless otherwise approved by BrightView Landscape Services, Inc.
11530 Davis Creek Court, Jacksonville, FL 32256 ph. (904) 292-0716 fax (904) 292-1014

TERMS & CONDITIONS

1. The Contractor shall recognize and perform in accordance with written terms, written specifications and drawings only, contained or referred to herein. All materials shall conform to bid specifications.
2. **Work Force:** Contractor shall designate a qualified representative with experience in landscape maintenance/construction upgrades or when applicable in tree management. The workforce shall be competent and qualified, and shall be legally authorized to work in the U.S.
3. **License and Permits:** Contractor shall maintain a Landscape Contractor's license, if required by State or local law, and will comply with all other license and permit requirements of the City, State and Federal Governments, as well as all other requirements of law.
4. **Taxes:** Contractor agrees to pay all applicable taxes, including sales tax where applicable on material supplied.
5. **Insurance:** Contractor agrees to provide General Liability Insurance, Automotive Liability Insurance, Worker's Compensation Insurance, and any other insurance required by law or Client/Owner, as specified in writing prior to commencement of work. If not specified, Contractor will furnish insurance with \$1,000,000 limit of liability.
6. **Liability:** Contractor shall indemnify the Client/Owner and its agents and employees from and against any third party liabilities that arise out of Contractor's work to the extent such liabilities are adjudicated to have been caused by Contractor's negligence or willful misconduct. Contractor shall not be liable for any damage that occurs from Acts of God are defined as those caused by windstorm, hail, fire, flood, earthquake, hurricane and freezing, etc. Under these circumstances, Contractor shall have the right to renegotiate the terms and prices of this agreement within sixty (60) days. Any illegal trespass, claims and/or damages resulting from work requested that is not on property owned by Client/Owner or not under Client/Owner management and control shall be the sole responsibility of the Client/Owner.
7. **Subcontractors:** Contractor reserves the right to hire qualified subcontractors to perform specialized functions or work requiring specialized equipment.
8. **Additional Services:** Any additional work not shown in the above specifications involving extra costs will be executed only upon signed written orders, and will become an extra charge over and above the estimate.
9. **Access to Jobsite:** Client/Owner shall provide all utilities to perform the work. Client/Owner shall furnish access to all parts of jobsite where Contractor is to perform work as required by the Contract or other functions related thereto, during normal business hours and other reasonable periods of time. Contractor will perform the work as reasonably practical after the owner makes the site available for performance of the work.
10. **Invoicing:** Client/Owner shall make payment to Contractor within fifteen (15) days upon receipt of invoice. In the event the schedule for the completion of the work shall require more than thirty (30) days, a progress bill will be presented by month end and shall be paid within fifteen (15) days upon receipt of invoice.
11. **Termination:** This Work Order may be terminated by the either party with or without cause, upon seven (7) work days advance written notice. Client/Owner will be required to pay for all materials purchased and work completed to the date of termination and reasonable charges incurred in demobilizing.
12. **Assignment:** The Owner/Client and the Contractor respectively, bind themselves, their partners, successors, assignees and legal representative to the other party with respect to all covenants of this Agreement. Neither the Owner/Client nor the Contractor shall assign or transfer any interest in this Agreement without the written consent of the other provided, however, that consent shall not be required to assign this Agreement to any company which controls, is controlled by, or is under common control with Contractor or in connection with assignment to an affiliate or pursuant to a merger, sale of all or substantially all of its assets or equity securities, consolidation, change of control or corporate reorganization.
13. **Disclaimer:** This proposal was estimated and priced based upon a site visit and visual inspection from ground level using ordinary means, at or about the time this proposal was prepared. The price quoted in this proposal for the work described, is the result of that ground level visual inspection and therefore our company will not be liable for any additional costs or damages for additional work not described herein, or liable for any incidents/accidents resulting from conditions, that were not ascertainable by said ground level visual inspection by ordinary means at the time said inspection was performed. Contractor cannot be held responsible for unknown or otherwise hidden defects. Any corrective work proposed herein cannot guarantee exact results. Professional engineering, architectural, and/or landscape design services ("Design Services") are not included in this Agreement and shall not be provided by the Contractor. Any design defects in the Contract Documents are the sole responsibility of the Owner. If the Client/Owner must engage a licensed engineer, architect and/or landscape design professional, any costs concerning these Design Services are to be paid by the Client/Owner directly to the designer involved.

14. **Cancellation:** Notice of Cancellation of work must be received in writing before the crew is dispatched to their location or Client/Owner will be liable for a minimum travel charge of \$150.00 and billed to Client/Owner.

The following sections shall apply where Contractor provides Customer with tree care services:

15. **Tree & Stump Removal:** Trees removed will be cut as close to the ground as possible based on conditions to or next to the bottom of the tree trunk. Additional charges will be levied for unseen hazards such as, but not limited to concrete brick filled trunks, metal rods, etc. If requested mechanical grinding of visible tree stump will be done to a defined width and depth below ground level at an additional charge to the Client/Owner. Defined backfill and landscape material may be specified. Client/Owner shall be responsible for contacting Underground Service Alert to locate underground utility lines prior to start of work. Contractor is not responsible damage done to underground utilities such as but not limited to, cables, wires, pipes, and irrigation parts. Contractor will repair damaged irrigation lines at the Client/Owner's expense.
16. **Waiver of Liability:** Requests for crown thinning in excess of twenty-five percent (25%) or work not in accordance with ISA (international Society of Arboricultural) standards will require a signed waiver of liability.

Acceptance of this Contract

Contractor is authorized to perform the work stated on the face of this Contract. Payment will be 100% due at time of billing. If payment has not been received by BrightView within fifteen (15) days after billing, BrightView shall be entitled to all costs of collection, including reasonable attorneys' fees and it shall be relieved of any obligation to continue performance under this or any other Contract with Client/Owner. Interest at a per annum rate of 1.5% per month (18% per year), or the highest rate permitted by law, may be charged on unpaid balance 30 days after billing.

