



Eastmark Community Facilities District

(A Component Unit of the City of Mesa, Arizona)

Annual Financial Report

Fiscal Year Ended June 30, 2020

**EASTMARK COMMUNITY FACILITIES DISTRICT
(A COMPONENT UNIT OF THE CITY OF MESA, ARIZONA)**

ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2020

Eastmark Community Facilities District

Table of Contents

For the Fiscal Year ended June 30, 2020

	Page
Independent Auditors' Report.....	1
Management's Discussion and Analysis.....	4
 BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements:	
Statement of Net Position	9
Statement of Activities	10
 Fund Financial Statements:	
Governmental Funds Balance Sheet	11
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	12
Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances.....	13
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	14
Notes to the Financial Statements.....	15
 REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund.....	24
 OTHER INFORMATION	
Continuing Disclosures.....	25



INDEPENDENT AUDITORS' REPORT

Board of Directors
Eastmark Community Facilities District
Mesa, Arizona

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Eastmark Community Facilities District (District), a component unit of the City of Mesa, Arizona, as of and for the year ended June 30, 2020, 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.

Auditors' 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 auditors' 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 District'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 District'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 Eastmark Community Facilities District as of June 30, 2020, and the respective changes in financial position thereof for the year then ended in accordance 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 on the General Fund, as listed in the table of contents, 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Eastmark Community Facilities District's basic financial statements. The bond continuing disclosure schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The bond continuing disclosure schedule has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Board of Directors
Eastmark Community Facilities District

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 24, 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, and 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Phoenix, Arizona
December 24, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Fiscal Year Ended June 30, 2020

As management of the Eastmark Community Facilities District (District), we offer this discussion and analysis of the financial activities of the District for the fiscal year ended June 30, 2020. The reader is encouraged to consider the information presented here in conjunction with the financial statements beginning on page 9 and the accompanying notes to the financial statements.

FINANCIAL HIGHLIGHTS

- The District's total revenues decreased by \$1,805,392 from \$5,662,818 to \$3,857,426. The District did not issue Special Assessment Revenue Bonds in current year, thus contributing \$2,759,688 to the decrease in revenue; an increase of \$951,890 in Property Tax revenue slightly offset the decrease.
- As of June 30, 2020, the District's governmental funds reported combined ending fund balances of \$2,084,511. Of this amount, \$1,944,956 is in the Debt Service Fund and \$133,651 in the General Fund.
- The District's governmental fund balance increased by \$1,182,399 primarily due to increases in Property Tax revenue and Premium on Issuance of Bonds.
- The District's total long-term debt increased by \$12,565,000 in the fiscal year primarily due to general obligation bonds issued during the fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis introduce the District's basic financial statements. The District's basic financial statements are comprised of three components: government-wide financial statements, fund financial statements, and notes to the basic financial statements.

Government-wide Financial Statements

The *Statement of Net Position* is 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 of the District's assets and liabilities with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether or not the financial position of the District is improving or deteriorating.

The *Statement of Activities* presents information showing how the District's net position changed during the most recent fiscal year. Changes in net position are reported when 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.

Governmental activities, which normally are supported by taxes, special assessments and miscellaneous revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District had no business-type activities during the fiscal year.

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 the City, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are governmental funds. 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 is useful in evaluating the District's near-term financing requirements. Since the governmental fund financial statements focus on near-term spendable resources, while the governmental activities on the government-wide financial statements have a longer-term focus, a reconciliation of the differences between the two is also provided.

The District maintains three governmental funds: General Fund, Debt Service Fund and Capital Projects Fund. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Debt Service Fund and Capital Projects Fund.

Notes to the Basic Financial Statements - The notes to the basic financial statements provide additional information that is essential to acquire a full understanding of the data provided in the financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as useful indicators of a government's financial position. The District's net position, the amounts which liabilities exceed assets was \$38,767,323 at the end of fiscal year 2020. The following table summarizes the Statement of Net Position:

Net Position

June 30, 2020 and 2019

	2020	2019
Assets:		
Current and Other Assets	\$ 18,649,330	\$ 18,303,521
Total Assets	<u>18,649,330</u>	<u>18,303,521</u>
Liabilities:		
Long-term Liabilities	54,559,075	41,152,542
Other Liabilities	<u>2,857,578</u>	<u>3,178,832</u>
Total Liabilities	<u>57,416,653</u>	<u>44,331,374</u>
Net Position:		
Restricted for Debt Service	15,652,197	15,065,442
Unrestricted	<u>(54,419,520)</u>	<u>(41,093,295)</u>
Total Net Position	<u>\$ (38,767,323)</u>	<u>\$ (26,027,853)</u>

The restricted portion of the City's net position, \$15,652,197 represents resources that are subject to external restrictions on how they may be used, primarily debt service payments. The unrestricted net position of (\$54,419,520) is due to capital assets that are financed through the District and contributed to the City.

