

EASTON PARK
Community Development District

Inframark, Infrastructure Management Services
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April 14, 2022

Board of Supervisors
Easton Park Community Development District

Dear Board Members:

The regular meeting of the Board of Supervisors of the Easton Park Community Development District is scheduled for **Thursday, April 21, 2022 at 4:30 p.m.** at the Heritage Isles Golf & Country Club, 10630 Plantation Bay Drive, Tampa Florida. Following is the meeting agenda

- 1. Call to Order/Roll Call**
- 2. Presentation of the Fiscal Year 2022/2023 Proposed Budget/Reserve Study**
- 3. Adjournment**

The next meeting is scheduled for May 19, 2022

Any supporting material for the items listed above not included in the agenda package will be provided as soon as they are available, or they will be distributed at the meeting. I look forward to seeing you at the meeting, but in the meantime if you have any questions, please contact me.

Sincerely,
Mark Vega
Mark Vega
District Manager

EASTON PARK
Community Development District

Annual Operating and Debt Service Budget
Fiscal Year 2023

Version 1 - Proposed Budget:
(Printed on 4/12/2022 8:30am)

Prepared by:



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Easton Park
Community Development District

Operating Budget
Fiscal Year 2023

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2023 Proposed Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2021	ADOPTED BUDGET FY 2022	ACTUAL THRU MAR-2022	PROJECTED APR - SEP-2022	TOTAL PROJECTED FY 2022	ANNUAL BUDGET FY 2023
REVENUES						
Interest - Investments	\$ 10	-	-	-	-	-
Interest - Tax Collector	18	-	-	-	-	-
Special Assmnts- Tax Collector	571,118	621,781	593,747	28,034	621,781	621,781
Special Assmnts- Discounts	(21,599)	(24,871)	(23,430)	-	(23,430)	(24,871)
TOTAL REVENUES	549,547	596,910	570,317	28,034	598,351	596,910
EXPENDITURES						
<i>Administrative</i>						
P/R-Board of Supervisors	10,400	12,000	5,600	6,400	12,000	12,000
ProfServ-Administrative	2,400	-	-	-	-	-
ProfServ-Arbitrage Rebate	900	900	-	900	900	900
ProfServ-Dissemination Agent	-	1,100	-	1,100	1,100	1,100
ProfServ-Engineering	2,916	5,000	3,854	1,146	5,000	5,000
ProfServ-Legal Services	9,485	5,000	1,754	3,246	5,000	5,000
ProfServ-Mgmt Consulting	40,214	52,598	26,299	26,299	52,598	54,176
ProfServ-Special Assessment	5,000	-	-	-	-	-
ProfServ-Trustee Fees	5,542	3,658	-	3,658	3,658	3,658
Accounting Services	11,500	-	-	-	-	-
Auditing Services	3,750	4,000	-	3,600	3,600	3,600
Website Hosting/Email services	2,363	1,538	769	769	1,538	1,538
Miscellaneous Mailings	1,560	1,000	835	165	1,000	1,000
Insurance - General Liability	-	2,537	2,472	-	2,472	3,391
Public Officials Insurance	2,421	-	-	-	-	-
Legal Advertising	3,953	1,000	254	746	1,000	1,000
Misc-Assessment Collection Cost	2,136	12,436	11,406	280	11,686	12,436
Bank Fees	313	300	155	155	310	300
Annual District Filing Fee	-	175	175	-	175	175
Total Administrative	105,028	103,242	53,573	48,464	102,037	105,274
<i>Electric Utility Services</i>						
Electricity - Streetlights	113,320	114,000	64,963	64,963	129,926	125,400
Utility - Irrigation	3,504	4,000	1,939	1,939	3,878	4,000
Utility - Fountains	6,256	5,000	2,769	2,769	5,538	5,500
Utility - Roundabout Lights	356	500	261	261	522	500
Street Light Bond	600	600	600	-	600	600
Total Electric Utility Services	124,036	124,100	70,532	69,932	140,464	136,000
<i>Stormwater Control</i>						
Contracts-Aquatic Control	-	30,120	15,060	15,060	30,120	45,492
Contracts - Fountain	-	-	-	-	-	2,076
R&M-Stormwater System	-	1,000	-	1,000	1,000	1,000
R&M Lake & Pond Bank	-	2,500	-	2,500	2,500	2,500
Invasive Plant Removal	14,700	20,000	7,350	7,350	14,700	-
Fountain Maintenance	7,421	10,000	7,323	2,677	10,000	2,500
Aquatic Maintenance	30,120	-	-	-	-	-
Total Stormwater Control	52,241	63,620	29,733	28,587	58,320	53,568

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2023 Proposed Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2021	ADOPTED BUDGET FY 2022	ACTUAL THRU MAR-2022	PROJECTED APR - SEP-2022	TOTAL PROJECTED FY 2022	ANNUAL BUDGET FY 2023
Other Physical Environment						
Contracts-Landscape	-	145,000	72,095	72,905	145,000	140,000
Insurance - Property	2,691	2,819	2,754	-	2,754	2,356
Insurance - General Liability	1,870	2,171	2,706	-	2,706	3,050
R&M-Irrigation	22,522	20,000	4,592	15,408	20,000	5,000
Landscape - Annuals	9,018	18,500	6,901	6,901	13,802	27,605
Landscape - Mulch	13,350	11,400	12,540	-	12,540	13,000
Landscape Maintenance	142,907	-	-	-	-	-
Landscape Replacement	23,121	20,000	-	20,000	20,000	20,000
Rust Prevention	7,140	7,140	3,570	3,570	7,140	7,140
Entry & Walls Maintenance	1,000	2,500	7,792	1,000	8,792	2,500
Ornamental Lighting & Maint.	-	1,500	-	1,500	1,500	1,000
Holiday Lighting & Decorations	24,600	24,600	40,000	-	40,000	24,600
Total Other Physical Environment	252,119	255,630	152,950	121,284	274,234	246,251
Security Operations						
Security System Monitoring & Maint.	7,915	5,800	6,114	2,891	9,005	3,540
Internet Services	1,201	1,300	815	630	1,445	1,300
Total Security Operations	9,116	7,100	6,929	3,521	10,450	4,840
Contingency						
Miscellaneous Expenses	1,667	1,418	3,945	1,500	5,445	17,177
Total Contingency	1,667	1,418	3,945	1,500	5,445	17,177
Road and Street Facilities						
Sidewalk Pressure Washing	4,800	4,800	-	4,800	4,800	4,800
Total Road and Street Facilities	4,800	4,800	-	4,800	4,800	4,800
Reserves						
Reserve	-	37,000	-	-	-	29,000
Total Reserves	-	37,000	-	-	-	29,000
TOTAL EXPENDITURES & RESERVES	549,007	596,910	317,662	278,088	595,750	596,910
Excess (deficiency) of revenues						
Over (under) expenditures	540	-	252,655	(250,054)	2,601	(0.00)
OTHER FINANCING SOURCES (USES)						
Interfund Transfer - In	129,059	-	-	-	-	-
TOTAL OTHER SOURCES (USES)	129,059	-	-	-	-	(0.00)
Net change in fund balance	129,599	-	252,655	(250,054)	2,601	(0.00)
FUND BALANCE, BEGINNING	75,109	204,706	204,706	-	204,706	207,307
FUND BALANCE, ENDING	\$ 204,706	\$ 204,706	\$ 457,361	\$ (250,054)	\$ 207,307	\$ 207,307