NOTICE: FAILURE TO MAKE PAYMENT WHEN DUE FOR COMPLETED WORK ON CONSTRUCTION JOBS, MAY RESULT IN A MECHANIC'S LIEN ON THE TITLE TO YOUR PROPERTY

Customer

District Manager

Signature	Title
-----------	-------

Lesley Gallagher

March 26, 2020

Printed Name	Date
--------------	------

BrightView Landscape Services, Inc. "BrightView"

Enhancement Manager

Signature	Title
-----------	-------

James Chadwick Knight

March 26, 2020

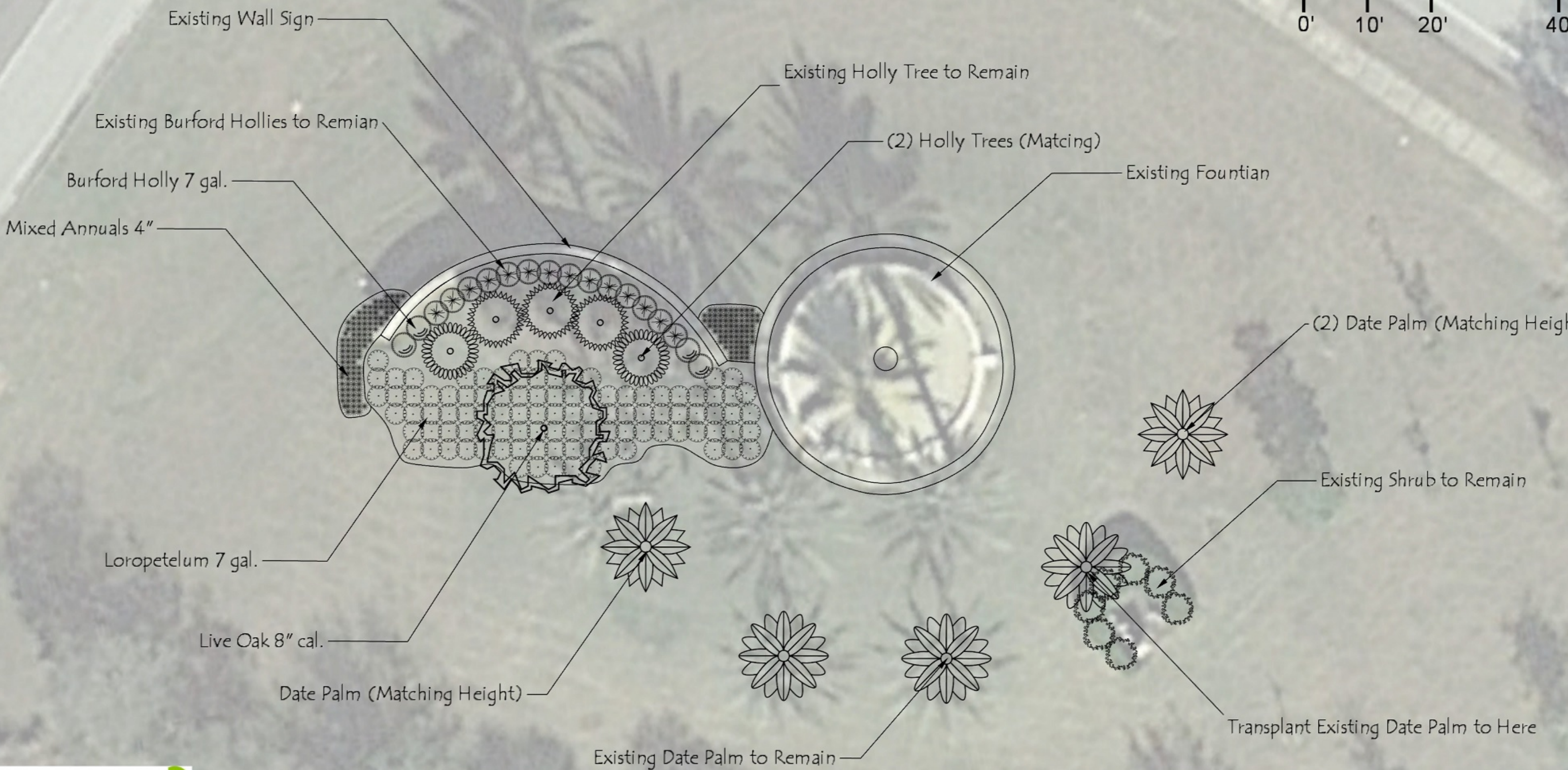
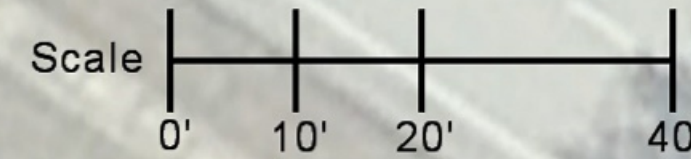
Printed Name	Date
--------------	------