Changes in Net Position

For the Fiscal years Ended June 30, 2020 and 2019

	2020	2019
Revenues:		
Property Taxes	\$ 3,082,334	\$ 2,130,444
Special Assessments	673,096	3,432,784
Investment Income	101,996	99,590
Total Revenues	<u>3,857,426</u>	<u>5,662,818</u>
Expenses:		
General Government	155,273	138,077
Interest on Long-Term Debt and Amortization	2,111,849	1,659,333
Bond Issuance Costs	289,774	528,256
Capital Projects donated to City	14,040,000	13,088,237
Total Expenses	<u>16,596,896</u>	<u>15,413,903</u>
Change in Net Position	(12,739,470)	(9,751,085)
Net Position, Beginning of Year	<u>(26,027,853)</u>	<u>(16,276,768)</u>
Net Position, End of Year	<u>\$ (38,767,323)</u>	<u>\$ (26,027,853)</u>

The District's total net position decreased by \$12,739,470 during the fiscal year. The decrease in Net Position is primarily due to \$14,040,000 in capital project costs donated to the City. This was offset slightly by revenues of \$3,755,430 in property taxes and special assessments.

Revenues include special assessments for new Special Assessment Districts (SADs). Special Assessments decreased in current year by \$2,759,688. Special assessments will fluctuate based on the dollar value of improvements created in each new SAD. Fiscal year 2019 included the initial assessments to cover SADs 10 and 11 for a total assessment of \$2,852,000. In Fiscal year 2020 there were no new assessments.

Fund Financial Statement Analysis

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of resources that are available for spending. Such information is useful in assessing the District's ability to pay the debt service on the general obligation bonds it issues to fund construction or acquisition of public infrastructure.

As of the end of fiscal year 2020, the District's governmental funds reported combined ending fund balances of \$2,084,511 an increase of \$1,182,399 in comparison with the prior year. The increase is primarily due to proceeds from bond issuance.

General Fund – General Fund revenues consist primarily of property taxes. A portion of the District's tax rate

is used for the District’s general government expenditures. Property tax revenues in the general fund increased by \$68,811 in current year. The increase in property tax revenue contributed to the \$74,404 increase in the General Fund balance.

Capital Projects Fund – The District issued a General Obligation bond for total bond proceeds of \$14,120,000. Bond proceeds were expended primarily on capital expenditures.

Debt Service Fund – The Debt Service fund balance increased by \$1,102,091 during the fiscal year. The increase is primarily due to increases in property tax revenues and premium on issuance of bonds.

CAPITAL ASSET AND DEBT ADMINISTRATION

The District was formed to finance and acquire or construct amenities that are subsequently dedicated to the City for operation. The District does not own or operate infrastructure. Since formation, District bonds have been issued, and the proceeds used (or deposited to be used) to acquire or construct parks, paths, trails, athletic fields, and related infrastructure.

At the time of issue, District special assessment and general obligation bonds have a 25-year term. In the event that the District Board decides at a future time to dissolve the District, State Statute provides that all taxable property in the District will remain subject to the lien for the payment of the bonds until all bonds have been defeased.

The District is not engaged in any significant activities other than providing for the levy of secondary property taxes to pay debt service and administrative fees. The District does not own or operate any facilities.

Outstanding Debt

June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
General Obligation Bonds	\$ 39,240,000	\$ 26,145,000
Special Assessment Bonds	13,711,000	14,241,000
Total Debt	<u>\$ 52,951,000</u>	<u>\$ 40,386,000</u>

The District’s total long-term debt increased by \$12,565,000 in the fiscal year primarily due to a new General Obligation bond issuance during the fiscal year.

Budgetary Highlights

The District adopts an annual budget for its General Fund revenues and expenditures. The supplementary budgetary schedule has been provided to demonstrate compliance with this budget.

The fiscal year 2021 District budget includes a \$4.15 tax rate per \$100 of assessed value. This is the same as the rate used in the fiscal year 2020 budget.

Requests for Information

This financial report is designed to provide a general overview of the District's finances for all of those with an interest in the government's finances. If you have questions about this report or need additional financial information, contact the City of Mesa, Accounting Division at 20 E Main St, Suite 350, Mesa, AZ 85201.

Basic Financial Statements

EASTMARK COMMUNITY FACILITIES DISTRICT

Statement of Net Position

June 30, 2020

Assets

Pooled Cash and Investments	\$	246,210
Due from Other Governments		350
Accrued Interest Receivable		954
Restricted Assets:		
Pooled Cash and Investments		3,891,841
Cash with Fiscal Agent		781,080
Accounts Receivable		13,707,241
Accrued Interest		14,695
Due from Other Governments		6,959
Total Assets		<u>18,649,330</u>

Liabilities

Accounts Payable		38,214
Unearned Revenue		73,245
Matured Bonds Payable		1,477,000
Bond Interest Payable		1,269,119
Noncurrent Liabilities:		
Due within One Year		1,561,000
Due in More than One Year		52,998,075
Total Liabilities		<u>57,416,653</u>

Net Position

Restricted for Debt Service		15,652,197
Unrestricted		(54,419,520)
Total Net Position		<u>\$ (38,767,323)</u>

The accompanying notes are an integral part of the financial statements.

EASTMARK COMMUNITY FACILITIES DISTRICT

Statement of Activities

For the Fiscal Year Ended June 30, 2020

Revenues

Property Taxes	\$ 3,082,334
Special Assessments	673,096
Investment Income	101,996
Total Revenues	<u>3,857,426</u>

Expenses

General Government	155,273
Bond Interest and Amortization	2,111,849
Bond Issuance Costs	289,774
Capital Outlay	14,040,000
Total Expenses	<u>16,596,896</u>

Change in Net Position (12,739,470)

Net Position, Beginning (26,027,853)

Net Position, Ending \$ (38,767,323)

The accompanying notes are an integral part of the financial statements.