Exhibit "A"
Allocation of Fund Balances

AVAILABLE FUNDS

	<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2023	\$ 207,307
Net Change in Fund Balance - Fiscal Year 2023	-
Reserves - Fiscal Year Budget Fiscal Year 2023	29,000
Total Funds Available (Estimated) - 9/30/23	236,307

ALLOCATION OF AVAILABLE FUNDS

<i>Nonspendable Fund Balance</i>		
Deposits		2,735
<i>Assigned Fund Balance</i>		
Operating Reserve - Operating Capital		149,227
Reserve (Prior Years)	37,000	
FY23 Reserves	29,000	66,000
Total Allocation of Available Funds		217,962

Total Unassigned (undesignated) Cash	\$ 18,344
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Notes

(1) Represents approximately 3 months of operating expenditures

EASTON PARK

Community Development District

*General Fund***Budget Narrative**
Fiscal Year 2023**REVENUES****Special Assessments-Tax Collector**

The District will levy a Non-Ad Valorem assessment on all sold and platted parcels (using the uniform method) within the District in order to pay for the operating expenditures during the Fiscal Year.

Special Assessments-Discounts

Per Section 197.162 and Section 197.3632 of the Florida Statutes, discounts are allowed for early payments of assessments collected by the Tax Collector and only when the Tax Collector is using the uniform methodology. The budgeted amount for the fiscal year is calculated at 4% of the anticipated Non-Ad Valorem assessments.

EXPENDITURES**Administrative.****P/R-Board of Supervisors**

Chapter 190 of the Florida Statutes allows for members of the Board of Supervisors to be compensated \$200 per meeting at which they are in attendance.

Professional Services-Arbitrage Rebate

The District contracted with an independent professional firm to annually calculate the District's Arbitrage Rebate Liability on its bonds.

Professional Services-Dissemination Agent

The District is required by the Securities and Exchange Commission to comply with rule 15c2-12(b)-(5), which relates to additional reporting requirements for unrelated bond issues. The budgeted amount for the fiscal year is based on standard fees charged for this service.

Professional Services-Engineering

The District's engineer provides general engineering services to the District, i.e. attendance and preparation for board meetings when requested, review of invoices, and other specifically requested assignments.

Professional Services-Legal Services

The District's attorney provides general legal services to the District, i.e., attendance and preparation for Board meetings, review of contracts, agreements, resolutions and other research as directed or requested by the BOS District Manager.

Professional Services-Management Consulting Services

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Inframark Infrastructure Management Services. Inframark manages all of the District's financial activities such as accounts payable, financial statements, auditing and budgeting in accordance with the management contract in effect.

Professional Services-Trustee Fees

The District pays US Bank an annual fee for trustee services on the Series 2017 Special Assessment Bond. The budgeted amount for the fiscal year is based on standard fees charged plus any out-of-pocket expenses.

EASTON PARK

Community Development District

*General Fund***Budget Narrative**
Fiscal Year 2023**EXPENDITURES****Administrative (cont'd)****Auditing Services**

The District is required to conduct an annual audit of its financial records by an Independent Certified Public Accounting Firm. The budgeted amount for the fiscal year is based on historical cost.

Website Compliance

Inframark Infrastructure Management Services oversees the District's email accounts and provides assistance to Campus Suite regarding the website as necessary.

Miscellaneous Mailings

Expense incurred for the mailing of the meeting agenda books for the District.

Insurance-General Liability

The District's General Liability & Public Officials Liability Insurance policy is with Public Risk Insurance Agency, Inc. They specialize in providing governmental insurance coverage. The budgeted amount projects a 10% increase in the premium.

Legal Advertising

The District is required to advertise various notices for Board meetings and other public hearings in a newspaper of general circulation. .

Miscellaneous-Assessment Collection Costs

The District reimburses the Tax Collector for necessary administrative costs. Per the Florida Statutes, administrative costs shall include, but not be limited to, those costs associated with personnel, forms, supplies, data processing, computer equipment, postage, and programming. The District also compensates the Tax Collector for the actual cost of collection or 2% on the amount of special assessments collected and remitted, whichever is greater. The assessment collection cost is based on a maximum of 2% of the anticipated assessment collections.

Bank Fees

Hancock bank checking account services.

Annual District Filing Fee

The District is required to pay an annual fee of \$175 to the Department of Economic Opportunity Division of Community Development.

Field**Electric Utility Services****Electricity – Streetlighting**

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

Utility- Irrigation

The District will incur electric utility expenditures for irrigation timers.

EASTON PARK

Community Development District

*General Fund***Budget Narrative**
Fiscal Year 2023**EXPENDITURES****Field (cont'd)****Utility - Fountains**

The District will incur electric utility expenditures for the fountains.

Utility – Roundabout Lights

The District will incur electric utility expenditures for the lights located on the roundabout.

Streetlight Bond

The District shall incur a yearly expense with regards to the streetlight Bond.

Stormwater Control**Contracts-Aquatic**

Expenses related to the care and maintenance of the lakes and ponds for the control of nuisance plant and algae species, as well as invasive plant removal.