Job #: 346102100

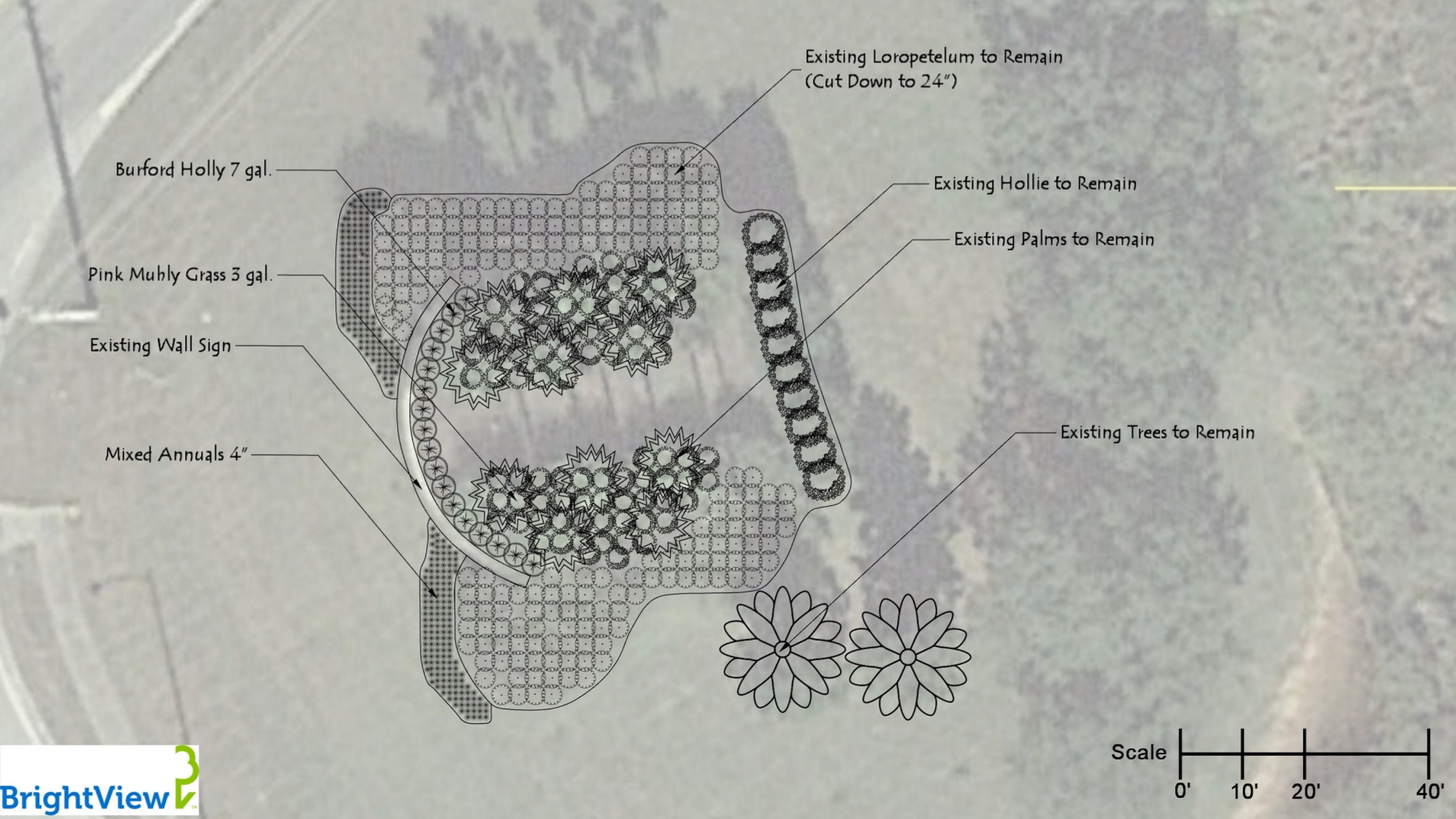
Proposed Price: \$53,410.39

SO # 7168576

North Entry



South Entry



Burford Holly 7 gal.

Pink Muhly Grass 3 gal.

Existing Wall Sign

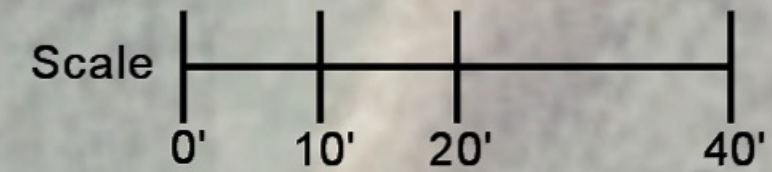
Mixed Annuals 4"

Existing Loropetalum to Remain
(Cut Down to 24")

Existing Hollie to Remain

Existing Palms to Remain

Existing Trees to Remain



District Manager

Tab 7



6869 Phillips Pkwy. Dr. South Jacksonville Fl. 32256

Fax: 904-807-9158

Phone: 904-997-0044

Service Report

Date: March 17, 2020

Biologist: Bill Fuller

Client: World Commerce CDD

Waterways: 1 lake, 1 pond, 1 canal

Lake 1: The lake was in good condition. No invasive species noted.



Canal and pond: The canal was in good condition. Noted silt barrier has come loose.



Tab 8



STATIONARY FOUNTAIN MAINTENANCE REPORT

Stationary Fountain Maintenance Report

Date	03/26/2020
Time	4:26 PM
Customer/Property	World Commerce
Fountain Location	Entry
Technician	Ron

Services Performed

Performed visual inspection of display and noted any deficiencies	Yes
Checked lighting, circuits and replaced deficient lights	Yes
Tested water chemistry	Yes
Cleaned all pump strainers	Yes
Brushed walls and floors of basin	Yes
Vacuum debris from basin floor	Yes
Skim debris from water surface	Yes
Cleaned tile line	Yes
Cleaned and adjusted display nozzles	Yes
Cleaned sump pump pit and checked performance of sump pump	Yes
Cleaned fountain deck area	Yes
Lubricated vault latch	Yes
Tested all GFCI breakers	Yes
Verified proper operation of water	Yes

make-up system	
Verified proper operation of anemometers	Yes
Tightened all terminal screws and connection points in control panel	Yes
Checked exhaust fan for proper operation	Yes

Electrical Readings

Filter Pressure Readings Before Cleaning	
Filter Pressure Readings After Cleaning	
Chemical Test Results- CHLORINE	
Chemical Test Results- BROMINE	
Chemical Test Results- PH	
Chemicals Added- CHLORINE	
Chemicals Added- BROMINE	
Chemicals Added- PH	
Chemicals Added- BLEACH	
Chemicals Added- SHOCK	
Chemicals Added- TILE MAX	
Chemicals Added- FORMULA 3685	
Chemicals Added- UNFOAMER	
Chemicals Added- BI- CARB	
Number of Bulbs Replaced	0.00

Timer Settings

Light Timer ON	
Light Timer OFF	
Feature Pump ON	07:00 AM
Feature Pump OFF	07:00 PM
Filter Pump ON	07:00 AM
Filter Pump OFF	07:00 PM

Comments

Notes:	Spoke with Lesley, leaving fountain off until she receives approval to repair cracks.
Multi Photo	

BUSINESS ITEMS

Tab 9



INNOVATIVE FOUNTAIN SERVICES

450-106 SR 13 N #217
SAINT JOHNS, FL 32259

Phone #(904) 551-1017
customerservice@innovativefountainservices.com

Estimate

Date	Estimate #
4/2/2020	1952

Name / Address

World Commerce CDD
C/O Rizzetta & Company
2806 N. Fifth Street, Suite 403 St. Augus

Description	Qty		Rate	Total
Innovative Fountain Services propose to furnish all materials, labor, and tools to removed existing crack filler that is failing and reseal with new crack filler. Raise the anemometer above shrubbery to allow proper air flow to the fountain.			1,670.51	1,670.51
Thank you for the opportunity to serve you!			Total	\$1,670.51

Tab 10

RESOLUTION 2020-04

**A RESOLUTION BY THE BOARD OF SUPERVISORS OF THE
WORLD COMMERCE COMMUNITY DEVELOPMENT
DISTRICT ADOPTING AN INTERNAL CONTROLS POLICY
CONSISTENT WITH SECTION 218.33, FLORIDA STATUTES;
PROVIDING AN EFFECTIVE DATE.**

WHEREAS, the World Commerce Community Development District (the “District”) is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, being situated entirely within St. Johns County, Florida; and

WHEREAS, consistent with Section 218.33, *Florida Statutes*, the District is statutorily required to establish and maintain internal controls designed to prevent and detect fraud, waste, and abuse as defined in Section 11.45(1), *Florida Statutes*; promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices; support economical and efficient operations; ensure reliability of financial records and reports; and safeguard assets; and

WHEREAS, to demonstrate compliance with Section 218.33, *Florida Statutes*, the District desires to adopt by resolution the Internal Controls Policy attached hereto as **Exhibit A**.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF
SUPERVISORS OF THE WORLD COMMERCE COMMUNITY
DEVELOPMENT DISTRICT:**

SECTION 1. The attached Internal Controls Policy attached hereto as **Exhibit A** is hereby adopted pursuant to this Resolution.

SECTION 2. If any provision of this Resolution is held to be illegal or invalid, the other provisions shall remain in full force and effect.