EASTMARK COMMUNITY FACILITIES DISTRICT

Governmental Funds Balance Sheet

June 30, 2020

	General Fund	Capital Projects Fund	Debt Service Fund	Total
ASSETS				
Pooled Cash and Investments	\$ 240,306	\$ 5,904	\$ -	\$ 246,210
Accrued Interest Receivable	954	-	-	954
Due from Other Governments	350	-	-	350
Restricted Assets:				
Pooled Cash and Investments	-	-	3,891,841	3,891,841
Cash with Fiscal Agent	-	-	781,080	781,080
Accounts Receivable	-	-	13,707,241	13,707,241
Accrued Interest	-	-	14,695	14,695
Due from Other Governments	-	-	6,959	6,959
Total Assets	<u>\$ 241,610</u>	<u>\$ 5,904</u>	<u>\$ 18,401,816</u>	<u>\$ 18,649,330</u>
LIABILITIES				
Accounts payable	\$ 38,214	\$ -	\$ -	\$ 38,214
Payable from Restricted Assets:				
Matured Bond Payable	-	-	1,477,000	1,477,000
Bond Interest Payable	-	-	1,269,119	1,269,119
Unearned Revenue	69,745	-	3,500	73,245
Total Liabilities	<u>107,959</u>	<u>-</u>	<u>2,749,619</u>	<u>2,857,578</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	13,707,241	13,707,241
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>13,707,241</u>	<u>13,707,241</u>
FUND BALANCE				
Restricted Fund Balance	-	-	1,944,956	1,944,956
Unassigned Fund Balance	133,651	5,904	-	139,555
Total Fund Balances	<u>133,651</u>	<u>5,904</u>	<u>1,944,956</u>	<u>2,084,511</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 241,610</u>	<u>\$ 5,904</u>	<u>\$ 18,401,816</u>	<u>\$ 18,649,330</u>

The accompanying notes are an integral part of the financial statements.

EASTMARK COMMUNITY FACILITIES DISTRICT
Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Position
June 30, 2020

Fund Balances - total governmental funds \$ 2,084,511

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

Long term liabilities, including bonds payable, are not due and payable in the current period and therefore not reported in the governmental funds. (54,559,075)

Unavailable revenue for special assessments is shown on the governmental funds, but is recognized as revenue on the statement of net position. 13,707,241

Net position of the governmental activities - statement of net position \$ (38,767,323)

The accompanying notes are an integral part of the financial statements.

EASTMARK COMMUNITY FACILITIES DISTRICT

Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Fiscal Year Ended June 30, 2020

	General Fund	Capital Projects Fund	Debt Service Fund	Total
REVENUES				
Property Taxes	222,819	-	2,859,515	3,082,334
Special Assessments	-	-	1,188,432	1,188,432
Investment Income	6,858	-	95,138	101,996
Total Revenues	<u>229,677</u>	<u>-</u>	<u>4,143,085</u>	<u>4,372,762</u>
EXPENDITURES				
Current:				
General Government	155,273	-	-	155,273
Debt Service:				
Bond Principal	-	-	1,555,000	1,555,000
Bond Interest	-	-	2,179,792	2,179,792
Bank Charges	-	-	1,500	1,500
Bond Issuance Costs	-	289,774	-	289,774
Capital Outlay	-	14,040,000	-	14,040,000
Total Expenditures/Expenses	<u>155,273</u>	<u>14,329,774</u>	<u>3,736,292</u>	<u>18,221,339</u>
Excess(Deficiency) of Revenues Over (Under) Expenditures	<u>74,404</u>	<u>(14,329,774)</u>	<u>406,793</u>	<u>(13,848,577)</u>
OTHER FINANCING SOURCES (USES)				
Face Amount of Bonds Issued	-	14,120,000	-	14,120,000
Premium on Issuance of Bonds	-	215,678	695,298	910,976
Total Other Financing Sources (Uses)	<u>-</u>	<u>14,335,678</u>	<u>695,298</u>	<u>15,030,976</u>
Net Change in Fund Balances	74,404	5,904	1,102,091	1,182,399
Fund Balances - Beginning	<u>59,247</u>	<u>-</u>	<u>842,865</u>	<u>902,112</u>
Fund Balances - Ending	<u>\$ 133,651</u>	<u>\$ 5,904</u>	<u>\$ 1,944,956</u>	<u>\$ 2,084,511</u>

The accompanying notes are an integral part of the financial statements.

EASTMARK COMMUNITY FACILITIES DISTRICT
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 June 30, 2020

Net change in fund balances - total governmental funds	\$ 1,182,399
Amounts reported for governmental activities in the statement of activities are different because:	
Revenues in the statement of activities that do not provide current financial resources are not reported in the governmental funds.	(515,336)
The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes financial resources of governmental funds. Neither transaction has any effect on net position.	(12,565,000)
Governmental funds report the effect of premiums and deferred amounts related to refunding when the new debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	<u>(841,533)</u>
Change in net position of the governmental activities - statement of activities	<u>\$ (12,739,470)</u>

The accompanying notes are an integral part of the financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Eastmark Community Facilities District (District), a component unit of the City of Mesa, Arizona (City), conform to accounting principles generally accepted in the United States of America applicable to governmental units as promulgated by the Governmental Accounting Standards Board. A summary of the more significant accounting policies of the District follows:

A. Reporting Entity

The Eastmark Community Facilities District was formed in 2012 by petition to the City of Mesa City Council. The District's purpose is to acquire and improve public infrastructure in specified land areas. As a special purpose district and separate political subdivision under the Arizona Constitution, the District can levy taxes and issue bonds independently of the City. Property owners in the designated areas are assessed for District taxes and thus for the costs of operating the District. The City Council serves as the Board of Directors; however, the City has no liability for the District's debt. For financial reporting purposes, transactions of the Eastmark Community Facilities District are included as if the District were part of the City's operations.

