

Westside Community Development District

ANNUAL FINANCIAL REPORT

September 30, 2020

Westside Community Development District

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REPORT OF INDEPENDENT AUDITORS

To the Board of Supervisors
Westside Community Development District
Osceola County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of Westside Community Development District as of and for the year ended September 30, 2020, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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To the Board of Supervisors
Westside Community Development District

Basis for Adverse Opinion on the Discretely Presented Component Units

The financial statements do not include financial data for one of the District's legally separate component units. Accounting principles generally accepted in the United States of America require the financial data for the component unit to be reported with the financial data of the District's primary government unless the District also issues financial statements for the financial reporting entity that include the financial data for its component unit. The District has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the assets, liabilities, net position, revenues, and expenses of the aggregate discretely presented component units should have been presented.

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on the Discretely Presented Component Units", the financial statements referred to above do not present fairly, the financial position of the discretely presented component units of the District as of September 30, 2020, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Qualified Opinion

In our opinion, except for the effects of the matter described in the "Basis for Adverse Opinion on the Discretely Presented Component Unit" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate remaining fund information of the District as of September 30, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to previously 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, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Supervisors
Westside Community Development District

Other Matters

Required Supplementary Information

Governmental accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by *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 in accordance with governmental auditing standards generally accepted in the United States of America, which consisted principally of inquires of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated June 28, 2021 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts.

The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Westside Community Development District's internal control over financial reporting and compliance.

*Berger Toombs Elam
Gaines + Frank*

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

June 28, 2021

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

Management's discussion and analysis of Westside Community Development District (the "District") financial performance provides an objective and easily readable analysis of the District's financial activities. The analysis provides summary financial information for the District and should be read in conjunction with the District's financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

The District's basic financial statements comprise three components; 1) *Government-wide financial statements*, 2) *Fund financial statements*, and 3) *Notes to financial statements*. The *Government-wide financial statements* present an overall picture of the District's financial position and results of operations. The *Fund financial statements* present financial information for the District's major funds. The *Notes to financial statements* provide additional information concerning the District's finances.

The *Government-wide financial statements* are the **statement of net position** and the **statement of activities**. These statements use accounting methods similar to those used by private-sector companies. Emphasis is placed on the net position of governmental activities and the change in net position. Governmental activities are primarily supported by special assessments.

The **statement of net position** presents information on all assets and liabilities of the District, with the difference between assets and liabilities reported as net position. Net position is reported in three categories; net investment in capital assets, restricted, and unrestricted. Assets, liabilities, and net position are reported for all Governmental activities.

The **statement of activities** presents information on all revenues and expenses of the District and the change in net position. Expenses are reported by major function and program revenues relating to those functions are reported, providing the net cost of all functions provided by the District. To assist in understanding the District's operations, expenses have been reported as governmental activities. Governmental activities financed by the District include general government, physical environment and debt service.

Fund financial statements present financial information for governmental funds. These statements provide financial information for the major funds of the District. Governmental fund financial statements provide information on the current assets and liabilities of the funds, changes in current financial resources (revenues and expenditures), and current available resources.

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

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Fund financial statements include a **balance sheet** and a **statement of revenues, expenditures and changes in fund balances** for all governmental funds. A **statement of revenues, expenditures, and changes in fund balances – budget and actual** is provided for the District's General Fund. *Fund financial statements* provide more detailed information about the District's activities. Individual funds are established by the District to track revenues that are restricted to certain uses or to comply with legal requirements.

The government-wide financial statement is designed to provide the reader with a broad overview of the District's finances, in a manner similar to a private sector business. In the government-wide statement of net position, the governmental activities column is presented on a consolidated basis and is reported on a full-accrual economic resource basis, which recognizes all non-current assets and receivables as well as all non-current debt and obligations. The effect of interfund activity has been eliminated from the government-wide financial statements. In contrast, the governmental fund financial statements are grouped into funds to account for and to maintain control over resources that have been segregated for specific activities or objectives. The fund financial statements are presented using the current financial resources measurement focus and the modified accrual basis where as revenues are recorded when collected in the current period or within 60 days of year-end and expenditures are recorded when a liability is incurred. The difference between the two statements arises primarily from the long-term economic focus of the Statement of Activities versus the current financial resources focus of the governmental funds. A reconciliation of the government-wide and the fund financial statement is provided to illustrate these differences.

Notes to financial statements provide additional detail concerning the financial activities and financial balances of the District. Additional information about the accounting practices of the District, investments of the District, capital assets and long-term debt are some of the items included in the *notes to financial statements*.

Financial Highlights

The following are the highlights of financial activity for the year ended September 30, 2020.

- ◆ The District's total assets exceeded total liabilities by \$21,954,683, (net position). Unrestricted net position for Governmental Activities was \$1,367,550. Net investment in capital assets was \$20,101,317. Restricted net position was \$485,816.
- ◆ Governmental activities revenues totaled \$6,019,694 while governmental activities expenses totaled \$3,143,297.

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

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District

The following schedule provides a summary of the assets, liabilities and net position of the District and is presented by category for comparison purposes.

Net Position

	Governmental Activities	
	2020	2019
Current assets	\$ 1,611,921	\$ 1,476,025
Restricted assets	2,290,335	2,191,473
Capital assets	<u>42,398,845</u>	<u>39,209,879</u>
Total Assets	<u>46,301,101</u>	<u>42,877,377</u>
Deferred amount on refunding	<u>436,957</u>	<u>461,808</u>
Current liabilities	1,461,700	1,274,172
Non-current liabilities	<u>23,321,675</u>	<u>22,986,727</u>
Total Liabilities	<u>24,783,375</u>	<u>24,260,899</u>
Net investment in capital assets	20,101,317	17,373,738
Net position - restricted	485,816	485,217
Net position - unrestricted	<u>1,367,550</u>	<u>1,219,331</u>
Total Net Position	<u>\$ 21,954,683</u>	<u>\$ 19,078,286</u>

The increase in current assets is mostly the result of the increase in capital reserves in the current year.

