



Rizzetta & Company

World Commerce Community Development District

**Board of Supervisors' Meeting
April 19, 2022**

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

www.worldcommercecdd.org

WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT

Holiday Inn Express, 2300 State Road 16, St. Augustine, Florida 32084

| | | |
|-----------------------------|---------------------|--------------------------|
| Board of Supervisors | Curtis Robinson | Chairman |
| | Elizabeth Pappaceno | Vice Chairman |
| | Karen McNairn | Assistant Secretary |
| | Kenneth Hall | Assistant Secretary |
| | Jeffrey Silagy | Assistant Secretary |
| District Manager | Lesley Gallagher | Rizzetta & Company, Inc. |
| District Counsel | Wes Haber | Kutak Rock, LLC |
| District Engineer | Ryan Stilwell | Prosser |

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

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

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

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

WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT

District Office · St. Augustine, Florida · (904) 436-6270
Mailing Address – 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614
www.worldcommercecdd.org

April 11, 2022

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

Dear Board Members:

The regular meeting of the Board of Supervisors of World Commerce Community Development District will be held on **Tuesday, April 19, 2022 at 9:00 a.m.** at the Holiday Inn Express & Suites, 2300 State Road 16, St. Augustine, Florida 32084. Following is the **tentative** agenda for the meeting.

- 1. CALL TO ORDER/ROLL CALL**
- 2. PUBLIC COMMENTS**
- 3. BUSINESS ADMINISTRATION**
 - A. Consideration of the Minutes of the Board of Supervisors' Meeting held on January 18, 2022 Tab 1
 - B. Ratification of the Operation and Maintenance Expenditures for December 2021 through February 2022 Tab 2
 - C. Ratification of Requisitions, Series 2007, CR220-221 Tab 3
- 4. STAFF REPORTS**
 - A. District Counsel
 - B. District Engineer
 - C. Landscape
 1. Brightview Landscape Report, March 29, 2022 Tab 4
 2. Update on Irrigation Impacts from Costco Construction
 - D. District Manager
 1. Charles Aquatics Report, March 14, 2022 Tab 5
- 5. BUSINESS ITEMS**
 - A. Consideration of Options for Landscape Designs as an Alternative to a Fountain.....Tab 6
 - B. *Field Proposals Upon Receipt*
 - C. Ratification of Kutak Rock, LLP's Fee Agreement..... Tab 7
 - D. Presentation of Fiscal Year 2022/2023 Proposed Budget (USC)
 1. Consideration of Resolution 2022-04, Approving Fiscal Year 2022/2023 Proposed Budget and Setting the Public Hearing on the Final Budget..... Tab 8
 - E. Presentation of Audit For Fiscal Year Ended 9-30-21..... Tab 9
- 6. SUPERVISOR REQUESTS**
- 7. ADJOURNMENT**

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

Very truly yours,
Lesley Gallagher
World Commerce
Community Development District

Tab 1

MINUTES OF MEETING

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

**WORLD COMMERCE
COMMUNITY DEVELOPMENT DISTRICT**

The **regular** meeting of the Board of Supervisors of World Commerce Community Development District was held on **Tuesday, January 18, 2022 at 9:00 a.m.** at the Holiday Inn Express & Suites, 2300 State Road 16, St. Augustine, Florida 32084 The following is the agenda for this meeting.

Present and constituting a quorum:

| | |
|---------------------|--|
| Curtis Robinson | Board Supervisor, Chairman |
| Elizabeth Pappaceno | Board Supervisor, Vice Chairman |
| Karen McNairn | Board Supervisor, Assistant Secretary |
| Jeff Silagy | Board Supervisor, Assistant Secretary |

Also present were:

| | |
|------------------|--|
| Lesley Gallagher | District Manager, Rizzetta & Company |
| Wes Haber | District Counsel, Kutak Rock, LLC (via speaker phone) |
| Ryan Stilwell | District Engineer, Prosser Hallock |
| Michael Cills | Representative, Steinemann & Co. |
| Steve McAvoy | Account Manager, BrightView Landscaping |
| German Martinez | Operations Manager, BrightView Landscaping |

FIRST ORDER OF BUSINESS**Call to Order**

Ms. Gallagher called the meeting to order at 9:03 a.m. and read the roll call.

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

No members of the public present.

THIRD ORDER OF BUSINESS**Consideration of the Minutes of the
Board of Supervisors' Regular
Meeting held October 19, 2021**

| |
|---|
| On a motion by Mr. Silagy, seconded by Ms. McNairn, with all in favor, the Board approved the Minutes of the Board of Supervisors Regular Meeting held on October 19, 2021 for World Commerce Community Development District. |
|---|

FOURTH ORDER OF BUSINESS**Ratification of Operation and
Maintenance Expenditures for
September 2021, October 2021 and
November 2021**

On a motion by Mr. Silagy, seconded by Mr. Robinson, with all in favor, the Board ratified Operation & Maintenance Expenditures for September 2021 in the amount of \$26,012.54, October 2021 in the amount of \$39,538.20 and November 2021 in the amount of \$12,272.00 for World Commerce Community Development District.

FIFTH ORDER OF BUSINESS**Ratification of Requisition, Series
2007, CR215-219**

On a motion by Mr. Silagy, seconded by Ms. Pappaceno, with all in favor, the Board ratified Requisition Series 2007, CR215-219 for World Commerce Community Development District.

SIXTH ORDER OF BUSINESS**Consideration of Proposal from LLS
Tax Solutions, Inc, Arbitrage Services**

On a motion by Mr. Robinson, seconded by Mr. Silagy, with all in favor, the Board approved LLS Tax Solutions proposal for Series 2007 Arbitrage Services at a yearly cost of \$500.00 through January 31, 2025 for World Commerce Community Development District.

SEVENTH ORDER OF BUSINESS**Staff Reports****A. District Counsel****1.) Memorandum Regarding Wastewater and Stormwater Needs
Analysis**

Mr. Haber provided a review of the memorandum regarding wastewater and stormwater needs analysis found under Tab 5 of the agenda.

On a motion by Ms. McNairn, seconded by Ms. Pappaceno, with all in favor, the Board authorized a not to exceed amount approval of \$5,000 for the Stormwater Needs Analysis Report for World Commerce Community Development District.

B. District Engineer**1.) Consideration of Update to Prosser Rate Schedule****2.) *Consideration of Proposal for Waste and Stormwater Needs Analysis
(Under Separate Cover)***

On a motion by Mr. Robinson, seconded by Ms. McNairn, with all in favor, the Board accepted the Updated Prosser Rate Schedule for World Commerce Community Development District.

- 76 C. Landscape
77 1.) BrightView Landscape Report, January 6, 2022
78 Mr. McAvoy and Mr. Martinez were available to answer questions regarding
79 the landscape report.
80
81 D. District Manager
82 1.) Ratification of Acceptance of Rizzetta Website Assignment
83 2.) Charles Aquatics Pond Report, January 7, 2022
84

On a motion by Mr. Silagy, seconded by Mr. Robinson, with all in favor, the Board ratified Acceptance of Assignment of the Technology Agreement to Rizzetta & Company effective January 1, 2022 for World Commerce Community Development District.

EIGHTH ORDER OF BUSINESS

Consideration of Clarification to Language to Construction Management Agreement

Mr. Haber reviewed that the language included in the construction management agreement versus the general understanding of the agreement required further clarification to make it clear that expectation was for the five (5) percent fee to cover the management of the entire project and not construction alone.

On a motion by Ms. McNairn, seconded by Ms. Pappaceno, with all in favor, the Board authorized a simple amendment to the current agreement and authorized the Chairman to review and execute final copy for World Commerce Community Development District.

NINTH ORDER OF BUSINESS

Consideration of Resolution 2022-02, Updates to Prompt Payment Policy

Mr. Haber updated the Board that the policies were being updated to make them consistent with changes in laws as they relate to the dispute process.

On a motion by Mr. Silagy, seconded by Ms. McNairn, with all in favor, the Board adopted Resolution 2022-02, Updating Prompt Payment Policy for World Commerce Community Development District.

TENTH ORDER OF BUSINESS

Consideration of Resolution 2022-03, Conducting General Election

On a motion by Mr. Robinson, seconded by Mr. Silagy, with all in favor, the Board adopted Resolution 2022-03, Regarding General Election for World Commerce Community Development District.

ELEVENTH ORDER OF BUSINESS**Consideration of Proposal for
Fountain Repair**

The Board reviewed the proposal for fountain repair. Discussions ensued.

On a motion by Mr. Robinson, seconded by Mr. Silagy, with all in favor, the Board directed the District Engineer's Office to work on landscape designs as an alternative to the fountain for this area and appointed Ms. McNairn to review options for presentation to the Board at the April meeting, for World Commerce Community Development District.

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

No supervisor comments.

No audience present.