B. 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 activities of the District. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes, special assessments and miscellaneous revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District had no business-type activities during the fiscal year.

The focus of the fund financial statements is on major funds, as defined by GASB Statement No. 34. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. 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.

The Governmental fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become susceptible to accrual, i.e., measurable and available to finance the District's operations. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers revenues to be available if they are collected within 60 days of the end of the current period. Principal revenue sources considered to be susceptible to accrual are property taxes, contributions and interest on investments.

Special assessments are recognized as revenue only to the extent that individual installments are considered current assets. Annual installments not currently receivable are reflected as unavailable revenue.

Property taxes associated with the current fiscal period are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Interest is accrued in the current fiscal period when the revenue is earned.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting, except expenditures related to claims and judgments, which are recorded only when payment is due. However, since debt service resources are provided during the current year for payment of governmental long-term principal and interest due early in the following year, the expenditures and related liabilities have been recognized in the Debt Service Fund.

D. Fund Accounting

The financial transactions of the District are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, deferred inflows of resources, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the fund financial statements. GASB Statement No. 34 sets forth minimum criteria for the determination of major funds.

The District reports the following governmental funds, all of which are considered major:

- The *General Fund* accounts for resources accumulated and used for the payment of other operating expenses for the District, which may include insurance, legal fees, and administration costs.
- The *Debt Service Fund* accounts for resources accumulated and used for the payment of governmental long-term debt principal, interest and related costs.
- The *Capital Projects Fund* accounts for resources to be used for acquiring and improving public infrastructure.

E. Budgetary Information

The District adopts an annual operating budget for expenditures for the General Fund on essentially the same modified accrual basis of accounting used to record actual expenditures. Budgetary control over expenditures is exercised at the fund level.

F. Use of Estimates

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

G. Cash and Investments

The District participates in the City's investment pool that is available for use by all City funds. The District's pool is reported on the financial statements as "pooled cash and investments". A single master custodian holds all assets of the investment pool. The District's portion of the pool is not identified within specific investments.

The District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The District's investments are stated at fair value. Fair value is based on quoted market prices as of the valuation date.

H. Restricted Assets

Cash and investments held by the District's trustee are classified as restricted assets because their use is limited by applicable bond covenants.

I. Capital Assets

Capital assets acquired or infrastructure assets constructed by the District are dedicated to the City to maintain and operate. As a result, the District owns no capital assets.

J. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond 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.

K. Deferred Inflows

In addition to liabilities, the fund financial statements include a section for deferred inflows of resources. This represents an acquisition of fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has only one item that qualifies for this category, which arises only under the modified accrual basis of accounting, unavailable revenue. These amounts are recognized as an inflow of resources in the period that the amounts become available.

L. Fund Balance/Net Position

In the fund financial statements, governmental funds report non-spendable portions of fund balance related to prepaid expenses, inventories, long-term receivables, and corpus on any permanent fund. Restricted funds are constrained from outside parties (statute, bond agreements, etc.). Committed fund balances are established and modified by a resolution approved by the Board of Directors. The Board of Directors passed a resolution authorizing the City of Mesa City Treasurer to assign fund balances and their intended uses. Unassigned fund balances are considered the remaining amounts. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the District's policy to use restricted first, then unrestricted fund balance. When an expenditure is incurred for purposes for which committed, assigned, and unassigned amounts are available, it is the District's policy to use committed first, then assigned, and finally unassigned amounts. Currently the District does not have any non-spendable, assigned or committed funds.

In the government-wide financial statements, net position is reported in two categories: restricted net position and unrestricted net position. Restricted net position account for the portion of net position restricted by bond covenant. Unrestricted net position is the remaining net position not included in the previous category.

M. Deficit Net Position

As described in Note 1.A, the District was formed to finance and acquire or construct infrastructure assets that are subsequently dedicated to the City for operation. The District does not own or operate infrastructure. Therefore, the Statement of Net Position reflects a large liability without an offsetting asset.

NOTE 2 – POOLED CASH AND INVESTMENTS

Deposits – The District had no deposits at June 30, 2020.

Pooled Cash and Investments – At June 30, 2020, the District’s total pooled cash and investments are as follows:

	<u>Fair Value</u>
Investments in Local Govt Invest Pool	\$ 4,138,051
Cash with Fiscal Agent (1)	<u>781,080</u>
Total District Pooled Cash and Investments	<u><u>\$ 4,919,131</u></u>

(1) Represents cash sent by the City to fiscal agents on June 30, 2020 for debt service payments due to bondholders on July 1, 2020.

The District participates in the City’s internal investment pool that is available for use by all City funds. The City’s investment pool is not an SEC registered investment company, and there is no regulatory oversight of its operations. The pool’s structure does not provide for shares, and the City has not provided, nor obtained, any legally binding guarantees to support the value of participant’s investments. The City allocates interest earnings to each participating fund. The City’s investments are valued at fair value; however, the District’s investments are not identified with specific shares. The District does not have a separate investment policy and follows the City’s policies.