Contracts - Fountain

Expenses related to the monthly expenses of the contract agreement.

R&M – Stormwater System

The District may incur expenses for the repair and maintenance of the stormwater system.

R&M Lake and Pond Bank

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

Fountain Maintenance

Expenses may incur for the repair of the fountain.

Other Physical Environment**Contracts-Landscape**

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

Insurance-Property

The District will incur fees to insure items owned by the district for its property needs.

Insurance – General Liability

The District's General Liability & Public Officials Liability Insurance policy is with Public Risk Insurance Agency, Inc. They specialize in providing governmental insurance coverage. The budgeted amount projects a 10% increase in the premium.

EASTON PARK

Community Development District

*General Fund***Budget Narrative**
Fiscal Year 2023**EXPENDITURES****Other Physical Environment (cont'd)****R&M- Irrigation**

This is for any repair and maintenance expenses pertaining to the District's irrigation that are not covered in the contract.

Landscape - Annuals

The District will incur expenses for annual plants 4 times per year.

Landscape - Mulch

The District will incur expenses for annual mulching.

Landscape Replacement

The District will incur expenses for the landscape replacement of annuals, perennials and shrubberies.

Rust Prevention

The District will incur expenses for the prevention of rust.

Entry & Walls Maintenance

The District will incur expenditures to maintain the entry monuments and the fencing.

Ornamental Lighting and Maint.

The District will incur expenses for the ornamental lighting

Holiday Lighting & Decorations

The District will incur expenses for holiday lighting and decoration.

Security Operations**Security System Monitoring & Maint.**

The District may incur expenses for the repair and maintenance of the security monitoring cameras.

Internet Services

The District may incur expenses for the internet service in the guardhouse.

Contingency**Miscellaneous Expenses**

Repairs and maintenance expenses not included in contracts and agreements.

Road and Street Facilities**Pressure Washing**

Expenses related to pressure washing of sidewalks located in the right of way of streets the District may own.

Easton Park
Community Development District

Debt Service Budgets
Fiscal Year 2023

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2023 Proposed Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2021	ADOPTED BUDGET FY 2022	ACTUAL THRU MAR-2022	PROJECTED APR - SEP-2022	TOTAL PROJECTED FY 2022	ANNUAL BUDGET FY 2023
REVENUES						
Interest - Investments	\$ 101	-	\$ 28	-	\$ 28	\$ -
Interest - Tax Collector	14	-	-	-	-	-
Special Assmnts- Tax Collector	438,990	438,990	419,197	19,793	438,990	438,990
Special Assmnts- Discounts	(16,602)	(17,560)	(16,542)	-	(16,542)	(17,560)
TOTAL REVENUES	422,503	421,430	402,683	19,793	422,476	421,430
EXPENDITURES						
<i>Administrative</i>						
Misc-Assessment Collection Cost	1,639	8,780	8,053	202	8,255	8,780
Total Administrative	1,639	8,780	8,053	202	8,255	8,780
<i>Debt Service</i>						
Principal Debt Retirement	230,000	240,000	-	240,000	240,000	245,000
Principal Prepayments	-	-	10,000	-	10,000	-
Interest Expense	184,100	176,050	88,025	87,850	175,875	167,300
Total Debt Service	414,100	416,050	98,025	327,850	425,875	412,300
TOTAL EXPENDITURES	415,739	424,830	106,078	328,052	434,130	421,080
Excess (deficiency) of revenues Over (under) expenditures	6,764	(3,400)	296,605	(308,259)	(11,654)	350.21
OTHER FINANCING SOURCES (USES)						
Contribution to (Use of) Fund Balance	-	(3,400)	-	-	-	350.21
TOTAL OTHER SOURCES (USES)	-	(3,400)	-	-	-	350.21
Net change in fund balance	6,764	(3,400)	296,605	(308,259)	(11,654)	350.21
FUND BALANCE, BEGINNING	264,478	278,997	278,997	-	278,997	267,343
FUND BALANCE, ENDING	\$ 278,997	\$ 275,597	\$ 575,602	\$ (308,259)	\$ 267,343	\$ 267,693

Debt Amortization Schedule
Series 2017 Capital Improvement Revenue Refunding Bonds

Date	Balance	Principal	Interest Rate	Primary Redempt	Interest	Total Payment
11/01/22	4,780,000		3.50%		83,650	83,650
05/01/23	4,780,000	245,000	3.50%		83,650	328,650
11/01/23	4,535,000		3.50%		79,363	79,363
05/01/24	4,535,000	255,000	3.50%		79,363	334,363
11/01/24	4,280,000		3.50%		74,900	74,900
05/01/25	4,280,000	265,000	3.50%		74,900	339,900
11/01/25	4,015,000		3.50%		70,263	70,263
05/01/26	4,015,000	275,000	3.50%		70,263	345,263
11/01/26	3,740,000		3.50%		65,450	65,450
05/01/27	3,740,000	285,000	3.50%		65,450	350,450
11/01/27	3,455,000		3.50%		60,463	60,463
05/01/28	3,455,000	295,000	3.50%		60,463	355,463
11/01/28	3,160,000		3.50%		55,300	55,300
05/01/29	3,160,000	305,000	3.50%		55,300	360,300
11/01/29	2,855,000		3.50%		49,963	49,963
05/01/30	2,855,000	315,000	3.50%		49,963	364,963
11/01/30	2,540,000		3.50%		44,450	44,450
05/01/31	2,540,000	325,000	3.50%		44,450	369,450
11/01/31	2,215,000		3.50%		38,763	38,763
05/01/32	2,215,000	340,000	3.50%		38,763	378,763
11/01/32	1,875,000		3.50%		32,813	32,813
05/01/33	1,875,000	350,000	3.50%		32,813	382,813
11/01/33	1,525,000		3.50%		26,688	26,688
05/01/34	1,525,000	360,000	3.50%		26,688	386,688
11/01/34	1,165,000		3.50%		20,388	20,388
05/01/35	1,165,000	375,000	3.50%		20,388	395,388
11/01/35	790,000		3.50%		13,825	13,825
05/01/36	790,000	390,000	3.50%		13,825	403,825
11/01/36	400,000		3.50%		7,000	7,000
05/01/37	400,000	400,000	3.50%		7,000	407,000
		4,780,000			1,446,550	6,226,550

Easton Park

Community Development District

Debt Service Fund

Budget Narrative

Fiscal Year 2023

REVENUES

Special Assessments-Tax Collector

The District will levy a Non-Ad Valorem assessment on all sold and platted parcels (using the uniform method) within the District in order to pay for the operating expenditures during the Fiscal Year.