The increase in capital assets and net investment in capital assets is primarily the result of the capital project and the capital contribution in the current year.

The increase in current liabilities is mainly related to the increase in matured interest payable and matured bonds payable in the current year.

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

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District (Continued)

The following schedule provides a summary of the changes in net position of the District and is presented by category for comparison purposes.

	Change in Net Position	
	Governmental Activities	
	2020	2019
Program Revenues		
Charges for services	\$ 2,456,591	\$ 2,412,269
Grants and contributions	3,546,149	3,059,713
General Revenues		
Investment earnings	16,954	79,822
Gain on cancellation of debt	-	12,282,199
Total Revenues	<u>6,019,694</u>	<u>17,834,003</u>
Expenses		
General government	126,541	179,236
Physical environment	1,525,251	1,484,106
Interest and other changes	1,491,505	1,433,180
Total Expenses	<u>3,143,297</u>	<u>3,096,522</u>
Change in Net Position	2,876,397	14,737,481
Net Position - Beginning of Year	<u>19,078,286</u>	<u>4,340,805</u>
Net Position - End of Year	<u><u>\$ 21,954,683</u></u>	<u><u>\$ 19,078,286</u></u>

The increase in grants and contributions is mostly attributable to a increase in developer capital contributions in the current year.

The decrease in general government expenses was primarily due to a decrease in the expenditures at the fund level related to the SPE.

A gain was realized in the prior year from the cancellation of debt related to the refunding of certain bonds.

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

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Capital Assets Activity

The following schedule provides a summary of the District's capital assets as of 2020 and 2019.

<u>Description</u>	<u>Governmental Activities</u>	
	<u>2020</u>	<u>2019</u>
Construction in progress	\$ 4,193,764	\$ 2,602,063
Land improvements	11,741,451	11,741,451
Improvements other than buildings	726,955	726,955
Infrastructure	38,985,916	36,180,705
Accumulated depreciation	<u>(13,249,241)</u>	<u>(12,041,295)</u>
Total Capital Assets (Net)	<u>\$ 42,398,845</u>	<u>\$ 39,209,879</u>

During the year, \$4,396,912 was added to construction in progress, \$2,805,211 was transferred to infrastructure, and \$1,207,946 in depreciation was recorded.

General Fund Budgetary Highlights

The budget exceeded actual expenditures for the year primarily due to less legal fees, plant replacements, streetlighting, water and sewer and repair and maintenance expenditures than expected.

The September 30, 2020 budget was amended for capital reserves.

Debt Management

Governmental Activities debt includes the following:

In April 2019, the District bifurcated the Series 2005 Bonds by issuing \$6,945,000 Series 2005-1 Bonds and \$2,285,000 Series 2005-2 Bonds and \$500,000 of the Series 2005 Bonds will remain outstanding with \$3,425,000 of Series 2005 Bonds being cancelled. During a prior year, the Series 2005-1 Bonds were retired with the issuance of the Series 2019 Refunding Bonds. The balance outstanding at September 30, 2020 for the Series 2005 and Series 2005-2 Bonds was \$500,000 and \$1,545,000, respectively.

In April 2019, the District bifurcated the Series 2007 Bonds by issuing \$6,610,000 Series 2007-1 Bonds and \$715,000 Series 2007-2 Bonds and \$500,000 of the Series 2007 Bonds will remain outstanding with \$6,210,000 of Series 2007 Bonds being cancelled. During a prior year, the Series 2007-1 Bonds were retired with the issuance of the Series 2019 Refunding Bonds. The balance outstanding at September 30, 2020 for the Series 2007 and Series 2007-2 Bonds was \$500,000 and \$505,000, respectively.

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

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Debt Management (Continued)

In March 2018, the District issued \$3,490,000 Special Assessment Revenue Bonds, Series 2018. The bonds were issued to finance the construction of the 2018 Project. The balance outstanding at September 30, 2020 was \$3,385,000.

In April 2019, the District issued \$13,095,000 Special Assessment Revenue Refunding Bonds, Series 2019. The bonds were issued to refund the Series 2005-1 and 2007-1 Special Assessment Revenue Bonds. The balance outstanding at September 30, 2020 was \$12,595,000.

In September 2019, the District issued \$3,230,000 Special Assessment Revenue Bonds, Series 2019. The bonds were issued to finance the construction of the Series 2019 Project. The balance outstanding at September 30, 2020 was \$3,175,000.

In December 2019, the District issued \$1,860,000 Special Assessment Revenue Bonds, Series 2019 (Windsor Parcel K). The bonds were issued to finance a portion of the construction of the 2019 Project. The balance outstanding at September 30, 2020 was \$1,860,000.

In September 2014, the District reached an agreement with a contractor of the prior developer to pay them \$290,000 over five years. In December 2016, in a related claim, the District reached settlement in mediation with Osceola County and the contractor to pay an additional sum of \$50,000 in 2019 and \$25,000 in 2020. The balance remaining at September 30, 2020 was \$25,000.

Economic Factors and Next Year's Budget

Westside Community Development District made a final payment for a portion of the outstanding principal on the Series 2005 and Series 2007 Bonds, in November 2020, resulting in the cancellation of any remaining outstanding bonds for each series. The District cannot determine the affect the bond cancellation will have on operations for the year ended September 30, 2021.

Request for Information

The financial report is designed to provide a general overview of Westside Community Development District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Westside Community Development District, Governmental Management Services, 219 E. Livingston St., Orlando, Florida 32801.