THIRTEENTH ORDER OF BUSINESS**Adjournment**

On a motion by Ms. McNairn, seconded by Mr. Silagy, with all in favor, the Board adjourned the meeting at 10:01 a.m. for World Commerce Community Development District.

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Secretary/Assistant Secretary

Chairman/Vice Chairman

DRAFT

Tab 2

WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT

DISTRICT OFFICE · ST. AUGUSTINE, FLORIDA · (904) 436-6270

MAILING ADDRESS · 3434 COLWELL AVENUE, SUITE 200 · TAMPA, FLORIDA 33614

Operation and Maintenance Expenditures

December 2021

Presented For Board Approval

Attached please find the check register listing the Operation and Maintenance expenditures paid from December 1, 2021 through December 31, 2021. This does not include expenditures previously approved by the Board.

The total items being presented: **\$39,064.90**

Approval of Expenditures:

_____ Chairperson

_____ Vice Chairperson

_____ Assistant Secretary

World Commerce Community Development District

Paid Operation & Maintenance Expenditures

December 1, 2021 Through December 31, 2021

| Vendor Name | Check Number | Invoice Number | Invoice Description | Invoice Amount |
|---|--------------|------------------------|---|----------------|
| BrightView Landscape Services, Inc. | 3449 | 7574879 | Irrigation Repair 09/21 | \$ 1,437.88 |
| BrightView Landscape Services, Inc. | 3450 | 7611334 | Landscape Maintenance 11/21 | \$ 10,252.00 |
| BrightView Landscape Services, Inc. | 3446 | 7640255 | Irrigation Repair 11/21 | \$ 1,968.00 |
| BrightView Landscape Services, Inc. | 3450 | 7659864 | Landscape Maintenance 12/21 | \$ 10,252.00 |
| Charles Aquatics, Inc | 3451 | 44099 | Monthly Aquatic Management Services 12/21 | \$ 475.00 |
| Dennis W Hollingsworth, St Johns Cty Tax Collector | 3455 | 122121 | Postage On Non Ad Valorem Tax Notices 2021 | \$ 122.43 |
| Florida Power & Light Company | ACH123121-1 | 74760-43505 11/21 | 185 International Golf Pkwy 11/21 | \$ 1,699.67 |
| Florida Power & Light Company | ACH123121-1 | Electric Summary 11/21 | Electric Summary 11/21 | \$ 206.71 |
| Hopping Green & Sams | 3452 | 126245 | General/Monthly Legal Services 10/21 | \$ 770.00 |
| Prosser, Inc. | 3453 | 47116 | Engineering Services 11/21 | \$ 5,316.06 |
| Prosser, Inc. | 3454 | 47183 | Engineering Services 11/21 | \$ 105.00 |
| Rizzetta & Company, Inc. | 3447 | INV0000063152 | District Management Services 12/21 | \$ 4,716.00 |
| Rizzetta Technology Services, LLC | 3448 | INV0000008281 | Website Hosting Services 12/21 | \$ 100.00 |

World Commerce Community Development District

Paid Operation & Maintenance Expenditures

December 1, 2021 Through December 31, 2021

| <u>Vendor Name</u> | <u>Check Number</u> | <u>Invoice Number</u> | <u>Invoice Description</u> | <u>Invoice Amount</u> |
|------------------------------------|---------------------|-----------------------|-----------------------------|----------------------------|
| St Johns County Utility Department | ACH123121-2 | 524989-114648 11/21 | 100-2 World Comm Pkwy 11/21 | \$ <u>1,644.15</u> |
| Report Total | | | | \$ <u>39,064.90</u> |

WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT

DISTRICT OFFICE · ST. AUGUSTINE, FLORIDA · (904) 436-6270

MAILING ADDRESS · 3434 COLWELL AVENUE, SUITE 200 · TAMPA, FLORIDA 33614

Operation and Maintenance Expenditures

January 2022

Presented For Board Approval

Attached please find the check register listing the Operation and Maintenance expenditures paid from January 1, 2022 through January 31, 2022. This does not include expenditures previously approved by the Board.

The total items being presented: **\$26,997.19**

Approval of Expenditures:

_____ Chairperson

_____ Vice Chairperson

_____ Assistant Secretary

World Commerce Community Development District

Paid Operation & Maintenance Expenditures

January 1, 2022 Through January 31, 2022

| Vendor Name | Check Number | Invoice Number | Invoice Description | Invoice Amount |
|--|--------------|------------------------|---|----------------|
| BrightView Landscape Services, Inc. | 3460 | 7695377 | Landscape Maintenance 01/22 | \$ 10,252.00 |
| Charles Aquatics, Inc | 3461 | 44336 | Monthly Aquatic Management Services 01/22 | \$ 475.00 |
| Curtis J Robinson | 3465 | CR011822 | Board of Supervisors Meeting 01/18/22 | \$ 200.00 |
| Elizabeth Pappaceno | 3463 | LP011822 | Board of Supervisors Meeting 01/18/22 | \$ 200.00 |
| Florida Power & Light Company | 20223102 | 74760-43505 12/21 | 185 International Golf Pkwy 12/21 | \$ 1,699.67 |
| Florida Power & Light Company | 20223101 | Electric Summary 12/21 | Electric Summary 12/21 | \$ 387.20 |
| Innersync | 3457 | 20048 | Quarterly ADA Website Services Q2 FY 21/22 | \$ 384.38 |
| Jeffrey J. Silagy | 3466 | JS011822 | Board of Supervisors Meeting 01/18/22 | \$ 200.00 |
| Karen L. McNairn | 3462 | KM011822 | Board of Supervisors Meeting 01/18/22 | \$ 200.00 |
| Krishna Hotel LLC dba Holida Inn Express | 3459 | 120721 Holiday Inn | BOS Meeting Rental 01/18/22 | \$ 100.00 |
| Rizzetta & Company, Inc. | 3456 | INV0000064596 | District Management Fees 01/22 | \$ 4,816.00 |
| Rizzetta & Company, Inc. | 3464 | INV0000064851 | Annual Dissemination Agent Fee FY 2021/2022 | \$ 7,000.00 |
| St Johns County Utility Department | 20223103 | 524989-114648 12/21 | 100-2 World Comm Pkwy 12/21 | \$ 988.70 |

World Commerce Community Development District

Paid Operation & Maintenance Expenditures

January 1, 2022 Through January 31, 2022

| <u>Vendor Name</u> | <u>Check Number</u> | <u>Invoice Number</u> | <u>Invoice Description</u> | <u>Invoice Amount</u> |
|--------------------------|---------------------|------------------------|-------------------------------------|----------------------------|
| The St. Augustine Record | 3458 | 0003392407-01 12/30/21 | Acct #15640 Legal Advertising 12/21 | \$ <u>94.24</u> |
| Report Total | | | | \$ <u>26,997.19</u> |

WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT

DISTRICT OFFICE · ST. AUGUSTINE, FLORIDA · (904) 436-6270

MAILING ADDRESS · 3434 COLWELL AVENUE, SUITE 200 · TAMPA, FLORIDA 33614

Operation and Maintenance Expenditures

February 2022

Presented For Board Approval

Attached please find the check register listing the Operation and Maintenance expenditures paid from February 1, 2022 through February 28, 2022. This does not include expenditures previously approved by the Board.

The total items being presented: **\$42,069.63**

Approval of Expenditures:

_____ Chairperson

_____ Vice Chairperson

_____ Assistant Secretary

World Commerce Community Development District

Paid Operation & Maintenance Expenditures

February 1, 2022 Through February 28, 2022

| Vendor Name | Check Number | Invoice Number | Invoice Description | Invoice Amount |
|-------------------------------------|--------------|------------------------|--|----------------|
| B & S Signs, Inc | 003467 | 29180 | Flags 01/22 | \$ 420.00 |
| Bob's Backflow & Pumbing | 003469 | 80150 | Backflow Certification 01/22 | \$ 45.00 |
| BrightView Landscape Services, Inc. | 003470 | 7736079 | Landscape Maintenance 02/22 | \$ 10,252.00 |
| Charles Aquatics, Inc | 003471 | 44556 | Monthly Aquatic Management Services 02/22 | \$ 475.00 |
| Florida Power & Light Company | 20222302-2 | 74760-43505 01/22 | 185 International Golf Pkwy 01/22 | \$ 1,819.63 |
| Florida Power & Light Company | 20222302 | Electric Summary 01/22 | Electric Summary 01/22 | \$ 223.56 |
| Grau and Associates | 003473 | 21914 | Audit Services FY 20/21 | \$ 3,800.00 |
| Kutak Rock, LLP | 003472 | 2979956 | Legal Services 12/21 | \$ 78.00 |
| LLS Tax Solutions Inc. | 003474 | 002584 | Rebate Requirement Calculation for period ending 1/31/2022 | \$ 500.00 |
| Prosser, Inc. | 003475 | 47440 | Engineering Services 01/22 | \$ 1,462.25 |
| Rizzetta & Company, Inc. | 003468 | INV0000065435 | District Management Fees 02/22 | \$ 4,816.00 |
| St Johns County Utility Department | 20222303 | 524989-114648 01/22 | 100-2 World Comm Pkwy 01/22 | \$ 13.82 |
| U S Bank | 003476 | 1001 | Trustee Fees Series 2004 07/01/21-06/30/22 | \$ 9,386.75 |