Interest Rate Risk

The City’s investment policy for limiting its exposure from rising interest rates complies with Arizona Revised Statute §35-323, which limits investments of public monies to maturities of less than five years.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City’s investment policy for credit risk complies with Arizona Revised Statute §35-323. The City’s portfolio is primarily invested in securities issued by the U.S. Treasury and by U.S. Government agencies that carry a minimum “A” or better rating, at the time of purchase, from Moody’s or Standard & Poor’s or other nationally recognized rating agency.

The City’s portfolio also invests in Corporate Notes rated “A” or better by Moody’s or Standard & Poor’s and participates in the State Treasurer’s Investment Pool (LGIP), which is overseen according to Arizona State Statute by the State Board of Investment. Within the State Treasurer’s Investment Pools, the City participates in Investment Pool 7. Pool 7 is a short-term fund which invests only in products backed by the full faith and credit of the United States Government. The Pool carries a weighted average credit rating of AAA. The City also maintains short-term investments in FDIC Insured Cash Sweep Accounts held by one local bank. The City invests in its own Special Improvement District bonds that have no credit rating.

Associated with credit risk is concentration of credit risk. Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investment in a single issuer.

Custodial Risk

Custodial credit risk is the risk that in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

NOTE 3 – ACCOUNTS RECEIVABLE

The Maricopa County Treasurer (County) is responsible for collecting property taxes and special assessments for all governmental entities within the County. The County levies property taxes due to the District. In addition, the District provides the County with the special assessments to be billed. These taxes and assessments are billed to the property owners by the County in September. Two equal installments, payable in October and March, become delinquent after the first business days in November and May.

Property taxes are recognized as revenues in the fiscal year they are levied in the government-wide financial statements and represent a reconciling item between the government-wide and fund financial statements. In the fund financial statements, property taxes are recognized as revenues in the fiscal year they are levied and collected or if they are collected within 60 days subsequent to fiscal year-end. Property taxes not collected within 60 days subsequent to fiscal year-end or collected in advance of the fiscal year for which they are levied are reported as unavailable revenues.

Special Assessments are recognized as revenue only to the extent that the individual installments are considered current assets. Annual installments not currently receivable are reflected as deferred inflow of resources.

Accounts receivable consist of property taxes, special assessments and the related interest accrued. At June 30, 2020, receivables were as follows:

Description	General Fund	Debt Service Fund
Special Assessments receivable	\$ -	\$ 13,707,241
Due from Other Governments	350	6,959
Interest Receivable	954	14,695
Total receivable	\$ 1,304	\$ 13,728,895

Eastmark Community Facilities District
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. As of June 30, 2020, unavailable revenue reported in the governmental funds was as follows:

<u>Unavailable Revenue</u>	<u>Debt Service Fund</u>
Special Assessments not yet due	<u>\$13,707,241</u>

NOTE 4 – OBLIGATIONS UNDER LONG-TERM DEBT

The District issues bonds to provide funds to acquire and improve public infrastructure in specified lands. Bonds have been issued for governmental activities only. The bonds are generally callable with interest payable semiannually. The following is a summary of changes in long-term obligations:

<u>Governmental Activities</u>	<u>Beginning</u>			<u>Ending</u>	<u>Due within</u>
	<u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u>	<u>One Year</u>
General Obligation Bonds	\$ 26,145,000	\$ 14,120,000	\$(1,025,000)	\$ 39,240,000	\$ 1,150,000
Special Assessment Bonds	14,241,000	-	(530,000)	13,711,000	411,000
Net Unamortized Premium (Discounts)	766,542	910,976	(69,443)	1,608,075	-
Total	<u>\$ 41,152,542</u>	<u>\$ 15,030,976</u>	<u>\$(1,624,443)</u>	<u>\$ 54,559,075</u>	<u>\$ 1,561,000</u>

Bonds payable at June 30, 2020, consisted of the outstanding bonds presented below:

\$2,712,000 2013 Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) Assessment District No. 1 Special Assessment Revenue Bonds, due in annual principal installments ranging from \$62,000 to \$180,000, plus semi-annual interest ranging from 2.0 percent to 5.25 percent through July 1, 2038.	\$ 2,080,000
\$3,250,000 2014 Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) General Obligation Bonds, due in annual principal installments ranging from \$65,000 to \$225,000, plus semi-annual interest ranging from 3.0 percent to 5.0 percent through July 15, 2038.	2,750,000
\$3,367,000 2014 Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) Assessment District No. 2 Special Assessment Revenue Bonds, due in annual principal installments ranging from \$85,000 to \$225,000, plus semi-annual interest ranging from 2 percent to 5.375 percent through July 1, 2039.	2,732,000
\$1,942,000 2015 Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) Assessment District No. 3 Special Assessment Revenue Bonds, due in annual principal installments ranging from \$52,000 to \$135,000, plus semi-annual interest ranging from 2.3 percent to 5.2 percent through July 1, 2039.	1,685,000
\$6,800,000 2015 Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) General Obligation Bonds, due in annual principal installments ranging from \$165,000 to \$680,000, plus semi-annual interest ranging from 4 percent to 5 percent through July 15, 2039.	5,890,000

Eastmark Community Facilities District
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