SECTION 3. This Resolution shall become effective upon its passage and shall remain in effect unless rescinded or repealed.

PASSED AND ADOPTED THIS 21ST DAY OF APRIL, 2020.

ATTEST:

**WORLD COMMERCE COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chairman/Vice Chairman, Board of Supervisors

EXHIBIT “A”

WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT INTERNAL CONTROLS POLICY

1. Purpose.

- 1.1. The purpose of this internal controls policy is to establish and maintain internal controls for the World Commerce Community Development District.
- 1.2. Consistent with Section 218.33(3), *Florida Statutes*, the internal controls adopted herein are designed to:
 - 1.2.1. Prevent and detect Fraud, Waste, and Abuse (as hereinafter defined).
 - 1.2.2. Promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices.
 - 1.2.3. Support economical and efficient operations.
 - 1.2.4. Ensure reliability of financial records and reports.
 - 1.2.5. Safeguard Assets (as hereinafter defined).

2. Definitions.

- 2.1. “Abuse” means behavior that is deficient or improper when compared with behavior that a prudent person would consider a reasonable and necessary operational practice given the facts and circumstances. The term includes the misuse of authority or position for personal gain.
- 2.2. “Assets” means District assets such as cash or other financial resources, supplies, inventories, equipment and other fixed assets, real property, intellectual property, or data.
- 2.3. “Auditor” means the independent auditor (and its employees) retained by the District to perform the annual audit required by state law.
- 2.4. “Board” means the Board of Supervisors for the District.
- 2.5. “District Management” means (i) the independent contractor (and its employees) retained by the District to provide professional district management services to the District and (ii) any other independent contractor (and its employees) separately retained by the District to provide amenity management services, provided said services include a responsibility to safeguard and protect Assets.

- 2.6. “Fraud” means obtaining something of value through willful misrepresentation, including, but not limited to, intentional misstatements or intentional omissions of amounts or disclosures in financial statements to deceive users of financial statements, theft of an entity’s assets, bribery, or the use of one’s position for personal enrichment through the deliberate misuse or misapplication of an organization’s resources.
- 2.7. “Internal Controls” means systems and procedures designed to prevent and detect fraud, waste, and abuse; promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices; support economical and efficient operations; ensure reliability of financial records and reports; and safeguard assets.
- 2.8. “Risk” means anything that could negatively impact the District’s ability to meet its goals and objectives. The term includes strategic, financial, regulatory, reputational, and operational risks.
- 2.9. “Waste” means the act of using or expending resources unreasonably, carelessly, extravagantly, or for no useful purpose.

3. Control Environment.

3.1. Ethical and Honest Behavior.

- 3.1.1. District Management is responsible for maintaining a work environment that promotes ethical and honest behavior on the part of all employees, contractors, vendors and others.
- 3.1.2. Managers at all levels must behave ethically and communicate to employees and others that they are expected to behave ethically.
- 3.1.3. Managers must demonstrate through words and actions that unethical behavior will not be tolerated.

4. Risk Assessment.

- 4.1. Risk Assessment. District Management is responsible for assessing Risk to the District. District Management’s Risk assessments shall include, but not be limited to:
 - 4.1.1. Identifying potential hazards.
 - 4.1.2. Evaluating the likelihood and extent of harm.
 - 4.1.3. Developing cost-justified precautions and implementing those precautions.
 - 4.1.4. Documenting the Risk assessment process and its findings.

5. Control Activities.

5.1. Minimum Internal Controls. The District hereby establishes the following minimum Internal Controls to prevent and detect Fraud, Waste, and Abuse:

5.1.1. Preventive controls designed to forestall errors or irregularities and thereby avoid the cost of corrections. Preventive control activities shall include, but not be limited to, the following:

- 5.1.1.1. Identifying and segregating incompatible duties and/or implementing mitigating controls.
- 5.1.1.2. Performing accounting functions in accordance with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB) standards.
- 5.1.1.3. Requiring proper authorizations to access and/or modify accounting software.
- 5.1.1.4. Implementing computerized accounting techniques (e.g. to help identify coding errors, avoid duplicate invoices, etc.).
- 5.1.1.5. Maintaining a schedule of the District's material fixed Assets.
- 5.1.1.6. Maintaining physical control over the District's material and vulnerable Assets (e.g. lock and key, computer passwords, network firewalls, etc.).
- 5.1.1.7. Retaining and restricting access to sensitive documents.
- 5.1.1.8. Performing regular electronic data backups.

5.1.2. Detective controls designed to measure the effectiveness of preventive controls and to detect errors or irregularities when they occur. Detective control activities shall include, but not be limited to, the following:

- 5.1.2.1. Preparing financial reports in accordance with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB) standards.
- 5.1.2.2. Reviewing financial statements and investigating any material variances between budgeted expenses and actual expenses.
- 5.1.2.3. Establishing and implementing periodic reconciliations of bank, trust, and petty cash accounts.

5.1.2.4. Establishing an internal protocol for reporting and investigating known or suspected acts of Fraud, Waste, or Abuse.

5.1.2.5. Engaging in periodic physical inventory counts and comparisons with inventory records.

5.1.2.6. Monitoring all ACH (electronic) transactions and the sequencing of checks.

5.2. Implementation. District Management shall implement the minimum Internal Controls described herein. District Management may also implement additional Internal Controls that it deems advisable or appropriate for the District. The specific ways District Management implements these minimum Internal Controls shall be consistent with Generally Accepted Accounting Principles (GAAP) and otherwise conform to Governmental Accounting Standards Board (GASB) and American Institute of Certified Public Accountants (AICPA) standards and norms.

6. Information and Communication.

6.1. Information and Communication. District Management shall communicate to its employees (needing to know) information relevant to the Internal Controls, including but not limited to any changes to the Internal Controls and/or changes to laws, rules, contracts, grant agreements, and best practices.

6.2. Training. District Management shall regularly train its employees (needing the training) in connection with the Internal Controls described herein and promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices.

7. Monitoring Activities.

7.1. Internal Reviews. District Management shall internally review the District's Internal Controls at least once per year. In connection with this internal review, District Management shall:

7.1.1.1. Review its operational processes.

7.1.1.2. Consider the potential risk of Fraud, Waste, or Abuse inherent in each process.

7.1.1.3. Identify the controls included in the process, or controls that could be included, that would result in a reduction in the inherent risk.

7.1.1.4. Assess whether there are Internal Controls that need to be improved or added to the process under consideration.

7.1.1.5. Implement new controls or improve existing controls that are determined to be the most efficient and effective for decreasing the risk of Fraud, Waste or Abuse.