Westside Community Development District
STATEMENT OF NET POSITION
September 30, 2020

	Governmental Activities
ASSETS	
Current Assets	
Cash	\$ 743,921
Investments	829,663
Due from other governments	11,717
Due from developer	22,903
Prepaid expenses	3,717
Total Current Assets	1,611,921
Non-Current Assets	
Restricted:	
Investments	2,264,095
Cash	26,240
Capital Assets Not Being Depreciated:	
Construction in progress	4,193,764
Land and improvements	11,741,451
Capital Assets Being Depreciated:	
Improvements other than buildings	726,955
Infrastructure	38,985,916
Less: accumulated depreciation	(13,249,241)
Total Non-Current Assets	44,689,180
Total Assets	46,301,101
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred amount on refunding	436,957
 LIABILITIES	
Current Liabilities	
Accounts payable and accrued expenses	19,481
Matured bonds payable	90,000
Matured interest payable	185,176
Accrued interest payable	447,043
Bonds payable - current	695,000
Notes payable - current	25,000
Total Current Liabilities	1,461,700
Non-Current Liabilities	
Bonds payable	23,321,675
Total Liabilities	24,783,375
 NET POSITION	
Net investment in capital assets	20,101,317
Restricted for debt service	485,816
Unrestricted	1,367,550
Total Net Position	\$ 21,954,683

See accompanying notes to financial statements.

Westside Community Development District
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expenses)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenues and Changes in Net Position
Governmental Activities					Governmental Activities
Primary government					
Governmental Activities					
General government	\$ (126,541)	\$ 174,864	\$ -	\$ -	\$ 48,323
Physical environment	(1,525,251)	438,476	-	2,721,021	1,634,246
Interest and other charges	(1,491,505)	1,843,251	825,128	-	1,176,874
Total Governmental Activities	<u>\$ (3,143,297)</u>	<u>\$ 2,456,591</u>	<u>\$ 825,128</u>	<u>\$ 2,721,021</u>	<u>2,859,443</u>
General revenues:					
Investment earnings					<u>16,954</u>
Change in Net Position					2,876,397
Net Position - October 1, 2019					19,078,286
Net Position - September 30, 2020					<u>\$ 21,954,683</u>

See accompanying notes to financial statements.

Westside Community Development District
BALANCE SHEET –
GOVERNMENTAL FUNDS
September 30, 2020

ASSETS	Governmental Funds										Total Governmental Funds	
	General	Debt Service 2005 Bonds	Debt Service 2007 Bonds	Debt Service 2018 Bonds	Debt Service 2019 Bonds	Debt Service 2019 Refunding Bonds	Debt Service 2019K Bonds	Capital Projects 2007	Capital Projects 2018	Capital Projects 2019		Capital Projects 2019K
Cash	\$ 743,921	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 743,921
Investments, at fair value	829,663	-	-	-	-	-	-	-	-	-	-	829,663
Due from other governments	3,127	-	-	1,628	-	6,962	-	-	-	-	-	11,717
Due from developer	4,585	-	-	-	-	18,318	-	-	-	-	-	22,903
Prepaid expenses	3,717	-	-	-	-	-	-	-	-	-	-	3,717
Restricted assets:												
Investments, at fair value	-	556,473	187,246	215,471	177,196	984,955	129,886	-	2	1	12,865	2,264,095
Cash	-	-	-	-	-	-	-	26,240	-	-	-	26,240
Total Assets	\$1,585,013	\$ 556,473	\$ 187,246	\$ 217,099	\$ 177,196	\$ 1,010,235	\$ 129,886	\$ 26,240	\$ 2	\$ 1	\$ 12,865	\$ 3,902,256
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES												
LIABILITIES												
Accounts payable and accrued expenses	\$ 19,481	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,481
Contracts/retainage payable	-	-	-	-	-	-	-	-	-	-	-	-
Matured bonds payable	-	75,000	15,000	-	-	-	-	-	-	-	-	90,000
Matured interest payable	-	105,796	79,380	-	-	-	-	-	-	-	-	185,176
Total Liabilities	19,481	180,796	94,380	-	-	-	-	-	-	-	-	294,657
Deferred Inflows of Resources												
Unavailable revenues	4,585	-	-	-	-	18,318	-	-	-	-	-	22,903
FUND BALANCES												
Nonspendable - prepaid expenses	3,717	-	-	-	-	-	-	-	-	-	-	3,717
Restricted:												
Debt service	-	375,677	92,866	217,099	177,196	991,917	129,886	-	-	-	-	1,984,641
Capital projects	-	-	-	-	-	-	-	26,240	2	1	12,865	39,108
Assigned - capital reserves	406,601	-	-	-	-	-	-	-	-	-	-	406,601
Unassigned	1,150,629	-	-	-	-	-	-	-	-	-	-	1,150,629
Total Fund Balances	1,560,947	375,677	92,866	217,099	177,196	991,917	129,886	26,240	2	1	12,865	3,584,696
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$1,585,013	\$ 556,473	\$ 187,246	\$ 217,099	\$ 177,196	\$ 1,010,235	\$ 129,886	\$ 26,240	\$ 2	\$ 1	\$ 12,865	\$ 3,902,256

See accompanying notes to financial statements.

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

Total Governmental Fund Balances	\$ 3,584,696
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets not being depreciated (land and improvements (\$11,741,451) and construction in progress (\$4,193,764)) used in governmental activities are not current financial resources, and therefore are not reported at the fund level.	15,935,215
Capital assets being depreciated, improvements other than buildings (\$726,955) and infrastructure (\$36,985,916) net of accumulated depreciation (\$(13,249,241)) used in governmental activities are not current financial resources, and therefore are not reported at the fund level.	26,463,630
Bond discount costs (\$52,838), net of accumulated amortization (\$(4,513)) used in governmental activities are not current financial uses, and therefore are not reported at the fund level.	48,325
Long-term liabilities, including bonds payable (\$24,065,000) and notes payable (\$25,000) are not due and payable in the current period, and therefore are not reported at the fund level.	(24,090,000)
Deferred outflow of resources (deferred amount on refunding) are not current financial resources and therefore, are not reported at the fund level.	436,957
Unavailable revenues are recognized as deferred inflows at the fund level, but this amount is recognized as revenues at the government-wide level.	22,903
Accrued interest expense for long-term debt is not a current financial use and therefore, is not reported at the fund level.	<u>(447,043)</u>
Net Position of Governmental Activities	<u><u>\$ 21,954,683</u></u>

See accompanying notes to financial statements.