Special Assessments-Discounts

Per Section 197.162 and Section 197.3632 of the Florida Statutes, discounts are allowed for early payments of assessments collected by the Tax Collector and only when the Tax Collector is using the uniform methodology. The budgeted amount for the fiscal year is calculated at 4% of the anticipated Non-Ad Valorem assessments.

EXPENDITURES

Administrative**Miscellaneous-Assessment Collection Costs**

The District reimburses the Collier County Tax Collector for necessary administrative costs. Per the Florida Statutes, administrative costs shall include, but not be limited to, those costs associated with personnel, forms, supplies, data processing, computer equipment, postage, and programming. The District also compensates the Tax Collector for the actual cost of collection or 2% on the amount of special assessments collected and remitted, whichever is greater. The assessment collection cost is based on a maximum of 2% of the anticipated assessment collections.

Debt Service**Principal Debt Retirement**

The District pays regular principal payments annually in order to pay down/retire the debt.

Interest Expense

The District makes semi-annual interest payments on the outstanding debt.

Easton Park
Community Development District

Supporting Budget Schedules
Fiscal Year 2023

**Comparison of Assessment Rates
Fiscal Year 2023 vs. Fiscal Year 2022**

Product	General Fund 001			Debt Service			Total Assessments per Unit			Total	Units
	FY 2023	FY 2022	% Change	FY 2023	FY 2022	% Change	FY 2023	FY 2022	% Change	Units	Prepaid
Single Family 50'	\$973.05	\$973.05	0.0%	\$689.56	\$689.56	0.0%	\$1,662.61	\$1,662.61	0.0%	360	-
Single Family 60'	\$1,094.68	\$1,094.68	0.0%	\$775.75	\$775.75	0.0%	\$1,870.43	\$1,870.43	0.0%	168	1
Single Family 75'	\$1,216.32	\$1,216.32	0.0%	\$861.94	\$861.94	0.0%	\$2,078.26	\$2,078.26	0.0%	72	1
										600	2



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5470 E Busch Blvd., Unit 171
Tampa, FL 33617

Easton Park Community Development District

FULL RESERVE STUDY REPORT



For 30-Year Projection Period Beginning January 1, 2021

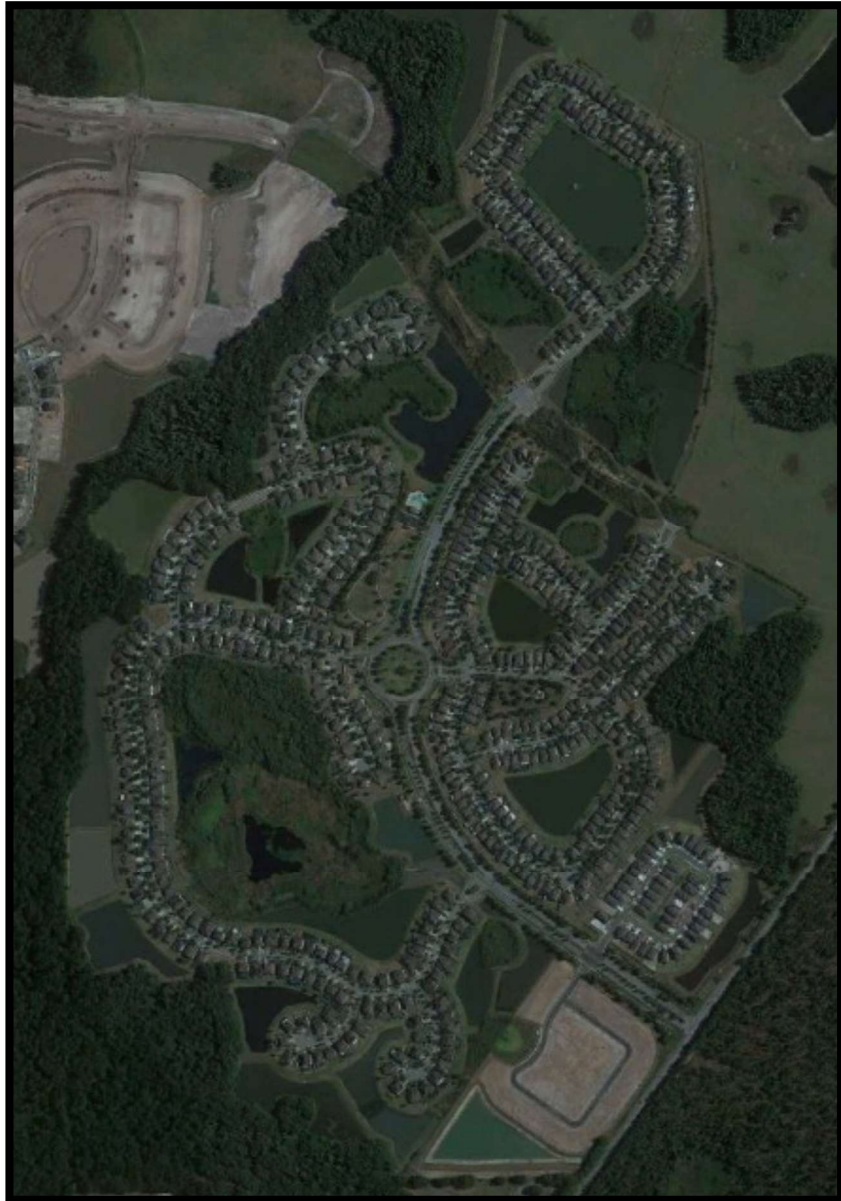
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PROPERTY OVERVIEW



TAMPA, FL
LATITUDE: 28° 9'33.68"N
LONGITUDE: 82°16'49.75"W

EXECUTIVE SUMMARY

A site visit was conducted on December 17, 2021. There were seven common area components identified that require reserve funding during the noninvasive, visual inspection of the community. Supplemental information to the physical inspection typically includes the following sources:

1. District board members, management and staff
2. Client's vendors
3. Maintenance records of the reserve components where available
4. Project plans where available

Easton Park Community Development District (Easton Park CDD) is a local unit of special purpose government located within Hillsborough County, Florida and is responsible for the common elements shared by 600 property owners. Easton Park CDD was established in 2006. The development contains property site components.

