



**Eastmark Community Facilities District**

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

Annual Financial Report

Fiscal Year Ended June 30, 2021

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

**ANNUAL FINANCIAL REPORT**

**FISCAL YEAR ENDED JUNE 30, 2021**

# Eastmark Community Facilities District

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## 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, 2021, 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 District as of June 30, 2021, 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.

***Emphasis of a Matter***

During the fiscal year ended June 30, 2021, the District restated beginning net position of the financial statements of its governmental activities for the year ended June 30, 2020 to correct a misstatement in its previously issued financial statements (See Note 5). Our auditors' opinion was not modified with respect to the restatement.

***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 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 January 10, 2022, 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**

Phoenix, Arizona  
January 10, 2022

## MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Fiscal Year Ended June 30, 2021

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, 2021. 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 increased by \$5,290,367 from \$3,857,426 to \$9,147,793. An increase of \$947,186 in Property Tax revenue and \$4,441,156 in new assessments offset decreases in investment income.
- As of June 30, 2021, the District's governmental funds reported combined ending fund balances of \$2,709,596. Of this amount, \$2,423,344 is in the Debt Service Fund, \$26,586 is in Capital Projects Fund and \$259,666 in the General Fund.
- The District's governmental fund balance increased by \$625,085 primarily due to increases in Property Tax revenue, Assessments collected, and Premium on Issuance of Bonds.
- The District's total long-term debt increased by \$16,117,000 in the fiscal year primarily due to general obligation bonds and special assessment revenue 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 \$50,301,182 at the end of fiscal year 2021. The following table summarizes the Statement of Net Position:

<b>Net Position</b>		
<b>June 30, 2021 and 2020</b>		
		2020
Assets:	2021	Restated
Current and Other Assets	<u>\$ 24,529,997</u>	<u>\$ 18,880,181</u>
Total Assets	<u>24,529,997</u>	<u>18,880,181</u>
Liabilities:		
Long-term Liabilities	70,944,673	54,559,075
Other Liabilities	<u>3,886,506</u>	<u>2,857,578</u>
Total Liabilities	<u>74,831,179</u>	<u>57,416,653</u>
Net Position:		
Restricted for Debt Service	20,063,702	15,883,048
Restricted for Capital	26,586	5,904
Unrestricted	<u>(70,391,470)</u>	<u>(54,425,424)</u>
Total Net Position	<u>\$ (50,301,182)</u>	<u>\$(38,536,472)</u>



The restricted portion of the City's net position, \$20,090,288 represents resources that are subject to external restrictions on how they may be used, primarily debt service payments and capital projects. The unrestricted net position of (\$70,391,470) 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, 2021 and 2020**

Revenues:	2021	2020
Property Taxes	\$ 4,029,520	\$ 3,082,334
Special Assessments	5,117,755	673,096
Investment Income	438	101,996
Miscellaneous Revenue	80	-
<b>Total Revenues</b>	<b>9,147,793</b>	<b>3,857,426</b>
Expenses:		
General Government	162,563	155,273
Interest on Long-Term Debt and Amortization	2,507,427	2,111,849
Bond Issuance Costs	425,261	289,774
Capital Projects donated to City	17,817,252	14,040,000
<b>Total Expenses</b>	<b>20,912,503</b>	<b>16,596,896</b>
<b>Change in Net Position</b>	<b>(11,764,710)</b>	<b>(12,739,470)</b>
<b>Net Position-As Restated, Beginning of Year</b>	<b>(38,536,472)</b>	<b>(25,797,002)</b>
<b>Net Position, End of Year</b>	<b>\$ (50,301,182)</b>	<b>\$ (38,536,472)</b>

The District's total net position decreased by \$11,764,710 during the fiscal year. The decrease in Net Position is primarily due to \$17,817,252 in capital project costs donated to the City. This was offset slightly by revenues of \$9,147,275 in property taxes and special assessments.

Revenues include special assessments for new Special Assessment Districts (SADs). Special Assessments increased in current year by \$4,444,659. Special assessments will fluctuate based on the dollar value of improvements created in each new SAD. In Fiscal year 2020 there were no new assessments. Fiscal year 2021 included the initial assessment to cover SAD 12 in the amount of \$4,469,000.

### **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 2021, the District's governmental funds reported combined ending fund balances of \$2,709,596 an increase of \$625,085 in comparison with the prior year. The increase is due to Property tax revenue increases and proceeds from bond issuances.

**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 \$67,715 in current year. The increase in property tax revenue contributed to the \$126,015 increase in the General Fund balance.