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

	Governmental Funds												Total Governmental Funds
	General	Debt Service 2005 Bonds	Debt Service 2007 Bonds	Debt Service 2018 Bonds	Debt Service 2019 Bonds	Debt Service 2019 Refunding Bonds	Debt Service 2019K	Capital Projects 2005	Capital Projects 2007	Capital Projects 2018	Capital Projects 2019	Capital Projects 2019K	
Revenues													
Special assessments	\$ 608,755	\$ 110,920	\$ 39,266	\$ 234,980	\$ 203,925	\$ 1,235,842	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,433,688
Landholder contributions	-	635,252	189,876	-	-	-	-	-	-	-	-	-	825,128
Developer contributions	-	-	-	-	-	-	-	-	-	-	-	2,721,021	2,721,021
Investment earnings	10,107	3,678	1,327	158	190	458	66	-	10	-	376	584	16,954
Total Revenues	618,862	749,850	230,469	235,138	204,115	1,236,300	66	-	10	-	376	2,721,605	5,996,791
Expenditures													
Current													
General government	126,241	-	-	-	-	-	-	-	300	-	-	-	126,541
Physical environment	317,305	-	-	-	-	-	-	-	-	-	-	-	317,305
Capital outlay	-	-	-	-	-	-	-	-	-	-	203,148	4,193,764	4,396,912
Debt service													
Principal	50,000	700,000	200,000	55,000	55,000	500,000	-	-	-	-	-	-	1,560,000
Interest	-	155,092	86,760	175,550	158,499	299,101	29,781	-	-	-	-	-	904,783
Other debt service	-	27,570	17,395	-	-	84,875	-	-	-	-	-	215,375	345,215
Total Expenditures	493,546	882,662	304,155	230,550	213,499	883,976	29,781	-	300	-	203,148	4,409,139	7,650,756
Excess/(deficiency) of revenues over/(under) expenditures	125,316	(132,812)	(73,686)	4,588	(9,384)	352,324	(29,715)	-	(290)	-	(202,772)	(1,687,534)	(1,653,965)
Other financing sources (uses)													
Issuance of long-term debt	-	-	-	-	-	-	159,601	-	-	-	-	1,700,399	1,860,000
Transfers in	-	6	6	-	-	231	-	-	-	-	-	-	243
Transfers out	-	(103)	(128)	-	-	-	-	(6)	(6)	-	-	-	(243)
Total Other financing Sources/(Uses)	-	(97)	(122)	-	-	231	159,601	(6)	(6)	-	-	1,700,399	1,860,000
Net change in fund balances	125,316	(132,909)	(73,808)	4,588	(9,384)	352,555	129,886	(6)	(296)	-	(202,772)	12,865	206,035
Fund Balances - October 1, 2019	1,435,631	508,586	166,674	212,511	186,580	639,362	-	6	26,536	2	202,773	-	3,378,661
Fund Balances - September 30, 2020	<u>\$1,560,947</u>	<u>\$ 375,677</u>	<u>\$ 92,866</u>	<u>\$ 217,099</u>	<u>\$ 177,196</u>	<u>\$ 991,917</u>	<u>\$ 129,886</u>	<u>\$ -</u>	<u>\$ 26,240</u>	<u>\$ 2</u>	<u>\$ 1</u>	<u>\$ 12,865</u>	<u>\$ 3,584,696</u>

See accompanying notes to financial statements.

Westside Community Development District
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2020

Net Change in Fund Balances - Total Governmental Funds	\$ 206,035
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation. This is the amount that depreciation (\$1,207,946) was exceeded by capital outlay (\$4,396,912).	3,188,966
Loan proceeds provide current financial resources at the fund level, However, at the government-wide level the loan proceeds increase long-term liabilities.	(1,860,000)
Repayments of bond principal are expenditures in the governmental funds and reduce long-term liabilities in the Statement of Net Position.	1,560,000
The deferred amount on refunding is recognized as an expenditure at the fund level but is recognized as a deferred outflow of resources at the government-wide level and amortized over the life of the new debt.	(24,851)
Governmental funds report bond discounts as an expenditure. However, in the Statement of Activities, this cost is allocated over the bond repayment as amortization. This is the amount of amortization in the current period.	(1,198)
Unavailable revenues are recognized as deferred inflows at the fund level, but this amount is recognized as revenues at the government-wide level.	22,903
In the Statement of Activities, interest is accrued on outstanding bonds; whereas in governmental funds, interest expenditures are reported when due. This is the decrease in accrued interest from the prior year.	<u>(215,458)</u>
Change in Net Position of Governmental Activities	<u><u>\$ 2,876,397</u></u>

See accompanying notes to financial statements.

Westside Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
GENERAL FUND
For the Year Ended September 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues				
Special assessments	\$ 589,433	\$ 589,433	\$ 608,755	\$ 19,322
Investment earnings	10,000	10,000	10,107	107
Total Revenues	<u>599,433</u>	<u>599,433</u>	<u>618,862</u>	<u>19,429</u>
Expenditures				
Current				
General government	221,673	221,673	126,241	95,432
Physical environment	446,633	446,633	317,305	129,328
Debt Service				
Principal	-	-	50,000	(50,000)
Total Expenditures	<u>668,306</u>	<u>668,306</u>	<u>493,546</u>	<u>174,760</u>
Net change in fund balances	<u>(68,873)</u>	<u>(68,873)</u>	<u>125,316</u>	<u>194,189</u>
Fund Balances - October 1, 2019	<u>494,676</u>	<u>840,545</u>	<u>1,435,631</u>	<u>595,086</u>
Fund Balances - September 30, 2020	<u><u>\$ 425,803</u></u>	<u><u>\$ 771,672</u></u>	<u><u>\$ 1,560,947</u></u>	<u><u>\$ 789,275</u></u>

See accompanying notes to financial statements.

Westside Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District's more significant accounting policies are described below.