A Reserve Study comprises two parts:

Physical Analysis

- Component Inventory
- Condition Assessment
- Estimated Useful Life
- Remaining Useful Life
- Replacement Cost

Financial Analysis

- Fund Status
- Funding Plan

The intention of the Reserve Study is to forecast the District's ability to repair or replace major components as they wear out in future years. This Reserve Study complies with or exceeds all applicable statutes and national standards. Reserve Studies are a guide and should be used for budgetary purposes. Actual expenses and times of replacements can and/or will vary.

FINANCIAL ANALYSIS

This Reserve Study provides the 30-year cash flow analysis or pooling method to project and illustrate the reserve funding plan. The unaudited cash status of the reserve fund, as of October 1, 2021, as reported by Management is zero dollars. Easton Park CDD budgeted \$37,000 for Reserves in the fiscal year FY¹ 2022.

The **cash flow method** of developing a reserve funding plan is where the reserve contributions are designed to offset the variable annual reserve expenses. Different reserve funding plans are tested against the anticipated schedule of reserve expenses until the desired adequate or sufficient funding goal is achieved.

The cash flow recommended 2022 reserve contribution is \$21,000. The District can then budget annual inflationary increases thereafter. The following table depicts the next 30 years of cash flow recommended contributions from Appendix C:

Recommended		Recommended	
Year	Contribution	Year	Contribution
2023	\$21,000	2038	\$39,500
2024	\$21,900	2039	\$41,200
2025	\$22,800	2040	\$43,000
2026	\$23,800	2041	\$44,800
2027	\$24,800	2042	\$46,700
2028	\$25,900	2043	\$48,700
2029	\$27,000	2044	\$50,800
2030	\$28,200	2045	\$53,000
2031	\$29,400	2046	\$55,300
2032	\$30,700	2047	\$57,700
2033	\$32,000	2048	\$60,200
2034	\$33,400	2049	\$62,800
2035	\$34,800	2050	\$65,500
2036	\$36,300	2051	\$68,300
2037	\$37,900	2052	\$71,200

¹ FY 2022 starts October 1, 2021 and ends September 30, 2022.

CustomReserves

The funding goal of the cash flow analysis is to keep the reserve balance above a sufficient, not excessive threshold when reserves are needed the most due to one or more years of significant expenses. This threshold or risk year falls in 2026 due to the storm water system. The age and long-lived components of the property are considered in the accumulated year 2052 ending reserves.

External market factors incorporated in this Reserve Study are an inflation rate of 4.3% and interest rate of 0.3%. The Consumer Price Index published by the Bureau of Labor Statistics is currently 7.5%. However, using this rate may not be realistic over the next 30 years or more importantly projecting to the risk year. Most community bylaws provide that funds shall be held in a bank, with FDIC or similar insurance to cover all funds.

The actual timing of the events depicted may not occur exactly as projected. However, items that are within a high degree of accuracy are measurements, pricing and interest on reserves. Internal changes such as deferred or accelerated projects, interest and inflation rates are likely. Updates to the Reserve Study incorporate these changes. To ensure equity in the adopted funding plan, ongoing annual Board reviews and an update of this Reserve Study with an on-site visit is recommended anywhere from two- to three-years depending on the complexity of the community and changes in external market factors. It is recommended by the American Institute of Certified Public Accountants (AICPA) that your Reserve Study be updated annually. Component methods should be updated annually.

PROPERTY COMPONENT INVENTORY

The analysis began by separating the property components into specific areas of responsibility for replacement and repair. These classes of property are as follows:

1. Reserve Components are defined by the following:
 - District responsibility
 - Limited useful life expectancies
 - Predictable remaining useful life expectancies
 - Replacement cost above a minimum threshold
2. Long-Lived Components are defined as those items without predictable remaining useful life expectancies:
 - Foundations
 - Structural Frames
3. Operating Budget Components or money provided for repairs and replacements relating but not limited to:
 - General maintenance to the common elements
 - Expenses less than \$5,000
 - Infrequent Replacements
 - Landscape
 - Paint Finishes
 - Pavers, Gazebo
 - Roof, Gazebo
 - Walls, Masonry Repairs
 - Other Repairs normally funded through the Operating Budget

A contingency is intended to provide a hedge for unforeseen events. There is no set rule for the amount of contingency to be set aside other than the use of common sense based on experience.

4. Home Owner Components:

- Homes and Lots

CustomReserves

5. Other Property Components:

- Amenity Center (Homeowners Association)

The following 11X17 spreadsheets depict the reserve components, quantities, useful lives projected costs and estimated times of replacements for the next 30 years in Appendix A with a narrative condition assessment to follow.

RESERVE EXPENSES

Appendix A

Page 1 of 2

Projected Inflation Rate 4.3%

Easton Park Community Development District

Line Item	Reserve Component	Total Cycle Quantity	Per Phase Quantity	Unit of Measurement	1st Year of Replacement	Useful Life Years	Remaining Life Years	2022 Unit Cost	Current Cost of Replacement per Cycle	Total 30 Year Future Costs of Replacement	Fiscal Year 2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
1	Fences, Vinyl	275	275	Linear Feet	2042	20 to 25	20	\$30.50	\$8,388	\$19,468	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Irrigation System, Phased	1	1	Allowance	2027	to 20	5	\$6,000.00	\$6,000	\$80,162	\$0	\$0	\$0	\$0	\$0	\$7,406	\$0	\$0	\$0	\$0
3	Lighting	1	1	Allowance	2042	to 20	20	\$7,500.00	\$7,500	\$17,408	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	Pond Fountain	1	1	Each	2024	10 to 15	2	\$10,000.00	\$10,000	\$58,789	\$0	\$0	\$10,878	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	Security System	1	1	Allowance	2029	5 to 10	7	\$5,000.00	\$5,000	\$44,066	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,714	\$0	\$0
6	Signage	1	1	Allowance	2026	15 to 20	4	\$7,500.00	\$7,500	\$29,476	\$0	\$0	\$0	\$0	\$8,876	\$0	\$0	\$0	\$0	\$0
7	Storm Water System, Partial	1	1	Allowance	2026	to 20	4	\$78,000.00	\$78,000	\$306,555	\$0	\$0	\$0	\$0	\$92,306	\$0	\$0	\$0	\$0	\$0
	Reserve Study Update	1	1	Allowance	2024	2 to 3	2	\$2,100.00	\$2,100	\$2,100			\$2,100							
Total Expenses											\$0	\$0	\$12,978	\$0	\$101,182	\$7,406	\$0	\$6,714	\$0	\$0