**Capital Projects Fund** – The District issued a General Obligation bond for total bond proceeds of \$14,000,000 and Special Assessment Revenue bonds for proceeds of \$4,469,000. Bond proceeds were expended primarily on capital expenditures

**Debt Service Fund** – The Debt Service fund balance increased by \$478,388 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, 2021 and 2020

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	2021	2020
General Obligation Bonds	\$ 51,390,000	\$ 39,240,000
Special Assessment Bonds	17,678,000	13,711,000
Total Debt	\$ 69,068,000	\$ 52,951,000

The District’s total long-term debt increased by \$16,117,000 in the fiscal year primarily due to a new General Obligation bond issuance and a new Special Assessment Revenue 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, 2021

**Assets**

Pooled Cash and Investments	\$ 390,965
Due from Other Governments	2,789
Accrued Interest Receivable	885
Prepaid and Deposits	293,537
Restricted Assets:	
Pooled Cash and Investments	5,291,941
Cash with Fiscal Agent	853,318
Accounts Receivable	17,629,886
Accrued Interest	12,382
Due from Other Governments	54,294
<b>Total Assets</b>	<u>24,529,997</u>

**Liabilities**

Accounts Payable	38,642
Unearned Revenue	73,245
Matured Bonds Payable	2,314,000
Bond Interest Payable	1,460,619
Noncurrent Liabilities:	
Due within One Year	2,152,000
Due in More than One Year	68,792,673
<b>Total Liabilities</b>	<u>74,831,179</u>

**Net Position**

Restricted for Debt Service	20,063,702
Restricted for Capital	26,586
Unrestricted	(70,391,470)
<b>Total Net Position</b>	<u>\$ (50,301,182)</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, 2021

**Revenues**

Property Taxes	\$ 4,029,520
Special Assessments	5,117,755
Investment Income	438
Miscellaneous Revenue	80
<b>Total Revenues</b>	<u>9,147,793</u>

**Expenses**

General Government	162,563
Bond Interest and Amortization	2,507,427
Bond Issuance Costs	425,261
Capital Outlay	17,817,252
<b>Total Expenses</b>	<u>20,912,503</u>

**Change in Net Position** (11,764,710)

**Net Position, Beginning-As Restated** (38,536,472)

**Net Position, Ending** \$ (50,301,182)

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

**EASTMARK COMMUNITY FACILITIES DISTRICT****Governmental Funds Balance Sheet**

June 30, 2021

	<b>General Fund</b>	<b>Capital Projects Fund</b>	<b>Debt Service Fund</b>	<b>Total</b>
<b>ASSETS</b>				
Pooled Cash and Investments	\$ 364,379	\$ 26,586	\$ -	\$ 390,965
Accrued Interest Receivable	885	-	-	885
Due from Other Governments	2,789	-	-	2,789
Restricted Assets:				
Pooled Cash and Investments	-	-	5,291,941	5,291,941
Cash with Fiscal Agent	-	-	853,318	853,318
Accounts Receivable	-	-	17,629,886	17,629,886
Accrued Interest	-	-	12,382	12,382
Due from Other Governments	-	-	54,294	54,294
Total Assets	<u>\$ 368,053</u>	<u>\$ 26,586</u>	<u>\$ 23,841,821</u>	<u>\$ 24,236,460</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 38,642	\$ -	\$ -	\$ 38,642
Payable from Restricted Assets:				
Matured Bond Payable	-	-	2,314,000	2,314,000
Bond Interest Payable	-	-	1,460,619	1,460,619
Unearned Revenue	69,745	-	3,500	73,245
Total Liabilities	<u>108,387</u>	<u>-</u>	<u>3,778,119</u>	<u>3,886,506</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue	-	-	17,640,358	17,640,358
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>17,640,358</u>	<u>17,640,358</u>
<b>FUND BALANCE</b>				
Restricted Fund Balance	-	26,586	2,423,344	2,449,930
Unassigned Fund Balance	259,666	-	-	259,666
Total Fund Balances	<u>259,666</u>	<u>26,586</u>	<u>2,423,344</u>	<u>2,709,596</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 368,053</u>	<u>\$ 26,586</u>	<u>\$ 23,841,821</u>	<u>\$ 24,236,460</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, 2021