1. Reporting Entity

The District was established on August 30, 2004, pursuant to Osceola County Ordinance Number 04-34, subsequently amended by Ordinance Number 07-19, and Chapter 190, Florida Statutes. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of the infrastructure necessary for community development within its jurisdiction. The District is authorized to issue bonds for the purpose, among others, of financing, funding, planning, establishing, acquiring, constructing or re-constructing, enlarging or extending, equipping, operating and maintaining water management, bridges or culverts, district roads, landscaping, street lights and other basic infrastructure projects within or outside the boundaries of the Westside Community Development District. The District is governed by a five-member Board of Supervisors who are elected on an at large basis by qualified electors within the District. The District operates within the criteria established by Chapter 190, Florida Statutes.

As required by GAAP, these financial statements present the Westside Community Development District (the primary government) as a stand-alone government. The reporting entity for the District includes all functions of government in which the District's Board exercises oversight responsibility including, but not limited to, financial interdependency, selection of governing authority, designation of management, significant ability to influence operations and accountability for fiscal matters.

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

The component units of the District are as follows:

Westside SPE, LLC – The Company is a special purpose entity (SPE) created by certain provisions in the Trust Indentures of the Series 2005 and Series 2007 Special Assessment Revenue Bonds. The Company and its operations, pursuant to an agreement between the Company, the District and the U.S. Bank National Association (the "Trustee"), are funded from amounts on deposit in the Trust estate. Funds received by the Company are to be remitted to the Trustee and applied in accordance with the Trust Indenture. This entity ceased operations during the year. The SPE is still in existence, however, it had no activity and is not reflected in the financial statements.

Westside CDD Holdings, LLC – The Company is a special purpose entity (SPE) created by certain provisions in the Trust Indentures of the Series 2005 and Series 2007 Special Assessment Revenue Bonds. The Trustee of this component unit has elected not to provide the District with its financial information. The SPE was dissolved as of December 31, 2019.

Westside Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting

The basic financial statements of the District are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to financial statements

a. Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Government-wide financial statements report all non-fiduciary information about the reporting government as a whole. These statements include all the governmental activities of the primary government. The effect of interfund activity has been removed from these statements.

Governmental activities are supported by special assessments, developer contributions and interest. Program revenues include charges for services and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the Statement of Activities to present the net cost of each program

Amounts paid to acquire capital assets are capitalized as assets, rather than reported as an expenditure. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as another financing source.

Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

b. Fund Financial Statements

The underlying accounting system of the District is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental funds are presented after the government-wide financial statements. These statements display information about major funds individually.

Westside Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds

The District classifies fund balance according to the Governmental Accounting Standards Board Statement 54 – *Fund Balance Reporting and Governmental Fund Type Definitions*. The Statement requires the fund balance for governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

The District has various policies governing the fund balance classifications.

Nonspendable Fund Balance – This classification consists of amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

Restricted Fund Balance – This classification includes amounts that can be spent only for specific purposes stipulated by the state constitution, external resource providers, or through enabling legislation.

Assigned Fund Balance – This classification consists of the Board of Supervisors' intent to be used for specific purposes, but are neither restricted nor committed. The assigned fund balances can also be assigned by the District's management company.

Unassigned Fund Balance – This classification is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. Unassigned fund balance is considered to be utilized first when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collected within the current period or soon thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Interest associated with the current fiscal period is considered to be an accrual item and so has been recognized as revenue of the current fiscal period.

Westside Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds (Continued)

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of “available spendable resources”. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources are expended, rather than as fund assets. The proceeds of long-term debt are recorded as other financing source rather than as a fund liability.

Debt service expenditures are recorded only when payment is due.

3. Basis of Presentation

a. Governmental Major Funds

General Fund – The General Fund is the District’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Debt Service Fund 2005, 2007, 2018, 2019, 2019 Refunding Bonds and 2019K – Accounts for the debt service requirements to retire the special assessment revenue bonds which were used, among other things, to retire the debt of the bond anticipation notes and to finance the acquisition and construction of certain master infrastructure improvements within the District.

Capital Projects Fund 2005, 2007, 2018, 2019 and 2019K – The Capital Projects Fund accounts for the construction of certain infrastructure improvements within the boundaries of the District.

Westside Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Basis of Presentation (Continued)

b. Non-current Governmental Assets/Liabilities

GASB Statement 34 requires that non-current governmental assets, such as land improvements other than buildings, infrastructure and construction in progress, and non-current governmental liabilities, such as general obligation bonds and notes payable, be reported in the governmental activities column in the government-wide Statement of Net Position.

4. Assets, Liabilities, and Net Position or Equity

a. Cash and Investments

Chapter 280, Florida Statutes require state and local governmental units to deposit monies with financial institutions classified as "Qualified Public Depositories," a multiple financial institution pool whereby groups of securities pledged by the various financial institutions provide common collateral from their deposits of public funds. This pool is provided as additional insurance to the federal depository insurance and allows for additional assessments against the member institutions, providing full insurance for public deposits.

The District is authorized to invest in those financial instruments as established by Section 218.415, Florida Statutes. The authorized investments consist of:

1. Direct obligations of the United States Treasury;
2. The Local Government Surplus Funds Trust or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperative Act of 1969;
3. Interest-bearing time deposits or savings accounts in authorized qualified public depositories;
4. Securities and Exchange Commission, registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

b. Restricted Assets

Certain net position of the District will be classified as restricted assets on the statement of net position because their use is limited either by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors.

Westside Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Assets, Liabilities, and Net Position or Equity (Continued)

c. Capital Assets

Capital assets, which include land, improvements other than buildings, infrastructure and construction in progress, are reported in governmental activities.

The District defines capital assets as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. The valuation basis for all assets is historical cost.