7.1.1.6. Train its employees on implemented new controls or improvements to existing controls.

7.2. External Audits and Other Reviews. Audits and other reviews may be performed on various components of the District's Internal Controls by the Auditor consistent with Government Auditing Standards (GAS). Audits may identify material deficiencies in the Internal Controls and make recommendations to improve them. District Management shall communicate and cooperate with the Board and the Auditor regarding the potential implementation of Auditor recommendations.

Specific Authority: 190.011(5), 218.33(3), *Florida Statutes*

Effective date: April 21, 2020

Tab 11

RESOLUTION 2020-05

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT APPROVING PROPOSED BUDGETS FOR FISCAL YEAR 2020/2021 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW; ADDRESSING TRANSMITTAL, POSTING AND PUBLICATION REQUIREMENTS; ADDRESSING SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District Manager has heretofore prepared and submitted to the Board of Supervisors (“**Board**”) of the World Commerce Community Development District (“**District**”) prior to June 15, 2020, proposed budgets (“**Proposed Budget**”) for the fiscal year beginning October 1, 2020 and ending September 30, 2021 (“**Fiscal Year 2020/2021**”); and

WHEREAS, the Board has considered the Proposed Budget and desires to set the required public hearing thereon.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT:

1. **PROPOSED BUDGET APPROVED.** The Proposed Budget prepared by the District Manager for Fiscal Year 2020/2021 attached hereto as **Exhibit A** is hereby approved as the basis for conducting a public hearing to adopt said Proposed Budget.

2. **SETTING A PUBLIC HEARING.** A public hearing on said approved Proposed Budget is hereby declared and set for _____, 2020 at _____.m. The hearing may be conducted remotely, pursuant to _____ media technology and/or by telephone pursuant to Executive Orders 20-52 and 20-69 issued by Governor DeSantis on March 9, 2020, and March 20, 2020, as such orders may be extended, respectively, and pursuant to Section 120.54(5)(b)2., *Florida Statutes*. In the event that conditions allow the meeting to be held in person, it will be held at the following location:

LOCATION: _____

3. **TRANSMITTAL OF PROPOSED BUDGET TO LOCAL GENERAL PURPOSE GOVERNMENT.** The District Manager is hereby directed to submit a copy of the Proposed Budget to St. Johns County at least 60 days prior to the hearing set above.

4. **POSTING OF PROPOSED BUDGET.** In accordance with Section 189.016, *Florida Statutes*, the District’s Secretary is further directed to post the approved Proposed Budget

on the District's website at least two days before the budget hearing date as set forth in Section 2, and shall remain on the website for at least 45 days.

5. **PUBLICATION OF NOTICE.** Notice of this public hearing shall be published in the manner prescribed in Florida law.

6. **SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

7. **EFFECTIVE DATE.** This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED THIS 21st DAY OF APRIL, 2020.

ATTEST:

**WORLD COMMERCE COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/ Assistant Secretary

By: _____
Its: _____

Exhibit A



Rizzetta & Company

World Commerce Community Development District

www.worldcommercecdd.org

Proposed Budget for Fiscal Year 2020/2021

Presented by: Rizzetta & Company, Inc.

**2806 N. Fifth Street
Suite 403
St. Augustine, Florida 32084
Phone: 904-436-6270**

rizzetta.com

TABLE OF CONTENTS

	<u>Page</u>
General Fund Budget Account Category Descriptions	1
Debt Service Fund Budget Account Category Descriptions	5
General Fund Budget for Fiscal Year 2020-2021	6
Debt Service Fund Budget for Fiscal Year 2020-2021	8
Assessments Charts for Fiscal Year 2020-2021	9



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GENERAL FUND BUDGET ACCOUNT CATEGORY DESCRIPTION

The General Fund Budget Account Category Descriptions are subject to change at any time depending on its application to the District. Please note, not all General Fund Budget Account Category Descriptions are applicable to the District indicated above. Uses of the descriptions contained herein are intended for general reference.

REVENUES:

Interest Earnings: The District may earn interest on its monies in the various operating accounts.

Tax Roll: The District levies Non-Ad Valorem Special Assessments on all of the assessable property within the District to pay for operating expenditures incurred during the Fiscal Year. The assessments may be collected in two ways. The first is by placing them on the County's Tax Roll, to be collected with the County's Annual Property Tax Billing. This method is only available to land properly platted within the time limits prescribed by the County.

Off Roll: For lands not on the tax roll and that is by way of a direct bill from the District to the appropriate property owner.

Developer Contributions: The District may enter into a funding agreement and receive certain prescribed dollars from the Developer to off-set expenditures of the District.

Miscellaneous Revenues: The District may receive monies for the sale or provision of electronic access cards, entry decals etc.

EXPENDITURES – ADMINISTRATIVE:

Supervisor Fees: The District may compensate its supervisors within the appropriate statutory limits of \$200.00 maximum per meeting within an annual cap of \$4,800.00 per supervisor.

Administrative Services: The District will incur expenditures for the day to day operation of District matters. These services include support for the District Management function, recording and preparation of meeting minutes, records retention and maintenance in accordance with Chapter 119, Florida Statutes, and the District's adopted Rules of Procedure, preparation and delivery of agenda, overnight deliveries, facsimiles and phone calls.



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District Management: The District as required by statute, will contract with a firm to provide for management and administration of the District's day to day needs. These services include the conducting of board meetings, workshops, overall administration of District functions, all required state and local filings, preparation of annual budget, purchasing, risk management, preparing various resolutions and all other secretarial duties requested by the District throughout the year is also reflected in this amount.

District Engineer: The District's engineer provides general engineering services to the District. Among these services are attendance at and preparation for monthly board meetings, review of construction invoices and all other engineering services requested by the district throughout the year.

Disclosure Report: The District is required to file quarterly and annual disclosure reports, as required in the District's Trust Indenture, with the specified repositories. This is contracted out to a third party in compliance with the Trust Indenture.

Trustee's Fees: The District will incur annual trustee's fees upon the issuance of bonds for the oversight of the various accounts relating to the bond issues.

Assessment Roll: The District will contract with a firm to maintain the assessment roll and annually levy a Non-Ad Valorem assessment for operating and debt service expenses.

Financial & Revenue Collections: Services include all functions necessary for the timely billing and collection and reporting of District assessments in order to ensure adequate funds to meet the District's debt service and operations and maintenance obligations. These services include, but are not limited to, assessment roll preparation and certification, direct billings and funding request processing as well as responding to property owner questions regarding District assessments. This line item also includes the fees incurred for a Collection Agent to collect the funds for the principal and interest payment for its short-term bond issues and any other bond related collection needs. These funds are collected as prescribed in the Trust Indenture. The Collection Agent also provides for the release of liens on property after the full collection of bond debt levied on particular properties.