Fund Balances - total governmental funds	\$ 2,709,596
Amounts reported for governmental activities in the statement of net position are different because:	
Other assets used in governmental activities are not financial resources and therefore not reported in the governmental funds.	293,537
Long term liabilities, including bonds payable, are not due and payable in the current period and therefore not reported in the governmental funds.	(70,944,673)
Unavailable revenue for special assessments is shown on the governmental funds, but is recognized as revenue on the statement of net position.	<u>17,640,358</u>
Net position of the governmental activities - statement of net position	<u><u>\$ (50,301,182)</u></u>

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, 2021

	<b>General Fund</b>	<b>Capital Projects Fund</b>	<b>Debt Service Fund</b>	<b>Total</b>
<b>REVENUES</b>				
Property Taxes	290,534	-	3,728,515	4,019,049
Special Assessments	-	-	1,195,109	1,195,109
Investment Income (Loss)	744	-	(306)	438
Miscellaneous Revenue	-	-	80	80
Total Revenues	<u>291,278</u>	<u>-</u>	<u>4,923,398</u>	<u>5,214,676</u>
<b>EXPENDITURES</b>				
Current:				
General Government	162,563	-	-	162,563
Debt Service:				
Bond Principal	-	-	2,352,000	2,352,000
Bond Interest	-	-	2,586,992	2,586,992
Bank Charges	2,700	-	1,875	4,575
Bond Issuance Costs	-	487,947	-	487,947
Capital Outlay	-	17,817,252	-	17,817,252
Total Expenditures/Expenses	<u>165,263</u>	<u>18,305,199</u>	<u>4,940,867</u>	<u>23,411,329</u>
Excess(Deficiency) of Revenues Over (Under) Expenditures	<u>126,015</u>	<u>(18,305,199)</u>	<u>(17,469)</u>	<u>(18,196,653)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Face Amount of Bonds Issued	-	18,118,781	350,219	18,469,000
Premium on Issuance of Bonds	-	207,100	145,638	352,738
Total Other Financing Sources (Uses)	<u>-</u>	<u>18,325,881</u>	<u>495,857</u>	<u>18,821,738</u>
Net Change in Fund Balances	126,015	20,682	478,388	625,085
Fund Balances - Beginning	<u>133,651</u>	<u>5,904</u>	<u>1,944,956</u>	<u>2,084,511</u>
Fund Balances - Ending	<u>\$ 259,666</u>	<u>\$ 26,586</u>	<u>\$ 2,423,344</u>	<u>\$ 2,709,596</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, 2021

Net change in fund balances - total governmental funds	\$ 625,085
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.	3,933,117
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	62,686
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.	(16,117,000)
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>(268,598)</u>
Change in net position of the governmental activities - statement of activities	<u><u>\$ (11,764,710)</u></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, 2021.

**Pooled Cash and Investments** – At June 30, 2021, the District’s total pooled cash and investments are as follows:

	<b>Fair Value</b>
Investments in Local Govt Invest Pool	\$ 5,682,906
Cash with Fiscal Agent (1)	853,318
<b>Total District Pooled Cash and Investments</b>	<b>\$ 6,536,224</b>

(1) Represents cash sent by the City to fiscal agents on June 30, 2021 for debt service payments due to bondholders on July 1, 2021.

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, 2021, receivables were as follows:

<u>Description</u>	<u>General Fund</u>	<u>Debt Service Fund</u>
Special Assessments receivable	\$ -	\$ 17,629,886
Due from Other Governments	2,789	54,294
Interest Receivable	885	12,382
Total receivable	<u>\$ 3,674</u>	<u>\$ 17,696,562</u>

Eastmark Community Facilities District  
Notes to Financial Statements  
For the Fiscal Year Ended June 30, 2021

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, 2021, 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>\$17,640,358</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 Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
General Obligation Bonds	\$ 39,240,000	\$ 14,000,000	\$ (1,850,000)	\$ 51,390,000	\$ 1,615,000
Special Assessment Bonds	13,711,000	4,469,000	(502,000)	17,678,000	537,000
Net Unamortized Premium (Discounts)	1,608,075	352,738	(84,140)	1,876,673	-
<b>Total</b>	<u>\$ 54,559,075</u>	<u>\$ 18,821,738</u>	<u>\$ (2,436,140)</u>	<u>\$ 70,944,673</u>	<u>\$ 2,152,000</u>

Bonds payable at June 30, 2021, 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.	\$ 1,993,000
\$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.	2,650,000
\$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.	2,636,000
\$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.	1,611,000
\$6,800,000 2015 Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) General Obligation Bonds, due in annual principal installments ranging	