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

Depreciation of capital assets is computed and recorded by utilizing the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows:

Improvements other than buildings	10 years
Infrastructure	30 years

d. Budgets

Budgets are prepared and adopted after public hearings for the governmental funds, pursuant to Chapter 190, Florida Statutes. The District utilizes the same basis of accounting for budgets as it does for revenues and expenditures in its various funds. Formal budgets are adopted for the general fund. The legal level of budgetary control is at the fund level. As a result, deficits in the budget variance columns of the accompanying financial statements may occur. All budgeted appropriations lapse at year end.

e. Unamortized Bond Discounts

Bond discounts associated with the issuance of revenue bonds are amortized according to the straight line method of accounting. For financial reporting, unamortized bond discounts are netted against the applicable long-term debt.

f. Deferred Amount on Refunding

Deferred costs of refunding associated with the issuance of refunding bonds are presented on the financial statements and amortized over the life of the bonds using the straight line method of accounting. For financial reporting, the deferred costs of refunding are reported as a deferred outflow of resources on the Statement of Net Position.

Westside Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

“Total fund balances” of the District’s governmental funds, \$3,584,696, differs from “net position” of governmental activities, \$21,954,683, reported in the Statement of Net Position. This difference primarily results from the long-term economic focus of the Statement of Net Position versus the current financial resources focus of the Governmental Fund Balance Sheet. The effect of the differences is illustrated below.

Capital related items

When capital assets (improvements and infrastructure that are to be used in governmental activities) are purchased or constructed, the cost of those assets is reported as expenditures in governmental funds. However, the Statement of Net Position included those capital assets among the assets of the District as a whole.

Construction in progress	\$ 4,193,764
Land and improvements	11,741,451
Improvements other than buildings	726,955
Infrastructure	38,985,916
Accumulated depreciation	<u>(13,249,241)</u>
Total	<u>\$ 42,398,845</u>

Deferred outflows of resources

Deferred outflows of resources are not current financial resources, and therefore, are not recognized at the fund level

Deferred amount on refunding, net	<u>\$ 436,957</u>
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Deferred inflows of resources

Deferred inflows of resources in the Statement of Net Position differ from the amount reported in the governmental funds due to unavailable revenues. Governmental fund financial statements report revenues which are not available as deferred inflows of resources. However, unavailable revenues in governmental funds are susceptible to full accrual in the government-wide financial statements.

Deferred inflows of resources	<u>\$ 22,903</u>
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Westside Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

1. Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position (CONTINUED)

Long-term debt transactions

Long-term liabilities applicable to the District’s governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities are reported in the Statement of Net Position. Balances at September 30, 2020 were:

Bonds payable	\$ (24,065,000)
Notes payable	(25,000)
Bond discounts, net	48,325
Total	<u>\$ (24,041,675)</u>

Accrued interest

Accrued liabilities in the Statement of Net Position differ from the amount reported in governmental funds due to the accrued interest on bonds.

Accrued interest	<u>\$ (447,043)</u>
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2. Explanation of Differences Between the Governmental Fund Operating Statements and the Statement of Activities

The “net change in fund balances” for government funds, \$206,035, differs from the “change in net position” for governmental activities, \$2,876,397, reported in the Statement of Activities. The differences arise primarily from the long-term economic focus of the Statement of Activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

Capital related items

When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the Statement of Activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, fund balances decrease by the amount of financial resources expended, whereas net position decrease by the amount of depreciation expense charged for the year.

Depreciation	\$ (1,207,946)
Capital outlay	4,396,912
Total	<u>\$ 3,188,966</u>

Westside Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

2. Explanation of Differences Between the Governmental Fund Operating Statements and the Statement of Activities (Continued)

Long-term debt transactions

Repayments of principal are reported as expenditures in the governmental funds and, thus, have the effect of reducing fund balance because current financial resources have been used.

Notes payable payments	\$ 50,000
Bond principal payments	1,510,000
Amortization of bond discounts	<u>(1,198)</u>
Total	<u>\$ 1,558,802</u>

The issuance of new debt provides current financial resources to governmental funds, but the issuance of new debt increases long-term liabilities

Proceeds from note payable	<u>\$ (1,860,000)</u>
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Some expenses reported in the Statement of Activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds.

Net change in accrued interest payable	<u>\$ (215,458)</u>
Net change in deferred amount on refunding	<u>\$ (24,851)</u>

Deferred inflows of resources

Deferred inflows of resources reported at the fund level are recognized as revenues in the Statement of Activities.

Net change in deferred inflows of resources	<u>\$ 22,903</u>
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**Westside Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020**

NOTE C – CASH AND INVESTMENTS

All deposits are held in qualified public depositories and are included on the accompanying balance sheet as cash and investments.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District follows the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2020, the District's bank balance and the carrying value were \$770,161. Exposure to custodial credit risk was as follows. The District maintains all deposits in a qualified public depository in accordance with the provisions of Chapter 280, Florida Statutes, which means that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes.

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

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
Managed Money Markets	N/A	\$ 2,264,095
State Board of Administration Florida Prime	48 days*	829,663
Total		<u>\$ 3,093,758</u>

*Maturities are a weighted average maturity.

The District categorizes its fair value measurements within the fair value hierarchy recently established by generally accepted accounting principles. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The District uses a market approach in measuring fair value that uses prices and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

Assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted price for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining quoted prices for identical or similar assets, or liabilities, in markets that are not active. Level 3 is the least reliable and uses significant unobservable inputs that use the best information available under the circumstances, which includes the District's own data in measuring unobservable inputs.

Based on the criteria in the preceding paragraph, the Managed Money Market and State Board of Administration Florida Prime investments listed above are Level 1 assets.

Westside Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

NOTE C – CASH AND INVESTMENTS (CONTINUED)

Interest Rate Risk

The formal investment policy of the District conforms with State statutory requirements and bond indentures for investment maturities as a means of managing its exposure to increasing interest rates.

Credit Risk

The District's investments are limited by state statutory requirements and bond compliance. The District has no investment policy that would further limit its investment choices. As of September 30, 2020, the District's investments in the State Board of Administration Florida Prime were rated AAAM by Standard and Poor's.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one investment. The investments in Managed Money Market Accounts are 73% of the District's total investments and the investments in Florida Prime are 27% of the District's total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2020 were typical of these items during the fiscal year then ended. The District considers any decline in fair value for certain investments to be temporary.