World Commerce Community Development District

Paid Operation & Maintenance Expenditures

February 1, 2022 Through February 28, 2022

| <u>Vendor Name</u> | <u>Check Number</u> | <u>Invoice Number</u> | <u>Invoice Description</u> | <u>Invoice Amount</u> |
|---------------------|---------------------|-----------------------|--|----------------------------|
| U S Bank | 003476 | 601 | Trustee Fees Series 2007 02/01/21-01/31/23 | \$ 8,777.62 |
| Report Total | | | | <u>\$ 42,069.63</u> |

Tab 3

WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT

District Office · St. Augustine, Florida · (904) 436-6270

Mailing Address – 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614

www.worldcommercecdd.org

February 3, 2022

U.S. BANK NATIONAL ASSOCIATION

World Commerce Special Assessment Bonds, Series 2007

Attention: Barry Knack

60 Livingstone Avenue, 3rd Floor

St. Paul, MN 55107

RE: Special Assessment Bonds, Series 2007
Requisitions for Payment

Dear Trustee:

Below please find a table detailing the enclosed requisition(s) ready for payment from the Districts Acquisition/Construction Trust Account #108812008.

PLEASE EXPEDITE PAYMENT TO THE PAYEE(S) AS OUTLINED BELOW:

A) Prosser, Inc. VIA UPS

B) Steinemann Development VIA USPS

| REQUISITION NO. | PAYEE | AMOUNT |
|-----------------|-------------------------------------|-------------|
| 220 | Proseer, Inc. | \$15,839.69 |
| 221 | Steinemann Development CO-FL., Inc. | \$1,057.78 |

If you have any questions regarding this request, please do not hesitate to call me at (904) 436-6270. Thank you for your prompt attention to this matter.

Sincerely,
WORLD COMMERCE
COMMUNITY DEVELOPMENT DISTRICT

Lesley Gallagher
District Manager

WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT

District Office · St. Augustine, Florida · (904) 436-6270

Mailing Address – 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614

www.worldcommercecdd.org

MEMORANDUM

TO: Ryan Stilwell, **Prosser**
Curtis Robinson, **Chairman**

FROM: Venessa Smith/Kaitlyn Gallant
World Commerce Community Development District

DATE: January 28, 2022

RE: **Series 2007** - Construction Requisition Approval - # CR 220-221

Enclosed is (are) construction requisition(s) for the above referenced District. Please review the requisition(s) and upon your approval, sign the designated area(s) and forward the requisition(s) to Paul Anderson.

Curtis Robinson, upon your review and approval, sign the designated area(s) and forward the requisition(s) back to the District Office at the following email addresses for final processing:

vsmith@rizzetta.com

If you have any questions, please do not hesitate to call me at (813) 994-1001.

Thank You.

Prosser, Inc.

Steinemann Development Co-FL, Inc.

\$15,839.69

\$1,057.78

REQUISITION NO. 220

**WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT
(ST. JOHNS COUNTY, FLORIDA)
SPECIAL ASSESSMENT BONDS
SERIES 2007**

The undersigned, a Responsible Officer of World Commerce Community Development District (the "District") hereby submits the following requisition for disbursement under and pursuant to the terms of a Master Trust Indenture dated July 1, 2004, as supplemented by a Third Supplemental Trust Indenture dated February 1, 2007, from the District to U.S. Bank National Association (successor in interest to Wachovia Bank, National Association), as trustee (the "Trustee")(collectively, the "2007 Indenture"), (all capitalized terms used herein shall have the meaning ascribed to such term in the 2007 Indenture):

January 28, 2022

- (A) Requisition Number: 220
- (B) Name of Payee: Prosser, Inc.
13901 Sutton Park Drive South
Jacksonville, FL 32224-0229
- (C) Amount Payable: \$15,839.69
- (D) Purpose for which paid or incurred (refer also to specific contract if amount is due and payable pursuant to a contract involving progress payments, or, state Costs of Issuance, if applicable): Invoice # 47283 for Project 121037.01 WCC Parkway Signal Design
- (E) Fund or Account from which disbursement to be made: Series 2007 Construction Account #108812008

The undersigned hereby certifies that:

- 1. obligations in the stated amount set forth above have been incurred by the District,
or
this requisition is for Costs of Issuance payable from the Acquisition and Construction Fund that have not previously been paid;
- 2. each disbursement set forth above is a proper charge against the Acquisition and Construction Fund;
- 3. each disbursement set forth above was incurred in connection with the acquisition and/or construction of the Traffic Signal Design Project;

4. each disbursement represents a Cost of the Series 2007 Project which has not previously been paid.

The undersigned hereby further certifies that there has not been filed with or served upon the District notice of any lien, right to lien, or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to the Payee set forth above, which has not been released or will not be released simultaneously with the payment hereof.

The undersigned hereby further certifies that such requisition contains no item representing payment on account of any retained percentage which the District is at the date of such certificate entitled to retain.

Attached hereto are originals of the invoice(s) from the vendor of the property acquired or the services rendered with respect to which disbursement is hereby requested.

**WORLD COMMERCE COMMUNITY
DEVELOPMENT DISTRICT**

By: _____

Responsible Officer

**CONSULTING ENGINEER'S APPROVAL FOR
NON-COST OF ISSUANCE REQUESTS ONLY**

If this requisition is for a disbursement from other than Costs of Issuance, the undersigned Consulting Engineer hereby certifies that this disbursement is for a Cost of the Series 2007 Project and is consistent with: (i) the applicable acquisition or construction contract; (ii) the plans and specifications for the portion of the Series 2007 Project with respect to which such disbursement is being made; and (iii) the report of the Consulting Engineer, as such report shall have been amended or modified on the date hereof.

Consulting Engineer



January 19, 2022

Project No: 121037.01

Invoice No: 47283

World Commerce CDD
c/o Rizzetta & Company
3434 Colwell Ave., Suite 200
Tampa, FL 33614

Project 121037.01 WCC Parkway Signal Design

Professional Services from December 1, 2021 to December 31, 2021

Fee and Expense Billing

Fee

| Billing Phase | Fee | Percent Complete | Earned | Previous Fee Billing | Current Fee Billing |
|---|------------|------------------|-----------|----------------------|---------------------|
| Task 1: Client Consultants Coordination | 2,500.00 | 70.00 | 1,750.00 | 1,500.00 | 250.00 |
| Task 2: Final Construction Drawings | 50,250.00 | 70.00 | 35,175.00 | 30,150.00 | 5,025.00 |
| Task 3: Permitting | 5,500.00 | 100.00 | 5,500.00 | 5,500.00 | 0.00 |
| Task 4: Public Bidding Services | 6,000.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Task 5: Construction Admin (6 months) | 21,000.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Task 6: ITS Design | 15,000.00 | 70.00 | 10,500.00 | 0.00 | 10,500.00 |
| Total Fee | 100,250.00 | | 52,925.00 | 37,150.00 | 15,775.00 |
| Total Fee | | | | | 15,775.00 |

Reimbursable Expenses

| | | | | |
|----------------------------|-------------------|--------------|--------------------|--|
| Blueprints/Reproduction | | | 56.25 | |
| Total Reimbursables | 1.15 times | 56.25 | 64.69 | |
| Total this Task | | | \$15,839.69 | |
| Total this Invoice | | | \$15,839.69 | |

Date Rec'd Rizzetta & Co., Inc. 1/20/22

D/M approval _____ Date _____

Date entered 1/21/22

Fund 001 GL 51300 OC 3103

Check # _____

REQUISITION NO. 221

**WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT
(ST. JOHNS COUNTY, FLORIDA)
SPECIAL ASSESSMENT BONDS
SERIES 2007**

The undersigned, a Responsible Officer of World Commerce Community Development District (the "District") hereby submits the following requisition for disbursement under and pursuant to the terms of a Master Trust Indenture dated July 1, 2004, as supplemented by a Third Supplemental Trust Indenture dated February 1, 2007, from the District to U.S. Bank National Association (successor in interest to Wachovia Bank, National Association), as trustee (the "Trustee")(collectively, the "2007 Indenture"), (all capitalized terms used herein shall have the meaning ascribed to such term in the 2007 Indenture):

January 28, 2022

- (A) Requisition Number: 221
- (B) Name of Payee: Steinemann Development Co-FL, Inc.
13901 Sutton Park Drive, Suite 105
Jacksonville, FL 32224
- (C) Amount Payable: \$1,057.78
- (D) Purpose for which paid or incurred (refer also to specific contract if amount is due and payable pursuant to a contract involving progress payments, or, state Costs of Issuance, if applicable): Invoice #s 5 & 6 CM Fee for Project 121037.01 WCC Parkway Signal Design
- (E) Fund or Account from which disbursement to be made: Series 2007 Construction Account #108812008

The undersigned hereby certifies that:

- 1. obligations in the stated amount set forth above have been incurred by the District,
or
this requisition is for Costs of Issuance payable from the Acquisition and Construction Fund that have not previously been paid;
- 2. each disbursement set forth above is a proper charge against the Acquisition and Construction Fund;
- 3. each disbursement set forth above was incurred in connection with the acquisition and/or construction of the Traffic Signal Design Project;

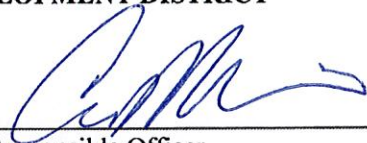
4. each disbursement represents a Cost of the Series 2007 Project which has not previously been paid.