RESERVE EXPENSES

Appendix A

Page 2 of 2

Easton Park Community Development District

Line Item	Reserve Component	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
1	Fences, Vinyl	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$19,468	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Irrigation System, Phased	\$9,141	\$0	\$0	\$0	\$0	\$11,283	\$0	\$0	\$0	\$0	\$13,926	\$0	\$0	\$0	\$0	\$17,189	\$0	\$0	\$0	\$0	\$21,217
3	Lighting	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,408	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	Pond Fountain	\$0	\$0	\$0	\$0	\$18,029	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$29,881	\$0	\$0	\$0	\$0
5	Security System	\$0	\$0	\$0	\$0	\$9,015	\$0	\$0	\$0	\$0	\$0	\$0	\$12,104	\$0	\$0	\$0	\$0	\$0	\$0	\$16,253	\$0	\$0
6	Signage	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,601	\$0	\$0	\$0	\$0	\$0	\$0
7	Storm Water System, Partial	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$214,249	\$0	\$0	\$0	\$0	\$0	\$0
	Reserve Study Update																					
Total Expenses		\$9,141	\$0	\$0	\$0	\$27,044	\$11,283	\$0	\$0	\$0	\$0	\$50,802	\$12,104	\$0	\$0	\$234,849	\$17,189	\$29,881	\$0	\$16,253	\$0	\$21,217

CONDITION ASSESSMENT

The condition assessment of this Full Reserve Study includes narratives that describe the reserve components, documents specific problems and conditions based on representative samples.

Property Site Components

1. **Fences, Vinyl** – There are approximately 275 linear feet of vinyl fence located at the entrance to the community. This fence is in good condition at an age of less than one year. As vinyl ages it becomes brittle and susceptible to damage. The useful life of vinyl fences is from 20- to 25-years. Easton Park CDD should budget for replacement by 2042. The costs noted in the expense spreadsheet Appendix A include removal.
2. **Irrigation System** – The District maintains an irrigation system. Irrigation system components typically include pumps, clocks valves and piping. The system is mostly original and in fair to good overall reported condition. The system has a long useful life with the benefit of ongoing maintenance. This ongoing maintenance includes partial replacements as needed. The District should fund these minor partial replacements through the operating budget. Management reports that one of the four 5-Horespower (HP) wells was recently replaced. Easton Park CDD should budget for phased replacements of the irrigation wells every five years beginning by 2027.
3. **Lighting** – The District maintains light emitting diode (LED) technology along the fences. The lighting is in good condition at an age of less than one year. Lighting of this type has a useful life of up to 20 years. Easton Park CDD should budget for replacements by 2042. Interim fixtures should be funded through the operating budget as needed.
4. **Pond Fountain** – The District maintains a pond fountain. The fountain is in fair condition at an age of 10 years. The fountain has a useful life from 10- to 15-years. Easton Park CDD should budget for replacements by 2024 and every 12 years thereafter.

CustomReserves

5. **Security System** – The District maintains a security system that comprises four cameras and a digital recording device. The security system is in good condition at an age of less than one year. Technology advances tend to govern the time of replacements. Security systems have a useful life from 5- to 10-years. Easton Park CDD should budget for replacements by 2029 and every seven years thereafter.

6. **Signage** – The District maintains monument signage located at the entrance to the community. The signage is original and in fair condition. The signage has a useful life of 15- to 20-years. Signage is a discretionary item and the times of replacement can vary. Easton Park should budget for replacement by 2026 and again by 2046.

7. **Storm Water System** – The District maintains a storm water system. The system includes a series of drains connected to pipes throughout the property designed to carry storm water directly to the pond system for processing. Easton Park utilizes a wet pond system. Wet ponds treat storm water runoff by utilizing sunlight and vegetation which breaks down, filters and cleanses pollutants.

The pond shorelines comprise approximately 40,000 linear feet. The ponds are mostly original and in good overall condition. Areas of shoreline erosion are noted. Page 3 of Appendix B depicts this condition in Figures 15 through 18. Shoreline erosion can be caused by a variety of natural factors including steep slopes, changes in water elevation and storm water runoff. Erosion can lead to partial dredging of the pond and canal particularly near the drainage inlet and outlet structures.

Storm water systems are so low maintenance that they are often overlooked. However, overlooking systems of this type leads to major problems. Over time, drains can become clogged with leaves and other debris. Maintenance of storm water systems is required in every municipality as a condition for use of the land to prevent adverse impacts on adjoining properties. Easton Park should routinely keep drains clear funded through the operating budget.

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A storm water system has a long useful life. Achieving this typically requires interim capital repairs or partial replacements. The District should anticipate occasional displacement of a catch basin and the surrounding pavement from erosion as time goes on. Erosion causes settlement of storm water structures. The structures can shift and need replacement if left unrepaired. The District should plan to repair any displaced structures and concurrent partial pipe replacements. The exact times and amount of capital repairs or replacements varies upon natural forces. Easton Park should budget for storm water maintenance every 20 years or by 2026 and again by 2046.

The following Appendix B pictures depict the reserve components and specific conditions noted in the condition assessment.