Eastmark Community Facilities District  
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For the Fiscal Year Ended June 30, 2021

from \$165,000 to \$680,000, plus semi-annual interest ranging from 4 percent to 5 percent through July 15, 2039.	\$ 5,700,000
\$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.	731,000
\$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.	885,000
\$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.	449,000
\$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.	7,185,000
\$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.	1,214,000
\$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.	682,000
\$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.	324,000
\$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.	9,100,000
\$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	920,000

Eastmark Community Facilities District  
Notes to Financial Statements  
For the Fiscal Year Ended June 30, 2021

\$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.	\$ 1,764,000
\$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.	13,455,000
\$14,000,000 2020 Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) General Obligation Bonds, due in annual principal installments ranging from \$425,000 to \$750,000, plus semi-annual interest ranging from 2.00 percent to 4.0 percent through July 15, 2044.	13,300,000
\$4,469,000 2021 Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) Assessment District No. 12 Special Assessment Revenue Bonds, due in annual principal installments ranging from \$134,000 to \$270,000, plus semi-annual interest ranging from 1.60 percent to 3.75 percent through July 1, 2045.	<u>4,469,000</u>
<b>Total Community Facilities District Bonds</b>	<b><u>\$ 69,068,000</u></b>

The following tables summarize the District’s debt service requirements to maturity for its long-term bonds payable at June 30, 2021.

<u>General Obligation Bonds</u>			
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 1,615,000	\$ 1,921,588	\$ 3,536,588
2023	1,665,000	1,870,738	3,535,738
2024	1,715,000	1,813,888	3,528,888
2025	1,770,000	1,755,188	3,525,188
2026	1,835,000	1,694,488	3,529,488
2027-2031	10,290,000	7,344,288	17,634,288
2032-2036	12,440,000	5,197,063	17,637,063
2037-2041	13,680,000	2,555,606	16,235,606
2042-2045	<u>6,380,000</u>	<u>365,469</u>	<u>6,745,469</u>
<b>TOTALS</b>	<b><u>\$ 51,390,000</u></b>	<b><u>\$ 24,518,313</u></b>	<b><u>\$ 75,908,313</u></b>

Eastmark Community Facilities District  
Notes to Financial Statements  
For the Fiscal Year Ended June 30, 2021

<b>Special Assessment Revenue Bonds</b>			
<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2022	\$ 537,000	\$ 773,455	\$ 1,310,455
2023	576,000	756,952	1,332,952
2024	588,000	737,912	1,325,912
2025	631,000	717,408	1,348,408
2026	662,000	694,697	1,356,697
2027-2031	3,799,000	3,031,193	6,830,193
2032-2036	4,787,000	2,098,360	6,885,360
2037-2041	4,557,000	889,093	5,446,093
2042-2045	1,541,000	132,812	1,673,812
<b>TOTALS</b>	<b><u>\$ 17,678,000</u></b>	<b><u>\$ 9,831,882</u></b>	<b><u>\$ 27,509,882</u></b>

**NOTE 5 - RESTATEMENT OF BEGINNING NET POSITION**

Net Position at 6/30/20, as Previously Reported	\$ (38,767,323)
Prepaid Insurance adjustment	230,851
Net Position at 7/1/20, as Restated	<u>\$ (38,536,472)</u>

The District restated the beginning net position due to the prepaid bond insurance asset not being previously recorded. This resulted in an increase in the beginning net position of \$230,851.

# **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, 2021

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		
Revenues				
Property Taxes	\$ 226,603	\$ 226,603	\$ 290,534	\$ 63,931
Reimbursements - Developer	1,302	1,302	-	(1,302)
Investment Income	-	-	744	744
Total Revenues	<u>227,905</u>	<u>227,905</u>	<u>291,278</u>	<u>63,373</u>
Expenditures				
General Government	227,905	227,905	165,263	62,642
Total Expenditures	<u>227,905</u>	<u>227,905</u>	<u>165,263</u>	<u>62,642</u>
Excess of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>126,015</u>	<u>126,015</u>
Other Financing Uses:				
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	126,015	126,015
Fund Balance, Beginning of Year	<u>90,000</u>	<u>90,000</u>	<u>133,651</u>	<u>43,651</u>
Fund Balance, End of Year	<u>\$ 90,000</u>	<u>\$ 90,000</u>	<u>\$ 259,666</u>	<u>\$ 169,666</u>

# **Other Information**

Eastmark Community Facilities District  
 Continuing Disclosures  
 For the Fiscal Year Ended June 30, 2021  
 (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, 2021.

