

FALLSCHASE

COMMUNITY DEVELOPMENT DISTRICT

August 30, 2021

BOARD OF SUPERVISORS

PUBLIC HEARING AND

REGULAR MEETING

AGENDA

Fallschase Community Development District
OFFICE OF THE DISTRICT MANAGER
2300 Glades Road, Suite 410W•Boca Raton, Florida 33431
Phone: (561) 571-0010•Fax: (561) 571-0013•Toll-free: (877) 276-0889

August 23, 2021

Board of Supervisors
Fallschase Community Development District

<p><u>ATTENDEES:</u> Please identify yourself each time you speak to facilitate accurate transcription of meeting minutes.</p>

Dear Board Members:

The Board of Supervisors of the Fallschase Community Development District will hold a Public Hearing and Regular Meeting on August 30, 2021 at 11:00 a.m., at 2810 Remington Green Circle, Tallahassee, Florida 32308. The agenda is as follows:

1. Call to Order/Roll Call
2. Public Comments
3. Presentation of Audited Financial Statements for Fiscal Year Ended September 30, 2020, Prepared by Lanigan & Associates, P.C.
4. Consideration of Resolution 2021-05, Hereby Accepting the Audited Financial Statements for the Fiscal Year Ended September 30, 2020
5. Public Hearing on Adoption of Fiscal Year 2021/2022 Budget
 - A. Proof/Affidavit of Publication
 - B. Consideration of Resolution 2021-06, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2021, and Ending September 30, 2022; Authorizing Budget Amendments; and Providing an Effective Date
6. Consideration of Landowners' Funding Agreement
7. Presentation/Consideration of Amended and Restated Engineer's Report on District Improvements and Estimated Probable Construction Cost
8. Presentation/Consideration of Amended and Restated Master Special Assessment Methodology Report
9. Update: Bond Financing
 - Consider Engagement of GT Law as Bond Counsel

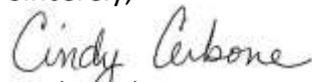
- 10. Acceptance of Unaudited Financial Statements as of July 31, 2021
- 11. Approval of June 7, 2021 Regular Meeting Minutes
- 12. Staff Reports
 - A. Attorney: *van Assenderp Law*
 - B. Engineer: *Moore Bass Consulting, Inc.*
 - C. Manager: *Wrathell, Hunt and Associates, LLC*
 - NEXT MEETING DATE: October 4, 2021
 - Consider Change of Meeting Time to 10:00 A.M.
 - QUORUM CHECK

William Lamb	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
Jeff Phipps	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
Lewis Singletary	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
Rick Singletary	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
Richard Yates	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO

- 13. Audience Comments/Supervisors' Requests
- 14. Adjournment

Should you have any questions and/or concerns, please feel free to contact me directly at (561) 346-5294.

Sincerely,


 Cindy Cerbone
 District Manager

TO ATTEND BY TELEPHONE
CALL-IN NUMBER: 1-888-354-0094
PARTICIPANT PASSCODE: 801 901 3513

FALLSCHASE

COMMUNITY DEVELOPMENT DISTRICT

3

**FALLSCHASE COMMUNITY
DEVELOPMENT DISTRICT**

LEON COUNTY, FLORIDA



**FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

**FALLCHASE COMMUNITY DEVELOPMENT DISTRICT
LEON COUNTY, FLORIDA**

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR’S REPORT	1
MANAGEMENT’S DISCUSSION AND ANALYSIS	3
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Position	7
Statement of Activities	8
Fund Financial Statements	
Balance Sheet – Governmental Funds	9
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	10
Notes to Financial Statements	11
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund	17
Notes to Required Supplementary Information	18
OTHER REQUIRED REPORTS	
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 <i>Government Auditing Standards</i>	19
Independent Auditor’s Report on Compliance with the Requirements of Section 218.415, Florida Statutes, Required by Rule 10.556(10) of the Auditor General of the State of Florida	21
Management Letter Pursuant to the Rules of the Auditor General for the State of Florida	22

INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Fallschase Community Development District
Leon County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of the Fallschase Community Development District (the "District") as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the District as of September 30, 2020, and the respective changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 10, 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, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

We have also issued our report dated May 10, 2021, on our consideration of the District's compliance with the requirements of Section 218.415, Florida Statutes, as required by Rule 10.556(10) of the Auditor General of the State of Florida. The purpose of that report is to provide an opinion based on our examination conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants.