\$970,000 2015 Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) Assessment District No. 4 Special Assessment Revenue Bonds, due in annual principal installments ranging from \$15,000 to \$65,000, plus semi-annual interest ranging from 2.0 percent to 5 percent through July 1, 2040.	\$ 765,000
\$1,060,000 2016 Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) Assessment District No. 5 Special Assessment Revenue Bonds, due in annual principal installments ranging from \$30,000 to \$70,000, plus semi-annual interest ranging from 1.85 percent to 4.75 percent through July 1, 2040.	914,000
\$502,000 2017 Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) Assessment District No. 6 Special Assessment Revenue Bonds, due in annual principal installments ranging from \$7,000 to \$35,000, plus semi-annual interest ranging from 3.5 percent to 5.25 percent through July 1, 2041.	460,000
\$8,160,000 2017 Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) General Obligation Bonds, due in annual principal installments ranging from \$215,000 to \$510,000, plus semi-annual interest ranging from 2 percent to 5 percent through July 15, 2042.	7,415,000
\$1,326,500 2017 Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) Assessment District No. 7 Special Assessment Revenue Bonds, due in annual principal installments ranging from \$36,500 to \$85,000, plus semi-annual interest ranging from 2 percent to 4.5 percent through July 1, 2042.	1,252,000
\$770,000 2018 Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) Assessment District No. 8 Special Assessment Revenue Bonds, due in annual principal installments ranging from \$21,000 to \$49,000, plus semi-annual interest ranging from 2.5 percent to 4.5 percent through July 1, 2042.	711,000
\$368,000 2018 Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) Assessment District No. 9 Special Assessment Revenue Bonds, due in annual principal installments ranging from \$8,000 to \$24,000, plus semi-annual interest ranging from 2.85 percent to 4.75 percent through July 1, 2042.	345,000
\$10,830,000 2018 Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) General Obligation Bonds, due in annual principal installments ranging from \$240,000 to \$1,240,000, plus semi-annual interest ranging from 3.75 percent to 5.0 percent through July 15, 2043.	9,350,000
\$969,000 2018 Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) Assessment District No. 11 Special Assessment Revenue Bonds, due in annual principal installments ranging from \$24,000 to \$65,000, plus semi-annual interest ranging from 3.00 percent to 5.00 percent through July 1, 2043	945,000
\$1,883,000 2019 Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) Assessment District No. 10 Special Assessment Revenue Bonds, due in annual principal installments ranging from \$48,000 to \$130,000, plus semi-annual interest ranging from 2.75 percent to 5.20 percent through July 1, 2043.	1,822,000

Eastmark Community Facilities District
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

\$14,120,000 2019 Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) General Obligation Bonds, due in annual principal installments ranging from \$285,000 to \$835,000, plus semi-annual interest ranging from 3.00 percent to 4.0 percent through July 15, 2044. \$ 13,835,000

Total Community Facilities District Bonds \$ 52,951,000

The following tables summarize the District's debt service requirements to maturity for its long-term bonds payable at June 30, 2020.

General Obligation Bonds

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 1,150,000	\$ 1,608,950	\$ 2,758,950
2022	1,190,000	1,570,350	2,760,350
2023	1,230,000	1,528,000	2,758,000
2024	1,275,000	1,484,200	2,759,200
2025	1,320,000	1,438,700	2,758,700
2026-2030	7,400,000	6,396,050	13,796,050
2031-2035	9,070,000	4,726,950	13,796,950
2036-2040	10,590,000	2,509,488	13,099,488
2041-2045	6,015,000	480,150	6,495,150
TOTALS	<u>\$ 39,240,000</u>	<u>\$ 21,742,838</u>	<u>\$ 60,982,838</u>

Special Assessment Revenue Bonds

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 411,000	\$ 643,796	\$ 1,054,796
2022	427,000	630,157	1,057,157
2023	457,000	614,915	1,071,915
2024	468,000	597,564	1,065,564
2025	505,000	578,973	1,083,973
2026-2030	2,905,000	2,545,866	5,450,866
2031-2035	3,682,000	1,793,456	5,475,456
2036-2040	3,971,000	774,178	4,745,178
2041-2045	885,000	78,965	963,965
TOTALS	<u>\$ 13,711,000</u>	<u>\$ 8,257,869</u>	<u>\$ 21,968,869</u>

NOTE 6 – SUBSEQUENT EVENTS

On October 22, 2020, the Eastmark Community Facility District issued 2020 Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) General Obligation Bonds in the amount of \$14,000,000. These bonds are due in annual principal installments ranging from \$425,000 to \$750,000, plus semi-annual interest ranging from 2 percent to 4 percent through July 15, 2044.

Required Supplementary Information

Eastmark Community Facilities District
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - General Fund
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ 226,603	\$ 226,603	\$ 222,819	\$ (3,784)
Reimbursements - Developer	1,302	1,302	-	(1,302)
Investment Income	-	-	6,858	6,858
Total Revenues	<u>227,905</u>	<u>227,905</u>	<u>229,677</u>	<u>1,772</u>
Expenditures				
General Government	<u>227,905</u>	<u>227,905</u>	<u>155,273</u>	<u>72,632</u>
Total Expenditures	<u>227,905</u>	<u>227,905</u>	<u>155,273</u>	<u>72,632</u>
Excess of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>74,404</u>	<u>74,404</u>
Fund Balance, Beginning of Year	<u>90,000</u>	<u>90,000</u>	<u>59,247</u>	<u>(30,753)</u>
Fund Balance, End of Year	<u>\$ 90,000</u>	<u>\$ 90,000</u>	<u>\$ 133,651</u>	<u>\$ 43,651</u>

Other Information

Eastmark Community Facilities District
 Continuing Disclosures
 For the Fiscal Year Ended June 30, 2020
 (unaudited)

Bond covenants require disclosure of certain financial information that is not required for financial statement presentation. These are the required continuing disclosures for the District for the fiscal year ended June 30, 2020.