**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
2020-21	\$ 1,348,948,525	\$ 96,810,045
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

**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)
2020-21	\$ 96,810,045	28.22%	\$ 45,704,969,813	5.81%	\$ 69,914,507,682	5.68%
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%

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

Legal Class	Description	2020/21 Net Assessed Limited Property Value	2020/21 Percent of Total
1	Commercial, Industrial, Utilities & Mines	\$ 2,060,189	2.13%
2	Agricultural & Vacant	8,688,258	8.97%
3	Residential (Owner Occupied)	76,924,890	79.46%
4	Residential (Rental Occupied)	9,136,708	9.44%
Total		<u>\$ 96,810,045</u>	<u>100.00%</u>

Eastmark Community Facilities District  
 Continuing Disclosures  
 For the Fiscal Year Ended June 30, 2021  
 (unaudited)

**Net Assessed Property Values of Major Taxpayers:**

Taxpayer	2020-21 Net Assessed Limited Property Valuation	As Percent of District's 2020-21 Net Assessed Limited Property Valuation
DMB Mesa Proving Grounds LLC	\$1,798,028	1.86%
AVH EM LLC	1,229,329	1.27%
Woodside Homes Sales AZ LLC	1,078,263	1.11%
Safeway Inc	923,256	0.95%
Taylor Morrison/Arizona Inc.	726,502	0.75%
Southwest Gas Corporation (T&D)	564,899	0.58%
Shea Homes Limited Partnership	469,598	0.49%
Ashton Woods Arizona LLC	338,364	0.35%
Evergreen-Point 22 & Signal Butte LLC	334,326	0.35%
BB Mesa Gateway LLC	226,065	0.23%
<b>Total</b>	<b>\$7,688,630</b>	<b>7.94%</b>

**Record of Real and Secured Property Taxes Levied and Collected**

Fiscal Year	Collected to June 30 End of Fiscal Year (a)		Total Collections through June 30, 2021 (b)		
	Real and Secured Personal Property Tax Levy	Amount	Percent of Tax Levy	Amount	Percent of Tax Levy
2020-21	\$ 4,017,617	\$3,996,895	99.48%	\$ 4,013,285	99.89%
2019-20	3,133,310	3,078,056	98.24%	3,091,098	98.65%
2018-19	2,160,479	2,130,578	98.62%	2,134,164	98.78%
2017-18	1,508,198	1,506,663	99.90%	1,507,975	99.99%
2016-17	885,120	883,443	99.81%	884,902	99.98%

(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, 2021  
 (unaudited)

**Tax Rate Levied within the District**

<u>Fiscal Year</u>	<u>Tax Rate</u>
2020-21	\$ 4.15
2019-20	4.15
2018-19	4.15
2017-18	4.15
2016-17	4.15

**Overlapping General Obligation Bonded Indebtedness**

<u>Jurisdiction</u>	<u>2020/21 Net Secondary Assessed Valuation</u>	<u>General Obligation Bonded Debt Outstanding</u>	<u>Portion Applicable to the District</u>		<u>Combined Tax Rate per \$100 Assessed Valuation</u>
			<u>Percent</u>	<u>Net Debt Amount</u>	
State of Arizona	\$69,914,507,682	None	0.014%	None	None
Maricopa County	45,704,969,813	None	0.212%	None	1.8435
Maricopa County Comm College District	45,704,969,813	\$ 250,065,000	0.212%	\$529,676	1.2881
Maricopa County Special Health Care District	45,822,046,238	429,125,000	0.211%	906,629	.3046
East Valley Institute of Technology District	22,598,319,396	None	0.428%	None	0.0500
Gilbert Unified School District No. 41	2,201,483,124	132,715,000	4.397%	5,836,132	6.2580
Queen Creek Unified School District No. 95	611,553,339	138,515,000	15.830%	21,927,185	7.4048
City of Mesa	3,736,210,059	334,405,000	2.591%	8,664,434	1.1171
The District	96,810,045	51,390,000	100.000%	51,390,000	4.1500
<b>Total Net Direct and Overlapping General Obligation Bonded Debt</b>				<u>\$ 89,254,056</u>	

**Special Assessment Districts Reserve Balances, Delinquencies and Foreclosure**

**Eastmark District 1 Special Assessment District #1**

Parcel 304-50-305 was delinquent \$122.23 as of June 30, 2021. This amount has subsequently been paid.

Parcel 304-50-315 was delinquent \$244.46 as of June 30, 2021. This amount has subsequently been paid.

Parcel 304-50-164 was delinquent \$38.10 as of June 30, 2021. This amount has subsequently been paid.