The undersigned hereby further certifies that there has not been filed with or served upon the District notice of any lien, right to lien, or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to the Payee set forth above, which has not been released or will not be released simultaneously with the payment hereof.

The undersigned hereby further certifies that such requisition contains no item representing payment on account of any retained percentage which the District is at the date of such certificate entitled to retain.

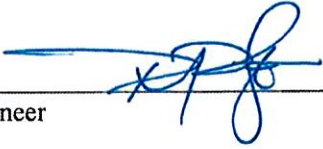
Attached hereto are originals of the invoice(s) from the vendor of the property acquired or the services rendered with respect to which disbursement is hereby requested.

**WORLD COMMERCE COMMUNITY
DEVELOPMENT DISTRICT**

By: 
Responsible Officer

**CONSULTING ENGINEER'S APPROVAL FOR
NON-COST OF ISSUANCE REQUESTS ONLY**

If this requisition is for a disbursement from other than Costs of Issuance, the undersigned Consulting Engineer hereby certifies that this disbursement is for a Cost of the Series 2007 Project and is consistent with: (i) the applicable acquisition or construction contract; (ii) the plans and specifications for the portion of the Series 2007 Project with respect to which such disbursement is being made; and (iii) the report of the Consulting Engineer, as such report shall have been amended or modified on the date hereof.


Consulting Engineer

Steinemann Development Co- FL, Inc.

INVOICE

13901 Sutton Park Drive, Suite 105
Jacksonville, FL 32224

DATE: December 9, 2021
INVOICE # 5
FOR: CM Fee

Bill To:

World Commerce Center Community Development District
3434 Collwell Avenue, Unit 200
Tampa, FL 33614

| DESCRIPTION | AMOUNT |
|--|------------------|
| Construction Management Fee related to the following invoices: | |
| Prosser- Invoice 47116 | \$ 5,316.00 |
| | \$ - |
| Date Rec'd Rizzetta & Co., Inc. 12/13/21 | \$ 5,316.00 |
| D/M approval _____ Date _____ | |
| CM Fee Date entered 12/17/21 | 5% |
| Fund 001 GL 57900 OC 4785 | |
| Check # _____ | |
| TOTAL | \$ 265.80 |

THANK YOU FOR YOUR BUSINESS!

PROSSER

December 7, 2021

Project No: 121037.01

Invoice No: 47116

World Commerce CDD
c/o Rizzetta & Company
3434 Colwell Ave., Suite 200
Tampa, FL 33614

Project 121037.01 WCC Parkway Signal Design

Professional Services from November 1, 2021 to November 30, 2021

Fee and Expense Billing

Fee

| Billing Phase | Fee | Percent Complete | Earned | Previous Fee Billing | Current Fee Billing |
|---|------------|------------------|-----------|----------------------|---------------------|
| Task 1: Client Consultants Coordination | 2,500.00 | 60.00 | 1,500.00 | 1,250.00 | 250.00 |
| Task 2: Final Construction Drawings | 50,250.00 | 60.00 | 30,150.00 | 25,125.00 | 5,025.00 |
| Task 3: Permitting | 5,500.00 | 100.00 | 5,500.00 | 5,500.00 | 0.00 |
| Task 4: Public Bidding Services | 6,000.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Task 5: Construction Admin (6 months) | 21,000.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Task 6: ITS Design | 15,000.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Fee | 100,250.00 | | 37,150.00 | 31,875.00 | 5,275.00 |
| Total Fee | | | | | 5,275.00 |

Reimbursable Expenses

| | | | | |
|-------------------------|------------|--|-------|------------|
| Blueprints/Reproduction | | | 35.70 | |
| Total Reimbursables | 1.15 times | | 35.70 | 41.06 |
| Total this Task | | | | \$5,316.06 |
| Total this Invoice | | | | \$5,316.06 |

Date Rec'd Rizzetta & Co., Inc. 12/09/21

D/M approval _____ Date _____

Date entered _____

Fund _____ GL _____ OC _____

Check # _____

Steinemann Development Co- FL, Inc.

INVOICE

13901 Sutton Park Drive, Suite 105
Jacksonville, FL 32224

DATE: January 21, 2022
INVOICE # 6
FOR: CM Fee

Bill To:

World Commerce Center Community Development District
3434 Collwell Avenue, Unit 200
Tampa, FL 33614

| DESCRIPTION | AMOUNT |
|--|--------------|
| Construction Management Fee related to the following invoices: | |
| Prosser- Invoice 47283 | \$ 15,839.69 |
| | \$ - |
| | \$ 15,839.69 |
| CM Fee | 5% |
| Date Rec'd Rizzetta & Co., Inc. <u>01/21/22</u> | |
| D/M approval _____ Date _____ | |
| Date entered <u>1/21/22</u> | |
| Fund <u>001</u> GL <u>57900</u> OC <u>4785</u> | |
| Check # _____ | |
| TOTAL | \$ 791.98 |

THANK YOU FOR YOUR BUSINESS!

PROSSER

January 19, 2022

Project No: 121037.01

Invoice No: 47283

World Commerce CDD
c/o Rizzetta & Company
3434 Colwell Ave., Suite 200
Tampa, FL 33614

Project 121037.01 WCC Parkway Signal Design

Professional Services from December 1, 2021 to December 31, 2021

Fee and Expense Billing

Fee

| Billing Phase | Fee | Percent Complete | Earned | Previous Fee Billing | Current Fee Billing |
|---|------------|------------------|-----------|----------------------|---------------------|
| Task 1: Client Consultants Coordination | 2,500.00 | 70.00 | 1,750.00 | 1,500.00 | 250.00 |
| Task 2: Final Construction Drawings | 50,250.00 | 70.00 | 35,175.00 | 30,150.00 | 5,025.00 |
| Task 3: Permitting | 5,500.00 | 100.00 | 5,500.00 | 5,500.00 | 0.00 |
| Task 4: Public Bidding Services | 6,000.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Task 5: Construction Admin (6 months) | 21,000.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Task 6: ITS Design | 15,000.00 | 70.00 | 10,500.00 | 0.00 | 10,500.00 |
| Total Fee | 100,250.00 | | 52,925.00 | 37,150.00 | 15,775.00 |
| Total Fee | | | | | 15,775.00 |

Reimbursable Expenses

| | | | | | |
|-------------------------|--|--|------------|-------|-------------|
| Blueprints/Reproduction | | | | 56.25 | |
| Total Reimbursables | | | 1.15 times | 56.25 | 64.69 |
| Total this Task | | | | | \$15,839.69 |
| Total this Invoice | | | | | \$15,839.69 |

Tab 4



Quality Site Assessment

Prepared for:

World Comm Center

Tue Mar 29 2022



QUALITY SITE ASSESSMENT

World Comm Center

General Information

DATE: Tuesday, Mar 29, 2022

NEXT INSPECTION DATE: Monday, Jun 27, 2022

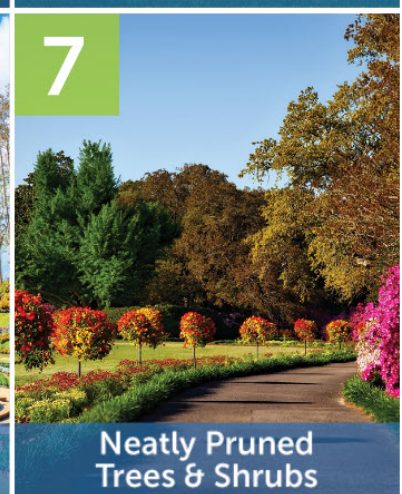
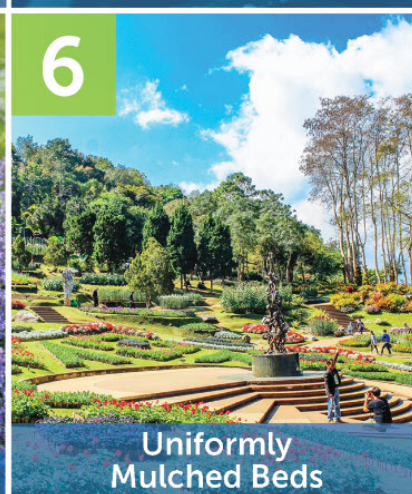
CLIENT ATTENDEES: Lesley Gallagher

BRIGHTVIEW ATTENDEES: Steve McAvoy

Customer Focus Areas

East and West Entrance areas

Quality you can count on.