The Districts Net Assessed Value and Estimated Net Full Cash Value comparison is as follows:

Fiscal Year	Estimated Net Full Cash Value	Net Assessed Value
2019-20	\$ 1,007,280,384	\$ 75,501,437
2018-19	692,764,909	52,059,735
2017-18	470,559,352	37,139,171
2016-17	270,676,986	21,328,284
2015-16	198,657,908	18,853,879

Changes in Net Assessed Limited Property Values:

Fiscal Year	The District	Percent Increase (Decrease)	Maricopa County	Percent Increase (Decrease)	State of Arizona	Percent Increase (Decrease)
2019-20	\$75,501,437	45.03%	\$ 43,194,326,395	6.86%	\$ 66,154,632,834	6.14%
2018-19	52,059,735	40.17%	40,423,232,423	5.72%	62,328,357,186	4.92%
2017-18	37,139,171	74.13%	38,236,246,402	5.81%	59,404,007,785	5.00%
2016-17	21,328,284	13.12%	36,135,494,474	4.37%	56,573,588,295	3.16%
2015-16	18,853,879	135.75%	34,623,670,323	(1.30%)	54,840,074,052	(0.92%)

The District's Net Assessed Limited Property Values by Property Classification is as follows:

Legal Class	Description	2019/20 Net Assessed Limited Property Value	2019/20 Percent of Total
1	Commercial, Industrial, Utilities & Mines	\$ 703,242	0.93%
2	Agricultural & Vacant	12,592,488	16.68%
3	Residential (Owner Occupied)	55,872,947	74.00%
4	Residential (Rental Occupied)	6,332,760	8.39%
Total		<u>\$ 75,501,437</u>	<u>100.00%</u>

Eastmark Community Facilities District
 Continuing Disclosures
 For the Fiscal Year Ended June 30, 2020
 (unaudited)

Net Assessed Property Values of Major Taxpayers:

Taxpayer	2019-20 Net Assessed Limited Property Valuation	As Percent of District's 2019-20 Net Assessed Limited Property Valuation
DMB Mesa Proving Grounds LLC	\$2,402,305	3.20%
AVH EM LLC	1,794,827	2.40%
Woodside Homes Sales AZ LLC	1,418,960	1.90%
Basis Schools Inc	999,638	1.30%
Meritage Homes of Arizona Inc.	583,456	0.80%
Jen Arizona 4 LLC 274,707 0.7	564,729	0.70%
Taylor Morrison/ Arizona Inc.	435,763	0.60%
Southwest Gas Corporation (I&D)	388,306	0.50%
CalAtlantic Homes of Arizona Inc.	332,642	0.40%
Maracay 91 LLC	330,162	0.40%
Total	\$9,250,788	9.00%

Record of Real and Secured Property Taxes Levied and Collected

Fiscal Year	Real and Secured Personal Property Tax Levy		Collected to June 30 End of Fiscal Year (a)		Total Collections through June 30, 2020 (b)	
	Amount	Percent of Tax Levy	Amount	Percent of Tax Levy	Amount	Percent of Tax Levy
2019-20	\$ 3,133,310		\$3,078,056	98.24%	\$ 3,078,056	98.24%
2018/19	2,160,479		2,130,578	98.62%	2,130,578	98.62%
2017/18	1,508,198		1,506,663	99.90%	1,508,037	99.99%
2016/17	885,120		883,443	99.81%	884,963	99.98%
2015/16	819,405		727,817	88.82%	729,074	88.98%

- (a) Reflects collections made through June 30, the end of the fiscal year, on such year's levy. Property taxes are payable in two installments. The first installment is due on October 1 and becomes delinquent on November 1; the second installment is due on March 1 and becomes delinquent on May 1. Delinquent taxes are subject to an interest and penalty charge of 16% per annum, which is prorated at a monthly rate of 1.33%. Interest and penalty collections for delinquent taxes are not included in the collection figures above but are deposited in the County's General Fund and are not remitted to the District. Interest and penalties with respect to the first half tax collections (delinquent November 1) are waived if the full year's taxes are paid by December 31.
- (b) Tax levy is as reported by the County Treasurer as of August of each tax year and includes adjustments made to levy amounts after the August report. The District's tax rate includes the amount necessary for debt service as well as a \$0.30 tax rate for maintenance and operation expenses for the District.