Parcel 304-50-164 was delinquent \$256.68 as of June 30, 2021.

There were no foreclosures. The reserve balance in the Debt Service Fund as of June 30, 2021 is \$187,798.

**Eastmark District 1 Special Assessment District #2**

Parcels 304-94-209 was delinquent \$123.28 as of June 30, 2021. This amount has subsequently been paid.

Parcel 304-94-282 was delinquent on June 30, 2021 in the amount of \$8.22.

There were no foreclosures. The reserve balance in the Debt Service Fund as of June 30, 2021 is \$230,771.

**Eastmark District 1 Special Assessment District #3**

Parcel 304-35-087 was delinquent \$3.48 as of June 30, 2021. This amount has subsequently been paid.

Parcels 304-35-269 and 304-35-436 were each delinquent \$130.49 as of June 30, 2021. These amounts have subsequently been paid.

Parcel 304-35-269 was delinquent \$196.08 as of June 30, 2021. Of this amount, \$55.92 has subsequently been paid.

There were no foreclosures. The reserve balance in the Debt Service Fund as of June 30, 2021 is \$137,812.

**Eastmark District 1 Special Assessment District #4**

Parcels 312-15-209 and 312-15-476 were each delinquent as of June 30, 2021 in the amount of \$181.00. These amounts have subsequently been paid.

Parcel 312-15-118 was delinquent \$90.50 as of June 30, 2021.

There were no foreclosures. The reserve balance in the Debt Service Fund as of June 30, 2021 is \$63,000.

Eastmark Community Facilities District  
Continuing Disclosures  
For the Fiscal Year Ended June 30, 2021  
(unaudited)

**Eastmark District 1 Special Assessment District #5**

Parcel 304-35-731 was delinquent \$115.51 as of June 30, 2021. The reserve balance in the Debt Service Fund as of June 30, 2021 is \$73,325.

**Eastmark District 1 Special Assessment District #6**

There were no delinquent parcels and no foreclosures as of June 30, 2021. The reserve balance in the Debt Service Fund as of June 30, 2021 is \$36,837.50.

**Eastmark District 1 Special Assessment District #7**

Parcel 312-17-148 was delinquent as of June 30, 2021 in the amount of \$116.24. This amount has subsequently been paid.

Parcel 313-24-218 was delinquent as of June 30, 2021 in the amount of \$232.48. This amount has subsequently been paid.

Parcel 312-24-292 was delinquent as of June 30, 2021 in the amount of \$3.18.

There were no foreclosures. The reserve balance in the Debt Service Fund as of June 30, 2021 is \$88,825.

**Eastmark District 1 Special Assessment District #8**

Parcels 304-97-500 and 304-97-533 were each delinquent as of June 30, 2021 in the amount of \$234.08. These amounts have subsequently been paid.

Parcels 304-97-551 and 314-10-723 were each delinquent as of June 30, 2021 in the amount of \$117.04. These amounts have subsequently been paid.

Parcels 304-97-544 was delinquent as of June 30, 2021 in the amount of \$1.56.

There were no foreclosures. The reserve balance in the Debt Service Fund as of June 30, 2021 is \$51,140.

**Eastmark District 1 Special Assessment District #9**

There were no delinquent parcels and no foreclosures as of June 30, 2021. The reserve balance in the Debt Service Fund as of June 30, 2021 is \$25,085.

**Eastmark District 1 Special Assessment District #10**

Parcels 312-15-705, 312-15-845 were each delinquent on June 30, 2021 in the amount of \$126.20. These amounts have subsequently been paid.

Parcel 312-15-556 was delinquent as of June 30, 2021 in the amount of \$136.30. This amount has subsequently been paid.

Parcel 312-15-656 was delinquent as of June 30, 2021 in the amount of \$252.40. This amount has subsequently been paid.

There were no foreclosures. The reserve balance in the Debt Service Fund as of June 30, 2021 is \$136,952.

Eastmark Community Facilities District  
Continuing Disclosures  
For the Fiscal Year Ended June 30, 2021  
(unaudited)

**Eastmark District 1 Special Assessment District #11**

There were no delinquent parcels and no foreclosures as of June 30, 2021. The reserve balance in the Debt Service Fund as of June 30, 2021 is \$68,250.

**Eastmark District 1 Special Assessment District #12**

There were no delinquent parcels and no foreclosures as of June 30, 2021. The reserve balance in the Debt Service Fund as of June 30, 2021 is \$282,062.50.