QUALITY SITE ASSESSMENT

World Comm Center

Maintenance Items



1 Need to schedule Palm pruning

2 Pavers at fountain area are weed free and are being edged on a regular rotation

3 We have some weed pressure starting to pop up on the curbs and sidewalks that we have scheduled to spray next visit to site.

4 WCC lake will be scheduled next month

QUALITY SITE ASSESSMENT

World Comm Center

Maintenance Items



5 Turf color is starting to improve with warmer temperatures. Turf has been treated for weed control

6 We are working on leaf removal weekly while on site. Leaf clean up will be completed in April

7 Hard and soft edging is being completed on a regular rotation

8 Fire ant mounds are starting to pop up. We will treat weekly as needed.

QUALITY SITE ASSESSMENT

World Comm Center

Maintenance Items



9 Plant material is making its spring push, we will trim and fertilize next week while on site.

10 Spring annuals have been installed

11 Roses have been fertilized and treated with insecticide and fungicide to help promote health of roses

12 Trees have been lifted and signs cleared throughout property

QUALITY SITE ASSESSMENT

World Comm Center

Recommendations for Property Enhancements



- 1** There is excessive turf damage at the fountain area caused from county utility vehicles.
- 2** Wood lines are in need of cut backs, we have some that are protruding that could be hazardous and eventually cause turf damage and erosion
- 3** Lift stations have a lot of declining and outdated plant material.
- 4** Lift stations have a lot of declining and outdated plant material.

Tab 5



6869 Phillips Pkwy. Dr. South Jacksonville Fl. 32256
Fax: 904-807-9158 **Phone: 904-997-0044**

Service Report

Date: March 14, 2022

Biologist: Bill Fuller

Client: World Commerce CDD

Waterways: 1 lake, 1 pond and 1 canal

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



Canal and pond: The canal and pond were in overall good condition. Minor vegetation. Construction along canal.



Tab 6



WORLD COMMERCE CENTER

Tab 7

RETENTION AND FEE AGREEMENT

I. PARTIES

THIS RETENTION AND FEE AGREEMENT (“**Agreement**”) is made and entered into by and between the following parties:

- A. World Commerce Community Development District (“**Client**”)
c/o Rizzetta & Company
3434 Colwell Avenue
Tampa, Florida 33614

and

- B. Kutak Rock LLP (“**Kutak Rock**”)
P.O. Box 10230
Tallahassee, Florida 32302

II. SCOPE OF SERVICES

In consideration of the mutual undertakings and agreements contained herein, the parties agree as follows:

- A. The Client agrees to employ and retain Kutak Rock as its attorney and legal representative for general advice, counseling and representation of Client and its Board of Supervisors.
- B. Kutak Rock accepts such employment and agrees to serve as attorney for and provide legal representation to the Client in connection with those matters referenced above. No other legal representation is contemplated by this Agreement. Any additional legal services to be provided under the terms of this Agreement shall be agreed to by Client and Kutak Rock in writing. Unless set forth in a separate agreement to which Client consents in writing, Kutak Rock does not represent individual members of the Client’s Board of Supervisors.

III. CLIENT FILES

The files and work product materials (“**Client File**”) of the Client generated or received by Kutak Rock will be maintained confidentially to the extent permitted by law and in accordance with the Florida Bar rules. At the conclusion of the representation, the Client File will be stored by Kutak Rock for a minimum of five (5) years. After the five (5) year storage period, the Client hereby acknowledges and consents that Kutak Rock may confidentially destroy or shred the Client File. Notwithstanding the prior sentence, if the Client provides Kutak Rock with a written request for the return of the Client File before the end of the five (5) year storage period, then Kutak Rock will return the Client File to Client at Client’s expense.

IV. FEES

- A. The Client agrees to compensate Kutak Rock for services rendered in connection with any matters covered by this Agreement on an hourly rate basis plus actual expenses incurred by Kutak Rock in accordance with the attached Expense Reimbursement Policy (Attachment A, incorporated herein by reference). Time will be billed in increments of one-tenth (1/10) of an hour. Certain work related to issuance of bonds and bond anticipation notes may be performed under a flat fee to be separately established prior to or at the time of bond or note issuance.
- B. Attorneys and staff, if applicable, who perform work for Client will be billed at their regular hourly rates, as may be adjusted from time to time. The regular hourly rates of those initially expected to handle the bulk of Client's work are as follows:

| | |
|-----------------|-------------|
| Wesley S. Haber | \$260 |
| Associates | \$170-\$200 |
| Paralegals | \$125 |

Kutak Rock's regular hourly billing rates are reevaluated annually and are subject to change not more than once in a calendar year. Client agrees to Kutak Rock's annual rate increases to the extent hourly rates are not increased beyond \$15/hour.

- C. To the extent practicable and consistent with the requirements of sound legal representation, Kutak Rock will attempt to reduce Client's bills by assigning each task to the person best able to perform it at the lowest rate, so long as he or she has the requisite knowledge and experience.
- D. Upon consent of Client, Kutak Rock may subcontract for legal services in the event that Client requires legal services for which Kutak Rock does not have adequate capabilities.
- E. Kutak Rock will include costs and expenses (including interest charges on past due statements) on its billing statements for Client reimbursement in accordance with the attached Expense Reimbursement Policy.

V. BILLING AND PAYMENT

The Client agrees to pay Kutak Rock's monthly billings for fees and expenses incurred within thirty (30) days following receipt of an invoice, or the time permitted by Florida law, whichever is greater. Kutak Rock shall not be obligated to perform further legal services under this Agreement if any such billing statement remains unpaid longer than thirty (30) days after submittal to and receipt by Client. Non-payment of billing statements shall be a basis for Kutak Rock to immediately withdraw from the representation without regard to remaining actions necessitating attention by Kutak Rock as part of the representation.

VI. DEFAULT; VENUE

In any legal proceeding to collect outstanding balances due under this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees in addition to costs and outstanding balances due under this Agreement. Venue of any such action shall be exclusive in the state courts of the Second Judicial Circuit in and for Leon County, Florida.

VII. CONFLICTS

It is important to disclose that Kutak Rock represents a number of special districts, trustees ("Trustees"), bondholders, developers, builders, and other entities throughout Florida and the United States of America relating to community development districts, special districts, local governments and land development. Kutak Rock or its attorneys may also have represented the entity which petitioned for the formation of the Client. Kutak Rock understands that Client may enter into an agreement with a Trustee in connection with the issuance of bonds, and that Client may request that Kutak Rock simultaneously represent Client in connection with the issuance of bonds, while Kutak Rock is also representing such Trustee on unrelated matters. By accepting this Agreement Client agrees that (1) Client was provided with an explanation of the implications of the common representation(s) and the advantages and risks involved; (2) Kutak Rock will be able to provide competent and diligent representation of Client, regardless of Kutak Rock's other representations, and (3) there is not a substantial risk that Kutak Rock's representation of Client would be materially limited by Kutak Rock's responsibilities to another client, a former client or a third person or by a personal interest. Acceptance of this Agreement will constitute Client's waiver of any "conflict" with Kutak Rock's representation of various special districts, Trustees, bondholders, developers, builders, and other entities relating to community development districts, special districts, local governments and land development.

VIII. ACKNOWLEDGMENT

Client acknowledges that the Kutak Rock cannot make any promises to Client as to the outcome of any legal dispute or guarantee that Client will prevail in any legal dispute.

IX. TERMINATION

Either party may terminate this Agreement upon providing prior written notice to the other party at its regular place of business. All fees due and payable in accordance with this Agreement shall accrue and become payable pursuant to the terms of this Agreement through the date of termination.

X. EXECUTION OF AGREEMENT

This Agreement shall be deemed fully executed upon its signing by Kutak Rock and the Client. The contract formed between Kutak Rock and the Client shall be the operational contract between the parties.

XI. ENTIRE CONTRACT

This Agreement constitutes the entire agreement between the parties.