Lanigan & Associates, PC

Tallahassee, Florida

May 10, 2021

**FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2020**

Our discussion and analysis of Fallschase Community Development District (the "District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2020. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes, and supplementary information to the basic financial statements.

Financial Highlights

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year resulting in a net position balance of \$8,664.
- The District's total net position increased by \$7,918. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis.
- At September 30, 2020, the District's governmental funds reported combined ending fund balance of \$8,664, an increase of \$7,918 in comparison with the prior fiscal year.

Overview of the Financial Statements

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

Government-Wide Financial Statements

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

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

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

The government-wide financial statements include all governmental activities that are principally supported by Developer contributions. The District does not have any business-type activities. The governmental activities of the District include the general government (management) function.

Fund Financial Statements

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

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

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

The District maintains one governmental fund for external reporting. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance for the general fund which is a major fund.

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

Notes to the Financial Statements

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

Government-Wide Financial Analysis

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

Government-Wide Financial Analysis (Continued)

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

	Net Position	
	September 30,	
	<u>2020</u>	<u>2019</u>
Total assets	\$ 33,560	\$ 29,089
Total liabilities	<u>24,896</u>	<u>28,343</u>
Total net position	<u>\$ 8,664</u>	<u>\$ 746</u>

The District's net position decreased during the most recent fiscal year. The majority of the decrease represents the extent to which cost of operations exceeded ongoing program revenues.

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

	Changes in Net Position	
	September 30,	
	<u>2020</u>	<u>2019</u>
Total revenues	\$ 54,898	\$ 58,518
Total expenses	<u>46,980</u>	<u>63,290</u>
Change in net position	7,918	(4,772)
Net position - beginning	<u>746</u>	<u>5,518</u>
Net position - ending	<u>\$ 8,664</u>	<u>\$ 746</u>

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2020 was \$46,980. The District received contributions from the developer which resulted in total revenue of \$54,889 during the fiscal year ended September 30, 2020.

General Budgetary Highlights

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2020.

Economic Factors and Next Year's Budgets and Other Events

The District does not anticipate any major events for the subsequent fiscal year. In addition, it is anticipated that the general operations of the District will remain fairly constant.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, landowners, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact the Fallschase Community Development District's Finance Department at 2300 Glades Road, Suite 410W, Boca Raton, Florida, 33431.

**FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT
LEON COUNTY, FLORIDA
STATEMENT OF NET POSITION
AS OF SEPTEMBER 30, 2020**

	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 20,847
Due from developer	12,713
	<hr/>
Total assets	<u>\$ 33,560</u>
 LIABILITIES	
Accounts payable and accrued expenses	15,234
Due to developer	4,179
Deferred revenue	5,483
	<hr/>
Total liabilities	<u>\$ 24,896</u>
 NET POSITION	
Unrestricted	8,664
	<hr/>
Total net position	<u>\$ 8,664</u>

The notes to the financial statements are an integral part of this statement.

**FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT
LEON COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED
AS OF SEPTEMBER 30, 2020**

Functions/Programs	Program Revenues Expenses	Operating Contributions	Net (Expenses) Revenues and Changes in Net Assets
Primary government:			
Governmental activities:			
General government	\$ 46,980	\$ 54,889	\$ 7,909
Total governmental activities	\$ 46,980	\$ 54,889	\$ 7,909
General revenues:			
Unrestricted investment earnings			9
Change in net position			7,918
Net position - beginning of year			746
Net position - end of year			\$ 8,664

The notes to the financial statements are an integral part of this statement.

**FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT
LEON COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF SEPTEMBER 30, 2020**

	Major Fund General	Total Governmental Funds
ASSETS		
Cash	\$ 20,847	\$ 20,847
Due from developer	12,713	12,713
Total assets	\$ 33,560	\$ 33,560
LIABILITIES		
Accounts payable and accrued expenses	\$ 15,234	\$ 15,234
Due to developer	4,179	4,179
Deferred revenue	5,483	5,483
Total liabilities	24,896	24,896
FUND BALANCE		
Unassigned	8,664	8,664
Total fund balance	8,664	8,664
TOTAL LIABILITIES AND FUND BALANCE	\$ 33,560	\$ 33,560

The notes to the financial statements are an integral part of this statement.

**FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT
LEON COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	Major Fund General	Total Governmental Funds
REVENUES		
Developer contribution	\$ 54,889	\$ 54,889
Miscellaneous revenue	9	9
Total revenues	<u>54,898</u>	<u>54,898</u>
EXPENDITURES		
Current:		
General government	<u>46,980</u>	<u>46,980</u>
Total expenditures	<u>46,980</u>	<u>46,980</u>
(Deficiency) of revenues (under) expenditures	7,918	7,918
Fund balance - beginning	<u>746</u>	<u>746</u>
Fund balance - ending	<u>\$ 8,664</u>	<u>\$ 8,664</u>

The notes to the financial statements are an integral part of this statement.

**FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT
LEON COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

Fallschase Community Development District ("District") was originally created by Ordinance 75-6 on February 11, 1975 and later re-established by Ordinance 97-18 of Leon County, Florida on October 23, 1997, pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes. The Act provides among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

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

The District is governed by the Board of Supervisors ("Board"), which is composed of five members. The Supervisors are elected by the owners of the property within the District. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes.

The Board has the responsibility for:

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements

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

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

Assessments

Assessments are non-ad valorem assessments on certain land and all platted lots within the District. Assessments are levied each November 1 on property of record as of the previous January 1 to pay for the operations and maintenance and debt service of the District. The fiscal year for which annual assessments are levied begins on October 1 with discounts available for payments through February 28 and become delinquent on April 1.

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

The District reports the following major governmental fund:

General Fund

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Assets, Liabilities, and Net Position or Equity

Deposits and Investments

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

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

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

Securities shall be invested to provide sufficient liquidity to pay obligations as they come due.

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

Inventories and Prepaid Items

Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

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

Capital Assets

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

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unearned Revenue

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

Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to future reporting period(s). For example, the District would record deferred outflows of resources on the statement of net position for advance refunds resulting in the defeasance of debt (i.e. when there are differences between the reacquisition price and the net carrying amount of the old debt).

Deferred inflows of resources represent an acquisition of net position that applies to future reporting period(s). For example, when an asset is recorded in the governmental fund financial statements, but the revenue is unavailable, the District reports a deferred inflow of resources on the balance sheet until such times as the revenue becomes available.

Long-Term Obligations

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

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

Fund Equity/Net Position

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

The District has established limitations on the use of fund balance as follows:

Nonspendable fund balance – Amounts that cannot be spent because they are either not in spendable form or they are legally or contractually required to remain intact.

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Net position is the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position in the government-wide financial statements are categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets represents net position related to infrastructure and property, plant, and equipment. Restricted net position represents the assets restricted by the District's Bond covenants or other contractual restrictions.

Use of Estimates

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

NOTE 3 – BUDGETARY INFORMATION

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

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

1. Each year the District Manager submits to the Board a proposed operating budget for the fiscal year commencing the following October 1.
2. Public hearings are conducted to obtain public comments.
3. Prior to October 1, the budget is legally adopted by the Board.
4. All budget changes must be approved by the Board.
5. The budgets are adopted on a basis consistent with generally accepted accounting principles.
6. Unused appropriation for annually budgeted funds lapse at the end of the year.

NOTE 4 – DEPOSITS

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

NOTE 5 – CONCENTRATION

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

NOTE 6 – MANAGEMENT COMPANY

The District has contracted with Wrathell, Hunt & Associates, LLC to perform management advisory services, which include financial and accounting services. Certain employees of the management company also serve as officers of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, computer, and other administrative costs.