Eastmark Community Facilities District
 Continuing Disclosures
 For the Fiscal Year Ended June 30, 2020
 (unaudited)

Tax Rate Levied within the District

Fiscal Year	Tax Rate
2019-20	\$ 4.15
2018-19	4.15
2017-18	4.15
2016-17	4.34
2015-16	3.44

Overlapping General Obligation Bonded Indebtedness

Jurisdiction	2019/20 Net Secondary Assessed Valuation	General Obligation Bonded Debt Outstanding	Portion Applicable to the District		Combined Tax Rate per \$100 Assessed Valuation
			Percent	Net Debt Amount	
State of Arizona	\$66,158,541,837	None	0.014%	None	None
Maricopa County	43,194,326,395	None	0.212%	None	\$ 1.8750
Maricopa County Comm College District	43,194,326,395	\$ 250,065,000	0.212%	\$530,138	1.3285
Maricopa County Special Health Care District	43,194,326,395	429,125,000	0.211%	905,454	0.3333
East Valley Institute of Technology District No. 401	19,235,656,399	None	0.428%	None	0.0500
Queen Creek Unified School District No. 95	520,344,028	127,065,000	15.830%	20,114,390	7.4535
Gilbert Unified School District No. 41	2,066,469,120	132,715,000	4.397%	5,835,479	5.9023
City of Mesa	3,516,377,352	334,760,000	2.591%	8,673,632	1.1870
The District	75,501,437	39,240,000	100.000%	39,240,000	4.1500
Total Net Direct and Overlapping General Obligation Bonded Debt				<u>\$ 75,299,091</u>	

Special Assessment Districts Reserve Balances, Delinquencies and Foreclosure

Eastmark District 1 Special Assessment District #1

Parcels 304-50-078, 304-50-164, 304-50-432 were each delinquent \$247.80, as of June 30, 2020. These amounts have subsequently been paid.

Parcels 304-50-161, 304-50-333, 304-50-428, 304-50-502, 304-50-596, and 304-50-676, were each delinquent \$123.90 as of June 30, 2020. These amounts have subsequently been paid.

There were no foreclosures. The reserve balance in the Debt Service Fund as of June 30, 2020 is \$188,302.

Eastmark District 1 Special Assessment District #2

Parcels 304-94-080 was delinquent \$244.64 as of June 30, 2020. This amount has subsequently been paid.

Parcels 304-64-282 and 304-94-467 were each delinquent \$122.32 as of June 30, 2020. These amounts have subsequently been paid.

Parcel 304-94-404 was delinquent on June 30, 2020 in the amount of \$244.64.

There were no foreclosures. The reserve balance in the Debt Service Fund as of June 30, 2020 is \$234,021.

Eastmark District 1 Special Assessment District #3

Parcel 304-35-362 was delinquent \$264.63 as of June 30, 2020. This amount has subsequently been paid.

Parcels 304-35-419 and 304-35-585 were each delinquent \$132.32 as of June 30, 2020. These amounts have subsequently been paid. There were no foreclosures. The reserve balance in the Debt Service Fund as of June 30, 2020 is \$144,348.

Eastmark District 1 Special Assessment District #4

Parcels 312-15-248 and 312-15-416 were delinquent as of June 30, 2020 in the amounts of \$170.04 and \$85.02, respectively. These amounts have subsequently been paid. There were no foreclosures. The reserve balance in the Debt Service Fund as of June 30, 2020 is \$63,980.

Eastmark District 1 Special Assessment District #5

There were no delinquent parcels and no foreclosures as of June 30, 2020. The reserve balance in the Debt Service Fund as of June 30, 2020 is \$74,500

Eastmark District 1 Special Assessment District #6

Parcels 304-32-453 and 304-32-555 were delinquent as of June 30, 2020 in the amounts of \$144.98 and \$72.49, respectively. These amounts have subsequently been paid.

Parcel 304-32-473 was delinquent as of June 30, 2020 in the amount \$288.14.

There were no foreclosures. The reserve balance in the Debt Service Fund as of June 30, 2020 is \$37,650.

Eastmark Community Facilities District
Continuing Disclosures
For the Fiscal Year Ended June 30, 2020
(unaudited)

Eastmark District 1 Special Assessment District #7

Parcels 312-17-682 was each delinquent as of June 30, 2020 in the amount of \$117.37. This amount has subsequently been paid.

Parcels 312-17-060 was delinquent as of June 30, 2020 in the amount of \$349.85

There were no foreclosures. The reserve balance in the Debt Service Fund as of June 30, 2020 is \$89,083.

Eastmark District 1 Special Assessment District #8

Parcels 314-10-685 and 314-10-715 were each delinquent as of June 30, 2020 in the amount of \$115.96. These amounts have subsequently been paid.

Parcels 314-10-753 was delinquent as of June 30, 2020 in the amount of \$466.00.

There were no foreclosures. The reserve balance in the Debt Service Fund as of June 30, 2020 is \$51,770.

Eastmark District 1 Special Assessment District #9

There were no delinquent parcels and no foreclosures as of June 30, 2020. The reserve balance in the Debt Service Fund as of June 30, 2020 is \$25,582

Eastmark District 1 Special Assessment District #10

Parcels 312-15-533, 312-15-711, and 312-15-781 were each delinquent on June 30, 2020 in the amount of \$125.57. These amounts have subsequently been paid. There were no foreclosures as of June 30, 2020. The reserve balance in the Debt Service Fund as of June 30, 2020 is \$136,952.

Eastmark District 1 Special Assessment District #11

Parcel 312-17-682 was delinquent on June 30, 2020 in the amount of \$122.87. This amount has subsequently been paid.

Parcel 312-17-684 was delinquent on June 30, 2020 in the amount of \$368.63.

There were no foreclosures as of June 30, 2020. The reserve balance in the Debt Service Fund as of June 30, 2020 is \$71,077.