Westside Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

NOTE D – CAPITAL ASSETS

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

	Balance October 1, 2019	Additions	Deletions	Balance September 30, 2020
<u>Governmental Activities:</u>				
Capital Assets, Not Being Depreciated:				
Land and improvements	\$ 11,741,451	\$ -	\$ -	\$ 11,741,451
Construction in progress	2,602,063	4,396,912	(2,805,211)	4,193,764
Total Capital Assets, Not Being Depreciated	<u>14,343,514</u>	<u>4,396,912</u>	<u>(2,805,211)</u>	<u>15,935,215</u>
Capital Assets, Being Depreciated:				
Infrastructure	36,180,705	2,805,211	-	38,985,916
Improvements other than buildings	726,955	-	-	726,955
Total Capital Assets, Being Depreciated	<u>36,907,660</u>	<u>2,805,211</u>	<u>-</u>	<u>39,712,871</u>
Less Accumulated Depreciation For:				
Infrastructure	(11,347,039)	(1,206,024)	-	(12,553,063)
Improvements other than buildings	(694,256)	(1,922)	-	(696,178)
Total Accumulated Depreciation	<u>(12,041,295)</u>	<u>(1,207,946)</u>	<u>-</u>	<u>(13,249,241)</u>
Total Capital Assets Depreciated, Net	<u>24,866,365</u>	<u>1,597,265</u>	<u>-</u>	<u>26,463,630</u>
Governmental Activities Capital Assets	<u>\$ 39,209,879</u>	<u>\$ 5,994,177</u>	<u>\$ (2,805,211)</u>	<u>\$ 42,398,845</u>

Depreciation of \$1,207,946 was charged to physical environment.

NOTE E – LONG-TERM DEBT

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

Bonds/notes payable at October 1, 2019	\$ 23,790,000
Additions to bonds payable	1,860,000
Principal payments	<u>(1,560,000)</u>
Bonds/notes payable at September 30, 2020	<u>\$ 24,090,000</u>

**Westside Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020**

NOTE E – LONG-TERM DEBT (CONTINUED)

In April 2019, the District bifurcated the Series 2005 Bonds by issuing \$6,945,000 Series 2005-1 Bonds and \$2,285,000 Series 2005-2 Bonds and \$500,000 of the Series 2005 Bonds will remain outstanding. After the bifurcation \$3,425,000 of Series 2005 Bonds and all matured interest still outstanding were cancelled. It is anticipated that the \$500,000 of Series 2005 Bonds still outstanding will be cancelled by April 1, 2022.

In April 2019, the District bifurcated the Series 2007 Bonds by issuing \$6,610,000 Series 2007-1 Bonds and \$715,000 Series 2007-2 Bonds and \$500,000 of the Series 2007 Bonds will remain outstanding. After the bifurcation \$6,210,000 of Series 2007 Bonds and all matured interest still outstanding were cancelled. It is anticipated that the \$500,000 of Series 2007 Bonds still outstanding will be cancelled by April 1, 2022.

During the year, the scheduled debt service payments on the Series 2005 Bonds, \$28,250 in interest, Series 2005-2 Bonds, \$63,421 in interest and \$75,000 in principal, Series 2007 Bonds, \$36,000 in interest, and Series 2007-2 Bonds, \$25,380 in interest and \$15,000 in principal, were not paid by the District. These amounts are reflected in the balance of matured interest payable and matured bonds payable in the accompanying financial statements.

District debt is comprised of the following at September 30, 2020:

Special Assessment Revenue Bonds

\$500,000 Series 2005 Special Assessment Revenue Bonds, interest at 5.65%, maturing thru May 1, 2037, payable on May 1 and November 1; collateralized by the pledged revenues of special assessments levied against the benefited property owners.	\$ 500,000
\$2,285,000 Series 2005-2 Special Assessment Revenue Bonds, interest at 5.65%, maturing thru May 1, 2037, payable on May 1 and November 1; collateralized by the pledged revenues of special assessments levied against the benefited property owners.	1,545,000
\$500,000 Series 2007 Special Assessment Revenue Bonds, interest at 7.20%, maturing thru May 1, 2038, payable on May 1 and November 1; collateralized by the pledged revenues of special assessments levied against the benefited property owners.	500,000
\$715,000 Series 2007-2 Special Assessment Revenue Bonds, interest at 7.2%, maturing thru May 1, 2038, payable on May 1 and November 1; collateralized by the pledged revenues of special assessments levied against the benefited property owners.	505,000

Westside Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

NOTE E – LONG-TERM DEBT (CONTINUED)

Special Assessment Revenue Bonds (Continued)

\$3,490,000 Series 2018 Special Assessment Revenue Bonds due in annual principal installments beginning in May 2019 through May 2048. Interest from 5.00% to 5.20% due May 1 and November 1 starting in May 2019. 3,385,000

\$13,095,000 Series 2019 Special Assessment Revenue Refunding Bonds due in annual principal installments beginning in May 2020 through May 2038. Interest from 4.10% to 4.125% due May 1 and November 1 starting in November 2019. 12,595,000

\$3,230,000 Series 2019 Special Assessment Revenue Bonds due in annual principal installments beginning in May 2020 through May 2049. Interest from 3.625% to 4.85% due May 1 and November 1 starting in November 2019. 3,175,000

\$1,860,000 Series 2019 (Windsor Parcel K) Special Assessment Revenue Bonds due in annual principal installments beginning in May 2033 through May 2050. Interest from 3.80% to 4.00% due May 1 and November 1 starting in May 2020. 1,860,000

Less bond discount, net (48,325)

Net Bonds Outstanding \$ 24,016,675

Note Payable

\$365,000 note payable to contractor per agreement for work performed for the District, payable over seven years with no interest. \$ 25,000

Westside Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

NOTE E – LONG-TERM DEBT (CONTINUED)

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

Year Ending September 30,	Principal	Interest	Total
2021	\$ 720,000	\$ 1,072,905	\$ 1,792,905
2022	730,000	1,046,133	1,776,133
2023	750,000	1,017,945	1,767,945
2024	785,000	989,063	1,774,063
2025	815,000	958,580	1,773,580
2026-2030	4,660,000	4,259,455	8,919,455
2031-2035	5,825,000	3,152,721	8,977,721
2036-2040	5,340,000	1,670,030	7,010,030
2041-2045	2,270,000	839,501	3,109,501
2046-2050	2,195,000	259,813	2,454,813
Totals	<u>\$ 24,090,000</u>	<u>\$ 15,266,147</u>	<u>\$ 39,356,147</u>

Summary of Significant Bonds Resolution Terms and Covenants

Special Assessment Revenue Bonds

The Series 2005, 2005-2, 2007, 2007-2, 2018, 2019, 2019 Refunding and 2019K Bonds are subject to redemption at the option of the District prior to their maturity, in whole or in part, in the manner provided by the Bond Indentures. The Series 2019 Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Trust Indenture.