Appendix B

Figure 1 Vinyl Fence



Figure 4 Irrigation Well



Figure 2 Vinyl Fence Lighting



Figure 5 Irrigation Well



Figure 3 Irrigation Well



Figure 6 Stucco Cracks and Faded Paint



Figure 7 Monument Faded Paint Finish



Figure 10 Pond Fountain



Figure 8 Monument Fountain – Note Not Operating



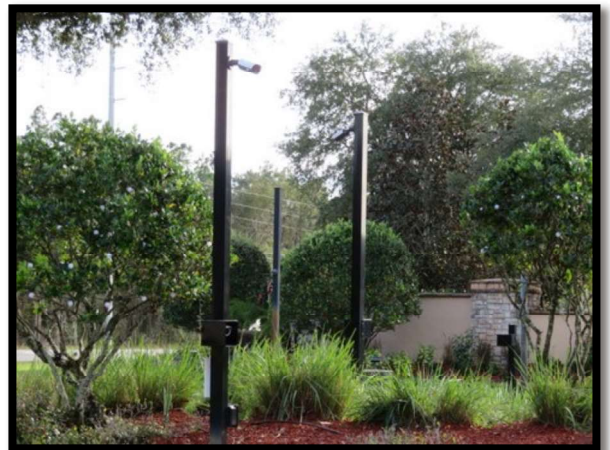
Figure 11 Gazebo Asphalt Shingle Roof



Figure 9 Gazebo Pavers



Figure 12 Security Cameras



Appendix B

Figure 13 Monument Signage



Figure 16 Pond 20 Erosion at Outlet



Figure 14 Monument Signage Crack



Figure 17 Pond 26 Erosion at Outlet



Figure 15 Pond 3 Shoreline Erosion

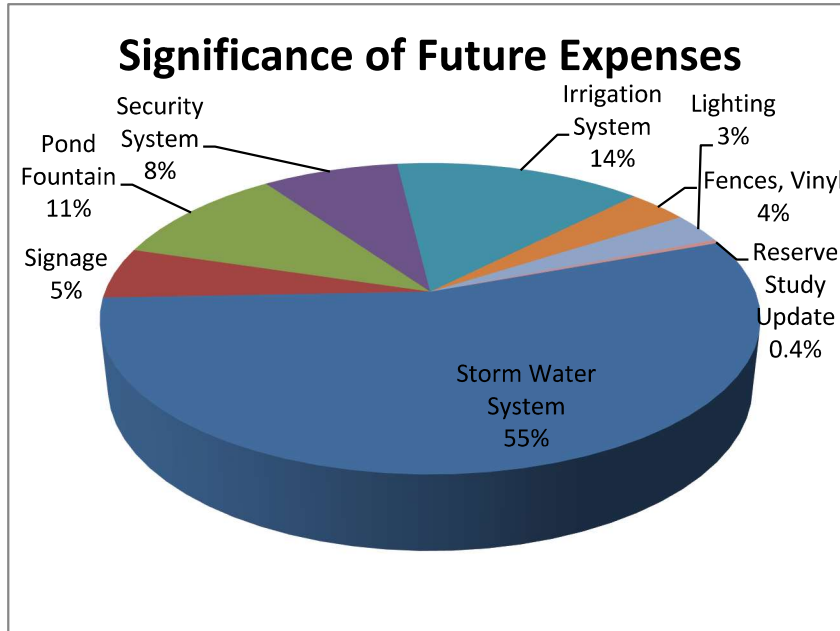


Figure 18 Pond 34 Shoreline Erosion

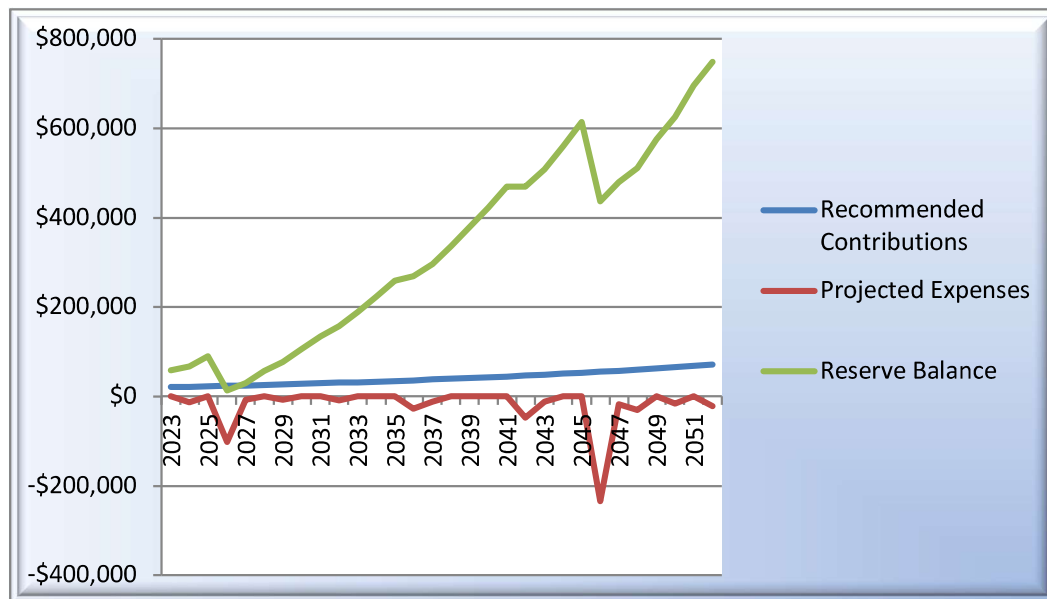


EXPENSE CHART AND COMPARISON GRAPH

The Reserve Expenses reflect current and future local costs of replacements with anticipated inflation. The following chart illustrates the relative importance of the Reserve Expenses.



The following graph depicts the next 30 years of Projected Expenses, Reserve Balances and cash flow Recommended Contributions:



Cash Flow Funding Plan or Pooling Method

Easton Park
Community Development District

	FY	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Beginning of Year Reserves		\$0	\$37,000	\$58,111	\$67,207	\$90,209	\$13,097	\$30,531	\$56,523	\$76,979	\$105,410	\$135,126	\$157,090	\$189,561	\$223,530	\$259,001	\$269,034
Recommended Reserve Contributions		37,000	21,000	21,900	22,800	23,800	24,800	25,900	27,000	28,200	29,400	30,700	32,000	33,400	34,800	36,300	37,900
Anticipated Interest Earned	0.3%	0	111	174	202	271	39	92	170	231	316	405	471	569	671	777	807
Projected Expenses		0	0	12,978	0	101,182	7,406	0	6,714	0	0	9,141	0	0	0	27,044	11,283
Projected Year End Reserves		\$37,000	\$58,111	\$67,207	\$90,209	\$13,097	\$30,531	\$56,523	\$76,979	\$105,410	\$135,126	\$157,090	\$189,561	\$223,530	\$259,001	\$269,034	\$296,458
Threshold/ Risk Year																	