Accounting Services: Services include the preparation and delivery of the District's financial statements in accordance with Governmental Accounting Standards, accounts payable and accounts receivable functions, asset tracking, investment tracking, capital program administration and requisition processing, filing of annual reports required by the State of Florida and monitoring of trust account activity.

Auditing Services: The District is required annually to conduct an audit of its financial records by an Independent Certified Public Accounting firm, once it reaches certain revenue and expenditure levels, or has issued bonds and incurred debt.



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Arbitrage Rebate Calculation: The District is required to calculate the interest earned from bond proceeds each year pursuant to the Internal Revenue Code of 1986. The Rebate Analyst is required to verify that the District has not received earnings higher than the yield of the bonds.

Travel: Each Board Supervisor and the District Staff are entitled to reimbursement for travel expenses per Florida Statutes 190.006(8).

Public Officials Liability Insurance: The District will incur expenditures for public officials' liability insurance for the Board and Staff.

Legal Advertising: The District will incur expenditures related to legal advertising. The items for which the District will advertise include, but are not limited to meeting schedules, special meeting notices, and public hearings, bidding etc. for the District based on statutory guidelines

Bank Fees: The District will incur bank service charges during the year.

Dues, Licenses & Fees: The District is required to pay an annual fee to the Department of Economic Opportunity, along with other items which may require licenses or permits, etc.

Miscellaneous Fees: The District could incur miscellaneous throughout the year, which may not fit into any standard categories.

Website Hosting, Maintenance and Email: The District may incur fees as they relate to the development and ongoing maintenance of its own website along with possible email services if requested.

District Counsel: The District's legal counsel provides general legal services to the District. Among these services are attendance at and preparation for monthly board meetings, review of operating and maintenance contracts and all other legal services requested by the district throughout the year.

EXPENDITURES - FIELD OPERATIONS:

Electric Utility Services: The District will incur electric utility expenditures for general purposes such as irrigation timers, lift station pumps, fountains, etc.

Streetlights: The District may have expenditures relating to streetlights throughout the community. These may be restricted to main arterial roads or in some cases to all streetlights within the District's boundaries.



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Solid Waste Assessment Fee: The District may have an assessment levied by another local government for solid waste, etc.

Water-Sewer Utility Services: The District will incur water/sewer utility expenditures related to district operations.

Utility - Reclaimed: The District may incur expenses related to the use of reclaimed water for irrigation.

Aquatic Maintenance: Expenses related to the care and maintenance of the lakes and ponds for the control of nuisance plant and algae species.

Fountain Service Repairs & Maintenance: The District may incur expenses related to maintaining the fountains within throughout the Parks & Recreational areas

Lake/Pond Bank Maintenance: The District may incur expenditures to maintain lake banks, etc. for the ponds and lakes within the District's boundaries, along with planting of beneficial aquatic plants, stocking of fish, mowing and landscaping of the banks as the District determines necessary.

Wetland Monitoring & Maintenance: The District may be required to provide for certain types of monitoring and maintenance activities for various wetlands and waterways by other governmental entities.

Mitigation Area Monitoring & Maintenance: The District may be required to provide for certain types of monitoring and maintenance activities for various mitigation areas by other governmental entities.

Aquatic Plant Replacement: The expenses related to replacing beneficial aquatic plants, which may or may not have been required by other governmental entities.

General Liability Insurance: The District will incur fees to insure items owned by the District for its general liability needs

Property Insurance: The District will incur fees to insure items owned by the District for its property needs

Entry and Walls Maintenance: The District will incur expenditures to maintain the entry monuments and the fencing.

Landscape Maintenance: The District will incur expenditures to maintain the rights-of-way, median strips, recreational facilities including pond banks, entryways, and similar planting areas within the District. These services include but are not limited to monthly landscape maintenance, fertilizer, pesticides, annuals, mulch, and irrigation repairs.



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Irrigation Maintenance: The District will incur expenditures related to the maintenance of the irrigation systems.

Irrigation Repairs: The District will incur expenditures related to repairs of the irrigation systems.

Landscape Replacement: Expenditures related to replacement of turf, trees, shrubs etc.

Field Services: The District may contract for field management services to provide landscape maintenance oversight.

Miscellaneous Fees: Monies collected and allocated for fees that the District could incur throughout the year, which may not fit into any standard categories.

Miscellaneous Contingency: Monies collected and allocated for expenses that the District could incur throughout the year, which may not fit into any standard categories.

Capital Outlay: Monies collected and allocated for various projects as they relate to public improvements.

DEBT SERVICE FUND BUDGET **ACCOUNT CATEGORY DESCRIPTION**

The Debt Service Fund Budget Account Category Descriptions are subject to change at any time depending on its application to the District. Please note, not all Debt Service Fund Budget Account Category Descriptions are applicable to the District indicated above. Uses of the descriptions contained herein are intended for general reference.

REVENUES:

Special Assessments: The District may levy special assessments to repay the debt incurred by the sale of bonds to raise working capital for certain public improvements. The assessments may be collected in the same fashion as described in the Operations and Maintenance Assessments.

EXPENDITURES – ADMINISTRATIVE:

Bank Fees: The District may incur bank service charges during the year.

Debt Service Obligation: This would be a combination of the principal and interest payment to satisfy the annual repayment of the bond issue debt.



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Proposed Budget
World Commerce Community Development District
General Fund
Fiscal Year 2020/2021