Accepted and Agreed to:

**WORLD COMMERCE
COMMUNITY DEVELOPMENT
DISTRICT**

By: _____

Its: _____

Date: _____

KUTAK ROCK LLP

By: _____

Its: _____

Date: _____

ATTACHMENT A

KUTAK ROCK LLP CDD EXPENSE REIMBURSEMENT POLICY

The following is Kutak Rock's expense reimbursement policy for community development district representation. This policy applies unless a different arrangement has been negotiated based on the unique circumstances of a particular client or matter.

All expenses are billed monthly. Billings ordinarily reflect expenses for the most recent month, except where there are delays in receiving bills from third party vendors.

Photocopying and Printing. In-house photocopying and printing are charged at \$0.25 per page (black & white) and \$0.50 per page (color). Outside copying is billed as a pass-through of the outside vendor's charges.

Postage. Postage is billed at actual cost.

Overnight Delivery. Overnight delivery is billed at actual cost.

Local Messenger Service. Local messenger service is billed at 44.5 cents per mile pursuant to Section 112.061, Florida Statutes. Should the State increase the mileage allowance specified in Section 112.061, Florida Statutes, Kutak Rock shall, without further action, be entitled to reimbursement at the increased rate.

Computerized Legal Research. Charges for computerized legal research are billed at an amount approximating actual cost.

Travel. Travel (including air fare, rental cars, taxicabs, hotel, meals, tips, etc.) is billed at actual cost. Where air travel is required, coach class is used wherever feasible. Out-of-town mileage is billed at 44.5 cents per mile pursuant to Section 112.061, Florida Statutes. Should the State increase the mileage allowance specified in Section 112.061, Florida Statutes, Kutak Rock shall, without further action, be entitled to reimbursement at the increased rate. Reasonable travel-related expenses for meals, lodging, gratuities, taxi fares, tolls, and parking fees shall also be reimbursed.

Consultants. Unless prior arrangements are made, consultants are ordinarily employed directly by the client. Where consulting or testifying experts are employed by the firm, their charges are passed through with no mark-up. The client is responsible for notifying the firm of any particular billing arrangements or procedures which the client requires of the consulting or testifying experts.

Other Expenses. Other outside expenses, such as court reporters, agency copies, conference calls, etc. are billed at actual cost.

Exhibit A

Tab 8

RESOLUTION 2022-01

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT APPROVING PROPOSED BUDGETS FOR FISCAL YEAR 2022/2023 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW; ADDRESSING TRANSMITTAL, POSTING AND PUBLICATION REQUIREMENTS; ADDRESSING SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District Manager has heretofore prepared and submitted to the Board of Supervisors ("**Board**") of the World Commerce Community Development District ("**District**") prior to June 15, 2022, proposed budgets ("**Proposed Budget**") for the fiscal year beginning October 1, 2022 and ending September 30, 2023 ("**Fiscal Year 2022/2023**"); and

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

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

1. **PROPOSED BUDGET APPROVED.** The Proposed Budget prepared by the District Manager for Fiscal Year 2022/2023 attached hereto as **Exhibit A** is hereby approved as the basis for conducting a public hearing to adopt said Proposed Budget.

2. **SETTING A PUBLIC HEARING.** A public hearing on said approved Proposed Budget is hereby declared and set for the following date, hour and location:

DATE: _____, 2022

HOUR: _____

LOCATION: _____

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

4. **POSTING OF PROPOSED BUDGET.** In accordance with Section 189.016, *Florida Statutes*, the District's Secretary is further directed to post the approved Proposed Budget on the District's website at least two days before the budget hearing date as set forth in Section 2, and shall remain on the website for at least 45 days.

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

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

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

PASSED AND ADOPTED THIS ____ DAY OF _____, 2022.

ATTEST:

**WORLD COMMERCE COMMUNITY
DEVELOPMENT DISTRICT**

Secretary / Assistant Secretary

Chairperson/Vice Chairperson, Board of
Supervisors

Exhibit A: Proposed Budget

Exhibit A - Under Separate Cover

Tab 9

**WORLD COMMERCE
COMMUNITY DEVELOPMENT DISTRICT
ST. JOHNS COUNTY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2021**

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

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Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

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

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2021, and the respective changes in financial position thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other 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 information for compliance with FL Statute 218.39 (3) (c) is not a required part of the basic financial statements. The information for compliance with FL Statute 218.39 (3) (c) 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.

Other Reporting Required by *Government Auditing Standards*

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

February 24, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of World Commerce Community Development District, St. Johns County, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2021. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The liabilities of the District exceeded its assets at the close of the most recent fiscal year resulting in a net position deficit balance of (\$6,859,564).
- The change in the District's total net position in comparison with the prior fiscal year was \$675,968 an increase. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2021, the District's governmental funds reported combined ending fund balances of \$3,801,436, a decrease of (\$122,106) in comparison with the prior fiscal year. The total fund balance is non-spendable for prepaid items and deposits, restricted for debt service and capital projects, and the remainder is unassigned fund balance which is available for spending at the District's discretion.

OVERVIEW OF FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

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

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

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

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

Fund Financial Statements

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

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

Governmental Funds

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

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

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

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

Notes to the Financial Statements

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

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

| NET POSITION SEPTEMBER 30, | | |
|-------------------------------------|----------------|----------------|
| | 2021 | 2020 |
| Current and other assets | \$ 3,849,304 | \$ 3,931,034 |
| Capital assets, net of depreciation | 18,191,228 | 18,550,988 |
| Total assets | 22,040,532 | 22,482,022 |
| Current liabilities | 732,381 | 717,145 |
| Long-term liabilities | 28,167,715 | 29,300,409 |
| Total liabilities | 28,900,096 | 30,017,554 |
| Net position | | |
| Net investment in capital assets | (9,976,487) | (10,749,421) |
| Restricted | 2,942,354 | 2,928,281 |
| Unrestricted | 174,569 | 285,608 |
| Total net position | \$ (6,859,564) | \$ (7,535,532) |

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

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

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

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

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

| CHANGES IN NET POSITION FOR THE FISCAL YEAR ENDED SEPTEMBER 30, | | |
|--|----------------|----------------|
| | 2021 | 2020 |
| Revenues: | | |
| Program revenues | | |
| Charges for services | \$ 3,168,545 | \$ 3,157,168 |
| Operating grants and contributions | 28,424 | 66,402 |
| General revenues | | |
| Unrestricted investment earnings | 20 | 187 |
| Total revenues | 3,196,989 | 3,223,757 |
| Expenses: | | |
| General government | 122,017 | 125,762 |
| Maintenance and operations | 718,670 | 555,660 |
| Interest on long-term debt | 1,680,334 | 1,740,918 |
| Total expenses | 2,521,021 | 2,422,340 |
| Change in net position | 675,968 | 801,417 |
| Net position - beginning | (7,535,532) | (8,336,949) |
| Net position - ending | \$ (6,859,564) | \$ (7,535,532) |

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2021 was \$2,521,021. The costs of the District's activities were primarily funded by program revenues. Program revenues were comprised primarily of assessments during the current and prior fiscal years. In total, expenses increased from the prior fiscal year, the majority of the increase was the result of an increase in major landscape enhancement and irrigation repairs.

GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. The general fund budget was amended to increase appropriations and use of fund balance by \$150,000. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2021.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2021, the District had \$23,220,756 invested in capital assets for its governmental activities. In the government-wide financial statements depreciation of \$5,029,528 has been taken, which resulted in a net book value of \$18,191,228. More detailed information about the District's capital assets is presented in the notes to the financial statements.

CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

Capital Debt

At September 30, 2021, the District had \$28,200,000 Bonds outstanding for its governmental activities. More detailed information about the District's capital debt is presented in the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND OTHER EVENTS

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

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, land owners, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact the World Commerce Community Development District's Finance Department at 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614.