	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Beginning of Year Reserves	\$296,458	\$336,847	\$379,058	\$423,195	\$469,265	\$466,571	\$504,567	\$556,881	\$611,552	\$633,837	\$675,650	\$707,396	\$751,718	\$822,680	\$892,848
Recommended Reserve Contributions	39,500	41,200	43,000	44,800	46,700	48,700	50,800	53,000	55,300	57,700	60,200	62,800	65,500	68,300	71,200
Anticipated Interest Earned	889	1,011	1,137	1,270	1,408	1,400	1,514	1,671	1,835	1,302	1,427	1,522	1,715	1,868	2,079
Projected Expenses	0	0	0	0	50,802	12,104	0	0	234,849	17,189	29,881	0	16,253	0	21,217
Projected Year End Reserves	\$336,847	\$379,058	\$423,195	\$469,265	\$466,571	\$504,567	\$556,881	\$611,552	\$633,837	\$675,650	\$707,396	\$751,718	\$822,680	\$892,848	\$974,065

Notes:

- 1) FY 2022 Begins October 1, 2021 and Ends September 30, 2022
- 2) FY 2022 Beginning Reserve Balance and Remaining Contributions are as of: 10/1/21
- 3) Interest Earned is compounded on the Beginning Year Reserve Balance, the first year is a partial amount earned
- 4) Taxes on the interest earned are considered negligible

TERMS AND DEFINITIONS

Cash Flow Method - A method of calculating Reserve contributions where contributions to the Reserve fund are designed to offset the variable annual expenditures from the Reserve fund. Different Reserve Funding Plans are tested against the anticipated schedule of Reserve expenses until the desired Funding Goal is achieved.

Component - An individual line item in the Reserve Study developed or updated in the Physical Analysis. These elements form the building blocks of the Reserve Study. Components typically are: 1) Association responsibility, 2) with limited Useful Life expectancies, 3) predictable Remaining Useful Life expectancies, 4) above a minimum threshold cost, and 5) as required by local codes.

Component Assessment and Valuation - The task of estimating Useful Life, Remaining Useful Life, and Repair or Replacement Costs for the Reserve components. This task is accomplished either with or without onsite visual observations, based on Level of Service selected by the client.

Component Inventory - The task of selecting and quantifying Reserve Components. This task is accomplished through onsite visual observations, review of association design and organizational documents, and a review of established association precedents.

Component Method - A method of calculating Reserve contributions where the total reserve contribution is based on the sum of contributions for individual components.

Effective Age - The difference between Useful Life and Remaining Useful Life. Not always equivalent to chronological age, since some components age irregularly. Used primarily in computation.

Financial Analysis - The portion of a Reserve Study where current status of the Reserves (measured as cash or Percent Funded) and a recommended Reserve contribution rate (Reserve Funding Plan) are derived. The Financial Analysis is one of the two parts of a Reserve Study.

Fully Funded - 100% Funded. When the actual (or projected) Reserve balance is equal to the Fully Funded Balance.

Fully Funded Balance (FFB) - Total Accrued Depreciation. An indicator against which Actual (or projected) Reserve balance can be compared. In essence, it is the Reserve balance that is proportional to the current Repair/replacement cost and the fraction of life “used up”. This number is calculated for each component, then summed together for an association total. Two formulae can be utilized, depending on the provider’s sensitivity to interest and inflation effects. Note: both yield identical results when interest and inflation are equivalent.

Funding Goals - Independent of methodology utilized, the following represent the basic categories of Funding Plan goals.

CustomReserves

Baseline Funding - Establishing a Reserve funding goal of keeping the Reserve cash balance above zero.

Fully Funding - Setting a Reserve funding goal of attaining and maintaining Reserves at or near 100% funded.

Statutory Funding - Establishing a Reserve funding goal of setting aside the specific minimum amount of Reserves required by local statutes.

Threshold Funding - Establishing a Reserve funding goal of keeping the Reserve balance above a specified dollar or Percent Funded amount. Depending on the threshold this may be more or less conservative than “Fully Funded”.

Funding Plan - An Association’s plan to provide income to a Reserve fund to offset anticipated expenditures from that fund.

Minimum Balance - A minimum Reserve balance established by the client.

Physical Analysis - The portion of the Reserve Study where the Component inventory, Condition Assessment and Life Adjustment and Valuation tasks are performed. This represents one of the two parts of the Reserve Study.

Remaining Useful Life (RUL) - Also referred to as “Remaining Life (RL). The estimated time, in years, that a reserve component can be expected to continue to serve its intended function. Replacements anticipated to occur in the initial or base year have “zero” Remaining Useful Life.

Reserve Assessments - The portion of assessments contributed to the Reserve Fund.

Reserve Balance - Actual or projected funds as of a particular point in time that the association has identified for use to defray the future repair or replacement of those major components which the association is obligated to maintain. Also known as Reserves, Reserve Accounts, Cash Reserves.

Special Assessment - An assessment levied on the members of an association in addition to regular assessments. Special Assessments are often regulated by Governing Documents or local statutes.

Straight Line - A formula used to calculate the annual reserve fund contribution for a specific component. Projected replacement cost divided by the useful life equals the annual payment.

Useful Life (UL) - Total Useful Life or Depreciable Life. The estimated time, in years, that a reserve component can be expected to serve its intended function in its present application or installation.

DISCLOSURES AND LIMITATIONS

No destructive testing was performed. Latent defects in design or construction are excluded from this report. There are no material issues to our knowledge that have not been disclosed to the client that would affect the integrity of this Reserve Study report. Custom Reserves has no interests with the client other than this Reserve Study.

Component quantities and estimates of costs indicated in this Report were developed by Custom Reserves unless otherwise noted in our “Condition Assessment” comments. The sources for the costs outlined in the study include experience, historical information and R.S. Means, Incorporated. This report should be used for budget and planning purposes only.

CREDENTIALS

PAUL GRIFONI – Licensed Home Inspector

EDUCATION - University of Massachusetts - Bachelor of Science in Engineering

PROFESSIONAL AFFILIATIONS / DESIGNATIONS

Reserve Specialist (RS) - Community Associations Institute



Professional Reserves Analyst (PRA) - Association of Professional Reserve Analysts