	Chart of Accounts Classification	Actual YTD through 02/28/20	Projected Annual Totals 2019/2020	Annual Budget for 2019/2020	Projected Budget variance for 2019/2020	Budget for 2020/2021	Budget Increase (Decrease) vs 2019/2020	Comments
1								
2	REVENUES							
3								
4	Special Assessments							
5	Tax Roll*	\$ 73,814	\$ 76,178	\$ 75,606	\$ 572	\$ 75,606	\$ -	To Be Updated Prior to Public Hearing
6	Off Roll*	\$ 238,444	\$ 238,444	\$ 238,444	\$ -	\$ 238,444	\$ -	To Be Updated Prior to Public Hearing
7	TOTAL REVENUES	\$ 312,258	\$ 314,622	\$ 314,050	\$ 572	\$ 314,050	\$ -	
8								
9	Balance Forward from Prior Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
10								
11	TOTAL REVENUES AND BALANCE	\$ 312,258	\$ 314,622	\$ 314,050	\$ 572	\$ 314,050	\$ -	
12								
13	*Allocation of assessments between the Tax Roll and Off Roll are estimates only and subject to change prior to							
14								
15	ADMINISTRATIVE							
16								
17	Legislative							
18	Supervisor Fees	\$ 1,800	\$ 4,800	\$ 4,000	\$ (800)	\$ 4,000	\$ -	Based on Quarterly Meetings
19	Financial & Administrative							
20	Administrative Services	\$ 2,000	\$ 4,800	\$ 4,800	\$ -	\$ 4,800	\$ -	
21	District Management	\$ 11,893	\$ 28,542	\$ 28,542	\$ -	\$ 28,542	\$ -	
22	District Engineer	\$ 2,535	\$ 9,735	\$ 5,000	\$ (4,735)	\$ 5,000	\$ -	Also Includes Public Facilities Report & Entry Design in FY 2019/20
23	Disclosure Report	\$ 7,000	\$ 7,000	\$ 7,000	\$ -	\$ 7,000	\$ -	
24	Trustees Fees	\$ 3,457	\$ 14,000	\$ 14,000	\$ -	\$ 14,000	\$ -	
25	Assessment Roll	\$ 5,250	\$ 5,250	\$ 5,250	\$ -	\$ 5,250	\$ -	
26	Financial & Revenue Collections	\$ 2,188	\$ 5,250	\$ 5,250	\$ -	\$ 5,250	\$ -	
27	Accounting Services	\$ 7,500	\$ 18,000	\$ 18,000	\$ -	\$ 18,000	\$ -	
28	Auditing Services	\$ -	\$ 4,000	\$ 4,000	\$ -	\$ 4,200	\$ 200	RFP in Progress
29	Arbitrage Rebate Calculation	\$ -	\$ 1,500	\$ 1,500	\$ -	\$ 1,500	\$ -	
30	Public Officials Liability Insurance	\$ 2,306	\$ 2,306	\$ 2,363	\$ 57	\$ 2,537	\$ 174	Based on Estimate Provided
31	Legal Advertising	\$ 449	\$ 1,078	\$ 1,000	\$ (78)	\$ 1,000	\$ -	
32	Dues, Licenses & Fees	\$ 175	\$ 175	\$ 175	\$ -	\$ 175	\$ -	
33	Miscellaneous Fees	\$ 82	\$ 100	\$ 100	\$ -	\$ 100	\$ -	
34	Website Hosting, Maintenance,	\$ 1,269	\$ 3,000	\$ 3,500	\$ 500	\$ 3,000	\$ (500)	
35	Legal Counsel							
36	District Counsel	\$ 4,184	\$ 10,042	\$ 10,000	\$ (42)	\$ 10,000	\$ -	
37	Administrative Subtotal	\$ 52,088	\$ 119,577	\$ 114,480	\$ (5,097)	\$ 114,354	\$ (126)	
38								
39	OPERATIONS							
40								
41	Electric Utility Services							
42	Utility Services	\$ 3,534	\$ 8,482	\$ 8,762	\$ 280	\$ 8,762	\$ -	
43	Street Lights	\$ 8,303	\$ 19,927	\$ 20,500	\$ 573	\$ 20,500	\$ -	
44	Water-Sewer Combination Services							
45	Utility Services	\$ 2,052	\$ 4,925	\$ 2,000	\$ (2,925)	\$ 4,000	\$ 2,000	
46	Stormwater Control							
47	Aquatic Maintenance	\$ 2,375	\$ 5,700	\$ 5,700	\$ -	\$ 5,700	\$ -	
48	Miscellaneous Expense	\$ -	\$ 900	\$ 1,000	\$ 100	\$ 1,000	\$ -	Includes Lift Station PM
49	Other Physical Environment							
50	General Liability/Property Insurance	\$ 6,240	\$ 6,240	\$ 6,480	\$ 240	\$ 6,939	\$ 459	Based on Estimate Provided

Proposed Budget
World Commerce Community Development District
General Fund
Fiscal Year 2020/2021

	Chart of Accounts Classification	Actual YTD through 02/28/20	Projected Annual Totals 2019/2020	Annual Budget for 2019/2020	Projected Budget variance for 2019/2020	Budget for 2020/2021	Budget Increase (Decrease) vs 2019/2020	Comments
51	Entry Fountain Maintenance & Repair	\$ 1,600	\$ 5,840	\$ 6,000	\$ 160	\$ 6,000	\$ -	Includes Monthly Fountain Preventative Maintenance and Proposed Repairs for FY 2019/20. Possible Pump Replacement in the Future Noted.
52	Entry/Walls Maintenance & Repair	\$ -	\$ 425	\$ 750	\$ 325	\$ 750	\$ -	To Include Pressure Washing
53	Landscape & Irrigation Maintenance Contract	\$ 46,824	\$ 112,378	\$ 112,378	\$ 0	\$ 115,748	\$ 3,370	Based on Terms of Current Agreement
54	Irrigation Repairs	\$ 925	\$ 5,000	\$ 8,500	\$ 3,500	\$ 5,000	\$ (3,500)	
55	Landscape Replacement Plants, Shrubs, Trees	\$ 2,943	\$ 5,000	\$ 5,000	\$ -	\$ 5,000	\$ -	Insurance Claim In Progress for Palm Trees at East Entrance. West Entrance Enhancement FY 2019/20?
56	Contingency							
57	Miscellaneous Contingency	\$ 80	\$ 7,500	\$ 7,500	\$ -	\$ 7,297	\$ (203)	West Entrance Enhancement FY 2019/20?
58	Capital Outlay	\$ 51,843	\$ 51,843	\$ 15,000	\$ (36,843)	\$ 13,000	\$ (2,000)	Website ADA Conversion & Pumping Station FY 2019/20. Possible Continuation of Two Wire Conversion or Portion of East Entry Enhancement FY 2020/21.
59								
60	Field Operations Subtotal	\$ 126,719	\$ 234,159	\$ 199,570	\$ (34,589)	\$ 199,696	\$ 126	
61								
62								
63	TOTAL EXPENDITURES	\$ 178,807	\$ 353,736	\$ 314,050	\$ (39,686)	\$ 314,050	\$ -	
64								
65	EXCESS OF REVENUES OVER	\$ 133,451	\$ (39,114)	\$ -	\$ (39,114)	\$ -	\$ -	
66								

Budget Template
World Commerce Community Development District
Debt Service
Fiscal Year 2020/2021

Chart of Accounts Classification	Series 2004A-1	Series 2007A	Series 2015	Budget for 2020/2021
REVENUES				
Special Assessments				
Net Special Assessments ⁽¹⁾	\$1,589,785.82	\$812,812.50	\$432,242.79	\$2,834,841.11
TOTAL REVENUES	\$1,589,785.82	\$812,812.50	\$432,242.79	\$2,834,841.11
EXPENDITURES				
Administrative				
Financial & Administrative				
Debt Service Obligation	\$1,589,785.82	\$812,812.50	\$432,242.79	\$2,834,841.11
Administrative Subtotal	\$1,589,785.82	\$812,812.50	\$432,242.79	\$2,834,841.11
TOTAL EXPENDITURES	\$1,589,785.82	\$812,812.50	\$432,242.79	\$2,834,841.11
EXCESS OF REVENUES OVER EXPENDITURES	0	0	0	0

Collection and Discount % applicable to the county:

6.0%

Gross assessments

\$ 3,013,223.97

Notes:

Tax Roll Collection Costs and Early Payment Discount for St. Johns County is 6.0% of Tax Roll. Budgeted net of tax roll assessments. See Assessment Table.