FINANCIAL STATEMENTS

**WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT
ST. JOHNS COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021**

| | <u>Governmental Activities</u> |
|---------------------------------------|------------------------------------|
| ASSETS | |
| Cash | \$ 180,412 |
| Due from Developer | 130 |
| Prepaid items and deposits | 14,906 |
| Restricted assets: | |
| Investments | 3,653,856 |
| Capital assets: | |
| Nondepreciable | 13,926,489 |
| Depreciable, net | <u>4,264,739</u> |
| Total assets | <u>22,040,532</u> |
| LIABILITIES | |
| Accounts payable and accrued expenses | 20,879 |
| Contracts payable | 26,989 |
| Accrued interest payable | 684,513 |
| Non-current liabilities: | |
| Due within one year | 1,125,000 |
| Due in more than one year | <u>27,042,715</u> |
| Total liabilities | <u>28,900,096</u> |
| NET POSITION | |
| Net investment in capital assets | (9,976,487) |
| Restricted for debt service | 2,069,343 |
| Restricted for capital projects | 873,011 |
| Unrestricted | <u>174,569</u> |
| Total net position | <u>\$ (6,859,564)</u> |

See notes to the financial statements

**WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT
ST. JOHNS COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

| Functions/Programs | Expenses | Program Revenues | | Net (Expense) Revenue and Changes in Net Position |
|----------------------------------|------------|----------------------------|--|--|
| | | Charges for Services | Operating Grants and Contributions | Governmental Activities |
| Primary government: | | | | |
| Governmental activities: | | | | |
| General government | \$ 122,017 | \$ 122,017 | \$ 28,082 | \$ 28,082 |
| Maintenance and operations | 718,670 | 192,780 | - | (525,890) |
| Interest on long-term debt | 1,680,334 | 2,853,748 | 342 | 1,173,756 |
| Total governmental activities | 2,521,021 | 3,168,545 | 28,424 | 675,948 |
| General revenues: | | | | |
| Unrestricted investment earnings | | | | 20 |
| Total general revenues | | | | 20 |
| Change in net position | | | | 675,968 |
| Net position - beginning | | | | (7,535,532) |
| Net position - ending | | | | <u>\$ (6,859,564)</u> |

See notes to the financial statements

**WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT
ST. JOHNS COUNTY, FLORIDA
BALANCE SHEET –
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

| | Major Funds | | | Total |
|---------------------------------------|-------------------|---------------------|---------------------|-----------------------|
| | General | Debt Service | Capital Projects | Governmental Funds |
| ASSETS | | | | |
| Cash | \$ 180,412 | \$ - | \$ - | \$ 180,412 |
| Investments | - | 2,753,856 | 900,000 | 3,653,856 |
| Due from Developer | 130 | - | - | 130 |
| Prepaid items and deposits | 14,906 | - | - | 14,906 |
| Total assets | <u>\$ 195,448</u> | <u>\$ 2,753,856</u> | <u>\$ 900,000</u> | <u>\$ 3,849,304</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts payable and accrued expenses | \$ 20,879 | \$ - | \$ - | \$ 20,879 |
| Contracts payable | - | - | 26,989 | 26,989 |
| Total liabilities | <u>20,879</u> | <u>-</u> | <u>26,989</u> | <u>47,868</u> |
| Fund balances: | | | | |
| Nonspendable: | | | | |
| Prepaid items and deposits | 14,906 | - | - | 14,906 |
| Restricted for: | | | | |
| Debt service | - | 2,753,856 | - | 2,753,856 |
| Capital projects | - | - | 873,011 | 873,011 |
| Unassigned | 159,663 | - | - | 159,663 |
| Total fund balances | <u>174,569</u> | <u>2,753,856</u> | <u>873,011</u> | <u>3,801,436</u> |
| Total liabilities and fund balances | <u>\$ 195,448</u> | <u>\$ 2,753,856</u> | <u>\$ 900,000</u> | <u>\$ 3,849,304</u> |

See notes to the financial statements

**WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT
ST. JOHNS COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2021**

| | | |
|-----------------------------------|----|-----------|
| Fund balance - governmental funds | \$ | 3,801,436 |
|-----------------------------------|----|-----------|

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

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

| | | |
|--------------------------|--------------------|------------|
| Cost of capital assets | 23,220,756 | |
| Accumulated depreciation | <u>(5,029,528)</u> | 18,191,228 |

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

| | | |
|---|---------------------|------------------------------|
| Accrued interest payable | (684,513) | |
| Bonds payable | <u>(28,167,715)</u> | <u>(28,852,228)</u> |
| Net position of governmental activities | | <u><u>\$ (6,859,564)</u></u> |

See notes to the financial statements

**WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT
ST. JOHNS COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

| | Major Funds | | | Total |
|--|-------------|-----------------|---------------------|-----------------------|
| | General | Debt Service | Capital Projects | Governmental Funds |
| REVENUES | | | | |
| Assessments | \$ 314,797 | \$ 2,853,748 | \$ - | \$ 3,168,545 |
| Interest income | 20 | 342 | - | 362 |
| Developer contributions | 19,781 | - | - | 19,781 |
| Miscellaneous Revenue | 8,301 | - | - | 8,301 |
| Total revenues | 342,899 | 2,854,090 | - | 3,196,989 |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | 122,017 | - | - | 122,017 |
| Maintenance and operations | 241,951 | - | - | 241,951 |
| Debt service: | | | | |
| Principal | - | 1,135,000 | - | 1,135,000 |
| Interest | - | 1,703,168 | - | 1,703,168 |
| Capital outlay | 89,970 | - | 26,989 | 116,959 |
| Total expenditures | 453,938 | 2,838,168 | 26,989 | 3,319,095 |
| Excess (deficiency) of revenues over (under) expenditures | (111,039) | 15,922 | (26,989) | (122,106) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfer out | - | (900,000) | - | (900,000) |
| Transfer in | - | - | 900,000 | 900,000 |
| Total other financing sources (uses) | - | (900,000) | 900,000 | - |
| Net change in fund balances | (111,039) | (884,078) | 873,011 | (122,106) |
| Fund balances - beginning | 285,608 | 3,637,934 | - | 3,923,542 |
| Fund balances - ending | \$ 174,569 | \$ 2,753,856 | \$ 873,011 | \$ 3,801,436 |

See notes to the financial statements

**WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT
ST. JOHNS COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

| | |
|---|--------------------------|
| Net change in fund balances - total governmental funds | \$ (122,106) |
| Amounts reported for governmental activities in the statement of activities are different because: | |
| Governmental funds report capital outlays as expenditures, however, the cost of capital assets is eliminated in the statement of activities and capitalized in the statement of net position. | 26,989 |
| Repayment of long-term liabilities are reported as expenditures in the governmental fund financial statements, but such repayments reduce liabilities in the statement of net position and are eliminated in the statement of activities. | 1,135,000 |
| Depreciation of capital assets is not recognized in the governmental fund financial statements, but is reported as an expense in the statement of activities. | (386,749) |
| Amortization of bond discount is not recognized in the governmental fund financial statements, but is reported as an expense in the statement of activities. | (2,306) |
| The change in accrued interest on long-term liabilities between the current and prior fiscal year is recorded in the statement of activities but not in the fund financial statements. | 25,140 |
| Change in net position of governmental activities | <u><u>\$ 675,968</u></u> |

See notes to the financial statements

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

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

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

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

The District is governed by the Board of Supervisors ("Board"), which is composed of five members. The Supervisors are elected on an at large basis by the qualified electors within the District. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes.

The Board has the responsibility for:

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements

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

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

Assessments

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

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

The District reports the following major governmental funds:

General Fund

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

Debt Service Fund

The debt service fund is used to account for the accumulation of resources for the annual payment of principal and interest on long-term debt.

Capital Projects Fund

This fund accounts for the financial resources to be used for the acquisition or construction of major infrastructure within the District.

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity

Restricted Assets

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

Deposits and Investments

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

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

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

Securities listed in paragraph c and d shall be invested to provide sufficient liquidity to pay obligations as they come due. In addition, surplus funds may be deposited into certificates of deposit which are insured and any unspent Bond proceeds are required to be held in investments as specified in the Bond Indenture.

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

Prepaid Items

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

Capital Assets

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

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

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

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

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

Unearned Revenue

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Long-Term Obligations

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

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

Deferred Outflows/Inflows of Resources

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

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

Fund Equity/Net Position

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

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

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

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

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other Disclosures

Use of Estimates

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

NOTE 3 – BUDGETARY INFORMATION

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

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

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

NOTE 4 – DEPOSITS AND INVESTMENTS

Deposits

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

Investments

The District's investments were held as follows at September 30, 2021:

| | Amortized Cost | Credit Risk | Weight Average Maturities |
|---|---------------------|---------------|---------------------------|
| Fidelity Government Portfolio Class III | \$ 3,283,786 | S&P AAAm | 44 days |
| US Bank Money Market | 370,070 | Not available | Not available |
| Total Investments | <u>\$ 3,653,856</u> | | |

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

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

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

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

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

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

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

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

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

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

NOTE 5 – INTERFUND TRANSFERS

Interfund transfers for the fiscal year ended September 30, 2021 were as follows:

| Fund | Transfer in | Transfer out |
|------------------|-------------------|-------------------|
| Debt service | \$ 900,000 | \$ - |
| Capital projects | - | 900,000 |
| Total | <u>\$ 900,000</u> | <u>\$ 900,000</u> |

Transfers are used to move revenues from the fund where collection occurs to the fund where funds have been reallocated for use. In the case of the District, transfers from the debt service fund to the capital projects fund were made as a result of the District obtaining Bondholder consent to reduce the Reserve requirement for the Series 2004 and 2007 Bonds. The funds released were transferred to pay for the traffic signal project.