The Trust Indentures establish certain amounts be maintained in a reserve account. In addition, the Trust Indentures have certain 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.

**Westside Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020**

NOTE E – LONG-TERM DEBT (CONTINUED)

Special Assessment Revenue Bonds (Continued)

Depository Funds – The bond resolution establishes certain funds and determines the order in which revenues are to be deposited into these funds. A description of the significant funds, including their purposes, is as follows:

1. Reserve Funds – The 2005, 2007 and 2018 Reserve Accounts are funded from the proceeds of the Series 2005 Bonds, the Series 2007 Bonds and the Series 2018 Bonds in an amount equal to the highest remaining debt service payment. The Series 2019, 2019 Refunding and 2019 (Windsor Parcel K) Reserve accounts are funded from the proceeds of the Series 2019, Series 2019 Refunding Bonds and Series 2019 (Windsor Parcel K) Bonds in an amount equal to 50% of the highest remaining debt service payment. Monies held in the reserve accounts will be used only for the purposes established in the Trust Indenture.

	Reserve Balance	Reserve Requirement
Special Assessment Revenue Bonds, Series 2005	\$ 102,200	\$ 34,650
Special Assessment Revenue Bonds, Series 2005-2	\$ 100,342	\$ 100,342
Special Assessment Revenue Bonds, Series 2007	\$ 37,820	\$ 40,750
Special Assessment Revenue Bonds, Series 2007-2	\$ 36,260	\$ 35,760
Special Assessment Revenue Bonds, Series 2018	\$ 115,065	\$ 115,065
Special Assessment Revenue Bonds, Series 2019	\$ 101,595	\$ 101,595
Special Assessment Revenue Refunding Bonds, Series 2019	\$ 503,604	\$ 503,479
Special Assessment Revenue Bonds, Series 2019 (Windsor Parcel K)	\$ 92,850	\$ 92,850

NOTE F – 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 for which the government carries commercial insurance. There were no claims or settled claims from these risks that have exceeded commercial insurance coverage over the past three years.

NOTE G – SUBSEQUENT EVENTS

Subsequent to year end, in November 2020, the District made a final payment for a portion of the outstanding principal on the Series 2005 and Series 2007 Bonds resulting in the cancellation of each.



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INDEPENDENT AUDITORS' 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
Westside Community Development District
Osceola 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 Westside Community Development District, as of and for the year ended September 30, 2020, and the related notes to the financial statements, and have issued our report thereon dated June 28, 2021.

Internal Control Over Financial Reporting

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

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

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

Board of Supervisors
Westside Community Development District

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Westside Community Development District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to the management of Westside Community Development District in a separate letter dated June 28, 2021.

Purpose of this Report

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



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

June 28, 2021



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MANAGEMENT LETTER

To the Board of Supervisors
Westside Community Development District
Osceola County, Florida

Report on the Financial Statements

We have audited the financial statements of the Westside Community Development District as of and for the year ended September 30, 2020, and have issued our report thereon dated June 28, 2021.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the 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 Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant'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 June 28, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. The current status of the prior findings is as follows:

Finding 2011-01

The District continues to be unable to make certain scheduled debt service payments and meet debt service reserve requirements on the Series 2005 Special Assessment Revenue Bonds and Series 2007 Special Assessment Revenue Bonds.

Management Response

During a prior year, property held by the SPE was sold and a portion of the proceeds was provided to the District as landholder contributions. The District made unscheduled debt service payments to pay off certain matured principal and interest on the Series 2005 and Series 2007 Bonds with the proceeds from the landholder contributions. The Series 2005 and 2007 Bonds were bifurcated, and a portion of the bifurcated Bonds were cancelled in the current year. The District is making all scheduled payments on the Series 2005-2 and 2007-2 Bonds.

To the Board of Supervisors
Westside Community Development District

Current Status

The District made all scheduled debt service payments for the Series 2005-2 and 2007-2 Bonds; however, the District was unable to make the current year debt service payments for the unexchanged Series 2005 and 2007 Bonds. Subsequent to year end the balance outstanding, after a payment was made, on the unexchanged Series 2005 and 2007 Bonds was forgiven.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not Westside Community Development District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. In connection with our audit, we determined that the Westside Community Development District did meet one of the conditions described in Section 218.503(1), Florida Statutes in that the District did not make certain scheduled debt service payments and did not meet debt service reserve requirements.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial conditions assessment procedures for Westside Community Development District. It is management's responsibility to monitor Westside Community Development District's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the Management Letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

To the Board of Supervisors
Westside Community Development District

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any findings in addition to the current status of prior audit findings noted above.

Purpose of this Letter

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

*Berger Toombs Elam
Gaines & Frank*

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

June 28, 2021



**Berger, Toombs, Elam,
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**INDEPENDENT ACCOUNTANTS' REPORT/COMPLIANCE
WITH SECTION 218.415, FLORIDA STATUTES**

To the Board of Supervisors
Westside Community Development District
Osceola County, Florida

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

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about Westside Community Development District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on Westside Community Development District's compliance with the specified requirements.

In our opinion, Westside Community Development District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2020.

*Berger Toombs Elam
Gaines & Frank*

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

June 28, 2021