NOTE 7 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. There were no settled claims during the past 3 years.

NOTE 8 – SUBSEQUENT EVENTS

Subsequent events were evaluated through May 10, 2021, which is the date the financial statements were available to be released. As of this date, the District was not aware of any subsequent events requiring disclosure.

NOTE 9 – CORONAVIRUS

On March 22, 2020, the World Health Organization declared COVID-19 a global pandemic. The pandemic continued through 2020, and is anticipated to persist throughout 2021. The District continues to monitor and assess the effects of the COVID-19 pandemic on the District’s operations and financial position; however, the overall impact cannot be fully assessed at the time of issuance.

**FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT
LEON COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Developer contribution	\$ 105,189	\$ 105,189	\$ 54,889	\$ (50,300)
Miscellaneous revenue	-	-	9	9
Total revenues	105,189	105,189	54,898	(50,291)
EXPENDITURES				
Current:				
General government	105,189	105,189	46,980	58,209
Total expenditures	105,189	105,189	46,980	58,209
(Deficiency) of revenues (under) expenditures	\$ -	\$ -	7,918	\$ 7,918
Fund balance - beginning			746	
Fund balance - ending			\$ 8,664	

The notes to the financial statements are an integral part of this statement.

**FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

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

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. The general fund budget for the fiscal year ended September 30, 2020 allowed for revenues and expenses of \$105,189. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2020.

**REPORTS REQUIRED UNDER
GOVERNMENT AUDITING STANDARDS
AND CHAPTER 10.550, RULES OF
THE AUDITOR GENERAL**

LANIGAN & ASSOCIATES, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

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

To the Board of Supervisors
Fallschase Community Development District
Tallahassee, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Fallschase Community Development District (the “District”), as of and for the fiscal year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise District’s basic financial statements, and have issued our report thereon dated May 10, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Lanigan & Associates, PC

Tallahassee, Florida
May 10, 2021

LANIGAN & ASSOCIATES, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

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

To the Board of Supervisors
Fallschase Community Development District
Leon County, Florida

We have examined Fallschase Community Development District's (the "District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2020. Management is responsible for District's compliance with those requirements. Our responsibility is to express an opinion on 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 the 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 the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2020.

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

Lanigan & Associates, PC

Tallahassee, Florida
May 10, 2021

LANIGAN & ASSOCIATES, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

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

To the Board of Supervisors
Fallschase Community Development District
Leon County, Florida

Report on the Financial Statements

We have audited the financial statements of Fallschase Community Development District (the "District") as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated May 10, 2021.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Report on Internal Control over Financial Reporting and Compliance and Other Matters based on an audit of the 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 May 10, 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 preceding financial audit report did not contain any findings or recommendations.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The official title and legal authority of the entity are disclosed in the notes to financial statements.

Financial Condition and Management

Sections 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 the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

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

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate 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 warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

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.

Lanigan & Associates, PC

Tallahassee, Florida
May 10, 2021

FALLSCHASE

COMMUNITY DEVELOPMENT DISTRICT

4

RESOLUTION 2021-05

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT HEREBY ACCEPTING THE AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

WHEREAS, the District's Auditor, Lanigan & Associates, P.C., has heretofore prepared and submitted to the Board, for accepting, the District's Audited Financial Statements for Fiscal Year 2020;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT;

1. The Audited Financial Statements for Fiscal Year 2020, heretofore submitted to the Board, are hereby accepted for Fiscal Year 2020, for the period ending September 30, 2020; and

2. A verified copy of said Audited Financial Statements for Fiscal Year 2020 shall be attached hereto as an exhibit to this Resolution, in the District's "Official Record of Proceedings".

PASSED AND ADOPTED this 30th day of AUGUST, 2021.

FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

FALLSCHASE

COMMUNITY DEVELOPMENT DISTRICT

5A

TallahasseeMediaGroup

Classified Ad Receipt (For Info Only - NOT A BILL)

Customer: FALLCHASE COMMUNITY DEV CENTER

Ad No.: 0004844100

Address: 2300 GLADES RD STE 410W
BOCA RATON FL 33431
USA

Pymt Method Invoice

Net Amt: \$307.28

Tel: 9544262105

Run Times: 2

No. of Affidavits: 1

Run Dates: 08/10/21, 08/17/21

Text of Ad:

FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT

NOTICE OF PUBLIC HEARING TO CONSIDER THE ADOPTION OF THE FISCAL YEAR 2021/2022 BUDGET; NOTICE OF REGULAR BOARD OF SUPERVISORS' MEETING.

The Board of Supervisors ("Board") of the Fallschase Community Development District ("District") will hold a public hearing on August 30, 2021 at 11:00 a.m., at 2810 Remington Green Circle, Tallahassee, Florida 32308 for the purpose of hearing comments and objections on the adoption of the proposed budget ("**Proposed Budget**") of the District for the fiscal year beginning October 1, 2021 and ending September 30, 2022 ("**Fiscal Year 2021/2022**"). A regular board meeting of the District will also be held at that time where the Board may consider any other business that may properly come before it. A copy of the agenda and Proposed Budget may be obtained at the offices of the District Manager, Wrathell, Hunt and Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431, (561) 571-0010 ("**District Manager's Office**"), during normal business hours, or by visiting the District's website at <https://www.fallschasecdd.net/>.

The public hearing and meeting are open to the public and will be conducted in accordance with the provisions of Florida law. The public hearing and meeting may be continued to a date, time, and place to be specified on the record at the meeting. There may be occasions when Board Supervisors or District Staff may participate by speaker telephone.

Any person requiring special accommodations at this meeting because of a disability or physical impairment should contact the District Manager's Office at least forty-eight (48) hours prior to the meeting. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) / 1-800-955-8770 (Voice), for aid in contacting the District Manager's Office.

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

District Manager
PUBLICATION: 8/10, 8/17/21

0004844100-01

FALLSCHASE

COMMUNITY DEVELOPMENT DISTRICT

5 B

RESOLUTION 2021-06

THE ANNUAL APPROPRIATION RESOLUTION OF THE FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT (“DISTRICT”) RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2021, AND ENDING SEPTEMBER 30, 2022; AUTHORIZING BUDGET AMENDMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District Manager has, prior to the fifteenth (15th) day in June, 2021, submitted to the Board of Supervisors (“**Board**”) of the Fallschase Community Development District a proposed budget for the fiscal year beginning October 1, 2021 and ending September 30, 2022 (“**Fiscal Year 2021/2022**”) along with an explanatory and complete financial plan for each fund of the District, pursuant to the provisions of Section 190.008(2)(a), *Florida Statutes*; and

WHEREAS, at least sixty (60) days prior to the adoption of the Proposed Budget, the District filed a copy of the Proposed Budget with the local governing authorities having jurisdiction over the area included in the District pursuant to the provisions of Section 190.008(2)(b), *Florida Statutes*; and

WHEREAS, the Board set a public hearing thereon and caused notice of such public hearing to be given by publication pursuant to Section 190.008(2)(a), *Florida Statutes*; and

WHEREAS, the District Manager posted the Proposed Budget on the District’s website at least two days before the public hearing; and

WHEREAS, Section 190.008(2)(a), *Florida Statutes*, requires that, prior to October 1st of each year, the District Board, by passage of the Annual Appropriation Resolution, shall adopt a budget for the ensuing fiscal year and appropriate such sums of money as the Board deems necessary to defray all expenditures of the District during the ensuing fiscal year; and

WHEREAS, the District Manager has prepared a Proposed Budget, whereby the budget shall project the cash receipts and disbursements anticipated during a given time period, including reserves for contingencies for emergency or other unanticipated expenditures during the fiscal year.

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

SECTION 1. BUDGET

- a. The Board has reviewed the Proposed Budget, a copy of which is on file with the office of the District Manager and at the District’s Local Records Office, and hereby approves certain amendments thereto, as shown in Section 2 below.