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2021 was as follows:

| | Beginning Balance | Additions | Disposals | Ending Balance |
|--|----------------------|--------------|-----------|-------------------|
| <u>Governmental activities</u> | | | | |
| Capital assets, not being depreciated | | | | |
| Land | \$ 13,899,500 | \$ - | \$ - | \$ 13,899,500 |
| Infrastructure under construction | - | 26,989 | - | 26,989 |
| Total capital assets, not being depreciated | 13,899,500 | 26,989 | - | 13,926,489 |
| Capital assets, being depreciated | | | | |
| Stormwater system | 8,720,222 | - | - | 8,720,222 |
| Landscaping and streetscaping | 574,045 | - | - | 574,045 |
| Total capital assets, being depreciated | 9,294,267 | - | - | 9,294,267 |
| Less accumulated depreciation for: | | | | |
| Stormwater system | (4,125,045) | (348,479) | - | (4,473,524) |
| Landscaping and streetscaping | (517,734) | (38,270) | - | (556,004) |
| Total accumulated depreciation | (4,642,779) | (386,749) | - | (5,029,528) |
| Total capital assets, being depreciated, net | 4,651,488 | (386,749) | - | 4,264,739 |
| Governmental activities capital assets, net | \$ 18,550,988 | \$ (359,760) | \$ - | \$ 18,191,228 |

Depreciation expense was charged to the maintenance and operations function.

NOTE 7 – LONG-TERM LIABILITIES

At September 30, 2021, the District had outstanding Bond issues as follows:

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

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

The Series 2004A-1, 2007, and 2015 Bonds are subject to redemption at the option of the District prior to maturity. Each Bond Series is subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture. This occurred during the year, as \$40,000 of the Series 2004A-1 and \$25,000 of the Series 2007 Bonds were prepaid.

The Bond Indentures established debt service reserve requirements as well as other restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District is in compliance with those requirements of the Bond Indentures at September 30, 2021.

NOTE 7 – LONG-TERM LIABILITIES (Continued)

Changes in long-term liability activity for the fiscal year ended September 30, 2021 were as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|--------------------------------|----------------------|-----------|----------------|-------------------|------------------------|
| <u>Governmental activities</u> | | | | | |
| Bonds payable: | | | | | |
| Series 2004 | \$ 15,500,000 | \$ - | \$ (570,000) | \$ 14,930,000 | \$ 565,000 |
| Series 2007 | 9,135,000 | - | (330,000) | 8,805,000 | 320,000 |
| Series 2015 | 4,700,000 | - | (235,000) | 4,465,000 | 240,000 |
| Less issue discount | (34,591) | - | 2,306 | (32,285) | - |
| Total | \$ 29,300,409 | \$ - | \$ (1,132,694) | \$ 28,167,715 | \$ 1,125,000 |

At September 30, 2021, the scheduled debt service requirements on the long-term debt were as follows:

| Year ending, September 30: | Governmental Activities | | |
|-------------------------------|-------------------------|---------------|---------------|
| | Principal | Interest | Total |
| 2022 | \$ 1,125,000 | \$ 1,642,832 | \$ 2,767,832 |
| 2023 | 1,240,000 | 1,582,420 | 2,822,420 |
| 2024 | 1,315,000 | 1,513,032 | 2,828,032 |
| 2025 | 1,390,000 | 1,438,631 | 2,828,631 |
| 2026 | 1,470,000 | 1,359,506 | 2,829,506 |
| 2027-2031 | 8,795,000 | 5,410,168 | 14,205,168 |
| 2032-2036 | 11,355,000 | 2,489,908 | 13,844,908 |
| 2037-2038 | 1,510,000 | 125,676 | 1,635,676 |
| Total | \$ 28,200,000 | \$ 15,562,173 | \$ 43,762,173 |

NOTE 8 – ASSESSMENTS

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

NOTE 9 – CONCENTRATION

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

NOTE 10 – MANAGEMENT COMPANY

The District has contracted with a management company to perform management services, which include financial and accounting services. Certain employees of the management company also serve as officers (Board appointed non-voting positions) of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, and other administrative costs.

NOTE 11 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. There were three settled claims during the past three years totaling approximately \$42,000.

NOTE 12 – SUBSEQUENT EVENTS

Subsequent to fiscal year end, the District prepaid a total of \$15,000 of the Series 2015 Bonds. The prepayments were considered extraordinary mandatory redemptions as outlined in the Bond Indenture.

**WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT
ST. JOHNS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

| | Budgeted Amounts | | Actual | Variance with |
|--|------------------|------------|------------|--|
| | Original | Final | Amounts | Final Budget - Positive (Negative) |
| REVENUES | | | | |
| Assessments | \$ 314,050 | \$ 314,050 | \$ 314,797 | \$ 747 |
| Developer Contribution | - | - | 19,781 | 19,781 |
| Interest Income | - | - | 20 | 20 |
| Miscellaneous Income | - | - | 8,301 | 8,301 |
| Total revenues | 314,050 | 314,050 | 342,899 | 28,849 |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | 114,354 | 116,354 | 122,017 | (5,663) |
| Maintenance and operations | 186,696 | 252,696 | 241,951 | 10,745 |
| Capital Outlay | 13,000 | 95,000 | 89,970 | 5,030 |
| Total expenditures | 314,050 | 464,050 | 453,938 | 10,112 |
| Excess (deficiency) of revenues over (under) expenditures | - | (150,000) | (111,039) | 38,961 |
| OTHER FINANCING SOURCES | | | | |
| Use of fund balance | - | 150,000 | - | (150,000) |
| Total other financing sources | - | 150,000 | - | (150,000) |
| Net change in fund balances | \$ - | \$ - | (111,039) | \$ (111,039) |
| Fund balance - beginning | | | 285,608 | |
| Fund balance - ending | | | \$ 174,569 | |

See notes to required supplementary information

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

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

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. The general fund budget was amended to increase appropriations and use of fund balance by \$150,000. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2021.

**WORLD COMMERCE COMMUNITY DEVELOPMENT DISTRICT
ST. JOHNS COUNTY, FLORIDA
OTHER INFORMATION – DATA ELEMENTS
REQUIRED BY FL STATUTE 218.39(3)(C)
UNAUDITED**

| Element | Comments |
|---|--|
| Number of district employees compensated at 9/30/2021 | 0 |
| Number of independent contractors compensated in September 2021 | 2 |
| Employee compensation for FYE 9/30/2021 (paid/accrued) | Not applicable |
| Independent contractor compensation for FYE 9/30/2021 | \$23,779.54 |
| Construction projects to begin on or after October 1; (>\$65K) | Not Applicable |
| Budget variance report | See page 21 |
| Ad Valorem taxes; | Not applicable |
| Millage rate FYE 9/30/2021 | Not applicable |
| Ad valorem taxes collected FYE 9/30/2021 | Not applicable |
| Outstanding Bonds: | Not applicable |
| | |
| Non ad valorem special assessments; | |
| Special assessment rate FYE 9/30/2021 | <p>Operations and maintenance</p> <p>Commercial - \$104.37</p> <p>Multi-Family - \$74.55</p> <p>SF Detached - \$89.46</p> <p>Hotel - \$59.63</p> <p>Office - \$89.46</p> <p>Industrial - \$59.63</p> |
| | <p>Debt Service</p> <p>S04A-1/07A Commercial - \$979.05</p> <p>S04A/07AMF - \$699.32</p> <p>SF Detached - \$1,145.74</p> <p>Hotel - \$559.46</p> <p>Office - \$839.19</p> <p>Industrial - \$559.46</p> |
| | |
| Special assessments collected FYE 9/30/2021 | \$3,168,545 |
| Outstanding Bonds: | |
| Series 2004A-1, due May 1, 2036, | see Note 7 page 19 for details |
| Series 2007, due May 1, 2038, | see Note 7 page 19 for details |
| Series 2015A-2, due May 1, 2035, | see Note 7 page 19 for details |

Independent contractors is defined as individuals and entities that receive a 1099.



Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

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

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of World Commerce Community Development District, St. Johns County, Florida ("District") as of and for the fiscal year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our opinion thereon dated February 24, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

February 24, 2022



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

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

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

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

We have examined World Commerce Community Development District, St. Johns County, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2021. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2021.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, management, and the Board of Supervisors of World Commerce Community Development District, St. Johns County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

February 24, 2022



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

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

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

Report on the Financial Statements

We have audited the accompanying basic financial statements of World Commerce Community Development District, St. Johns County, Florida ("District") as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated February 24, 2022.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated February 24, 2022, should be considered in conjunction with this management letter.

Purpose of this Letter

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

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

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, as applicable, management, and the Board of Supervisors of World Commerce Community Development District, St. Johns County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

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

February 24, 2022

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

2019-01, 2020-01 Reserve Compliance

Current Status: Matter has been resolved.

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

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

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

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2020, except as noted above.

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

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2021.

3. Noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2021, except as noted above.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.
5. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.
6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2021. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.
7. Management has provided the specific information required by Section 218.39(3)(c) in the Other Information section of the financial statements on page 23.