⁽¹⁾ Maximum Annual Debt Service less Prepaid Assessments received

World Commerce Community Development District

FISCAL YEAR 2020/2021 O&M ASSESSMENT SCHEDULE

2020/2021 O&M Budget	\$314,050.00
St. Johns Co. 2% Collection Cost:	\$6,681.91
4% Early Payment Discount:	\$13,363.83
2020/2021 Total:	<u>\$334,095.74</u>

2019/2020 O&M Budget	\$314,050.00
2020/2021 O&M Budget	\$314,050.00

Total Difference:	<u><u>\$0.00</u></u>
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	PER UNIT ANNUAL ASSESSMENT Proposed Increase / Decrease			
	2019/2020	2020/2021	\$	%
Series 2015 Debt Service - SF	\$1,145.74	\$1,145.74	\$0.00	0.00%
Operations/Maintenance - SF	\$89.46	\$89.46	\$0.00	0.00%
Total	<u>\$1,235.20</u>	<u>\$1,235.20</u>	<u>\$0.00</u>	<u>0.00%</u>
Series 2004A-1 / 2007A Debt Service - MF	\$699.32	\$699.32	\$0.00	0.00%
Operations/Maintenance - MF	\$74.55	\$74.55	\$0.00	0.00%
Total	<u>\$773.87</u>	<u>\$773.87</u>	<u>\$0.00</u>	<u>0.00%</u>
Series 2004A-1 / 2007A Debt Service - Commercial	\$979.05	\$979.05	\$0.00	0.00%
Operations/Maintenance - Commercial	\$104.37	\$104.37	\$0.00	0.00%
Total	<u>\$1,083.42</u>	<u>\$1,083.42</u>	<u>\$0.00</u>	<u>0.00%</u>
Series 2004A-1 / 2007A Debt Service - Hotel	\$559.46	\$559.46	\$0.00	0.00%
Operations/Maintenance - Hotel	\$59.63	\$59.63	\$0.00	0.00%
Total	<u>\$619.09</u>	<u>\$619.09</u>	<u>\$0.00</u>	<u>0.00%</u>
Series 2004A-1 / 2007A Debt Service - Office	\$839.19	\$839.19	\$0.00	0.00%
Operations/Maintenance - Office	\$89.46	\$89.46	\$0.00	0.00%
Total	<u>\$928.65</u>	<u>\$928.65</u>	<u>\$0.00</u>	<u>0.00%</u>
Series 2004A-1 / 2007A Debt Service - Industrial	\$559.46	\$559.46	\$0.00	0.00%
Operations/Maintenance - Industrial	\$59.63	\$59.63	\$0.00	0.00%
Total	<u>\$619.09</u>	<u>\$619.09</u>	<u>\$0.00</u>	<u>0.00%</u>

WORLD COMMERCE

FISCAL YEAR 2020/2021 O&M ASSESSMENT SCHEDULE

TOTAL O&M BUDGET		\$314,050.00
COLLECTION COSTS @	2%	\$6,681.91
EARLY PAYMENT DISCOUNT @	4%	\$13,363.83
TOTAL O&M ASSESSMENT		<u>\$334,095.74</u>

UNITS ASSESSED				ALLOCATION OF O&M ASSESSMENT			
LOT SIZE	O&M	SERIES 2004A-1 & 2007A DEBT SERVICE ⁽¹⁾	SERIES 2015 DEBT SERVICE ⁽¹⁾	EAU FACTOR	TOTAL EAU's	% TOTAL EAU's	TOTAL O&M BUDGET
<u>PLATTED PARCELS</u>							
SF	405		401	1.50	607.50	10.84%	\$36,230.85
MF	220.000	220		1.25	275.00	4.91%	\$16,400.80
COMM	276.678	258		1.75	484.19	8.64%	\$28,876.53
OFFICE	277.003	192.203		1.50	415.50	7.42%	\$24,780.38
IND	358.190	59.39		1.00	358.19	6.39%	\$21,362.19
Total Platted	1536.871	729.971	401		2140.38	38.21%	\$127,650.75
<u>UNPLATTED LANDS</u>							
<u>PLANNED UNITS</u>							
MF	523	523		1.25	653.75	11.67%	\$38,989.17
COMM	479	497		1.75	837.73	14.95%	\$49,961.30
HOTEL	250	250		1.00	250.00	4.46%	\$14,909.82
OFFICE	1126.851	1126.817		1.50	1690.28	30.17%	\$100,806.85
IND	29.81	26.159		1.00	29.81	0.53%	\$1,777.85
Total Unplatted	2408.361	2422.976	0		3461.56	61.79%	\$206,444.99
Total Community	3945.232	3152.947	401		5601.94	100.00%	\$334,095.74

LESS: St. Johns County Collection Costs (2%) and Early Payment Discounts (4%):

Net Revenue to be Collected

(\$20,045.74)

\$314,050.00

PER LOT O&M ASSESSMENT			
O&M	2004A-1 & 2007A D/S ⁽²⁾	2015 D/S ⁽²⁾	Total ⁽³⁾
\$89.46		\$1,145.74	\$1,235.20
\$74.55	\$699.32		\$773.87
\$104.37	\$979.05		\$1,083.42
\$89.46	\$839.19		\$928.65
\$59.63	\$559.46		\$619.09
\$74.55	\$699.32		\$773.87
\$104.37	\$979.05		\$1,083.42
\$59.63	\$559.46		\$619.09
\$89.46	\$839.19		\$928.65
\$59.63	\$559.46		\$619.09

UNPLAT BY ACREAGE 355.45

355.45

\$206,444.99

PER ACRE ASSESSMENTS - UNPLATTED		
O&M	DEBT	TOTAL
\$580.80	\$5,492.88	\$6,073.68

⁽¹⁾ Reflects the number of total lots with Series 2004A-1, Series 2007A and Series 2015 debt outstanding.

⁽²⁾ Annual debt service assessment per lot adopted in connection with the Series 2004A-1, Series 2007A and Series 2015 bond issues. Annual assessment includes principal, interest, St. Johns County collection costs and early payment discount costs.

⁽³⁾ Annual assessment that will appear on November 2020 St. Johns County property tax bill. Amount shown includes all applicable collection costs. Property owner is eligible for a discount of up to 4% if paid early.

SUPERVISOR REQUESTS

ADJOURNMENT