- b. The Proposed Budget, attached hereto as **Exhibit "A,"** as amended by the Board, is hereby adopted in accordance with the provisions of Section 190.008(2)(a), Florida Statutes ("**Adopted Budget**"), and incorporated herein by reference; provided, however, that the comparative figures contained in the Adopted Budget may be subsequently revised as deemed necessary by the District Manager to reflect actual revenues and expenditures.
- c. The Adopted Budget, as amended, shall be maintained in the office of the District Manager and at the District's Local Records Office and identified as "The Budget for the Fallschase Community Development District for the Fiscal Year Ending September 30, 2022".
- d. The Adopted Budget shall be posted by the District Manager on the District's official website within thirty (30) days after adoption, and shall remain on the website for at least 2 years.

SECTION 2. APPROPRIATIONS

There is hereby appropriated out of the revenues of the District, for Fiscal Year 2021/2022, the sum of \$91,106 to be raised by the levy of assessments and/or otherwise, which sum is deemed by the Board to be necessary to defray all expenditures of the District during said budget year, to be divided and appropriated in the following fashion:

TOTAL GENERAL FUND	<u>\$ 91,106</u>
TOTAL ALL FUNDS	\$ 91,106

SECTION 3. BUDGET AMENDMENTS

Pursuant to Section 189.016, *Florida Statutes*, the District at any time within Fiscal Year 2021/2022 or within 60 days following the end of Fiscal Year 2021/2022 may amend its Adopted Budget for that fiscal year as follows:

- a. The Board may authorize an increase or decrease in line item appropriations within a fund by motion recorded in the minutes if the total appropriations of the fund do not increase.
- b. The District Manager or Treasurer may authorize an increase or decrease in line item appropriations within a fund if the total appropriations of the fund do not increase and if the aggregate change in the original appropriation item does not exceed \$10,000 or 10% of the original appropriation.

- c. By resolution, the Board may increase any appropriation item and/or fund to reflect receipt of any additional unbudgeted monies and make the corresponding change to appropriations or the unappropriated balance.
- d. Any other budget amendments shall be adopted by resolution and consistent with Florida law.

The District Manager or Treasurer must establish administrative procedures to ensure that any budget amendments are in compliance with this Section 3 and Section 189.016 of the Florida Statutes, among other applicable laws. Among other procedures, the District Manager or Treasurer must ensure that any amendments to budgets under subparagraphs c. and d. above are posted on the District's website within 5 days after adoption and remain on the website for at least 2 years.

SECTION 4. EFFECTIVE DATE. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED THIS 30th DAY OF AUGUST, 2021.

ATTEST:

**FALLSCHASE COMMUNITY DEVELOPMENT
DISTRICT**

Secretary/Assistant Secretary

By: _____

Its: _____

Exhibit A: Fiscal Year 2021/2022 Budget

**FALLSCHASE
COMMUNITY DEVELOPMENT DISTRICT
PROPOSED BUDGET
FISCAL YEAR 2022**

**FALLSCHASE
COMMUNITY DEVELOPMENT DISTRICT
TABLE OF CONTENTS**

<u>Description</u>	<u>Page Number(s)</u>
General Fund Budget	1
Definitions of General Fund Expenditures	2 - 3

**FALLSCHASE
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND
PROPOSED BUDGET
FISCAL YEAR 2022**

	Fiscal Year 2021			Total Actual & Projected Revenue & Expenditures	Proposed Budget FY 2022
	Amended Budget FY 2021	Actual through 3/31/2021	Projected through 9/30/2021		
REVENUES					
Developer contribution	\$ 66,699	\$ 13,716	\$ 33,396	\$ 47,112	\$ 91,106
Interest	-	6	-	6	-
Total revenues	<u>66,699</u>	<u>13,722</u>	<u>33,396</u>	<u>47,118</u>	<u>91,106</u>
EXPENDITURES					
Professional & administrative					
Supervisors	6,000	-	4,000	4,000	6,000
FICA	459	-	306	306	459
Management/accounting/recording***	24,000	12,000	12,000	24,000	48,000
Legal	9,000	-	9,000	9,000	9,000
Engineering	3,500	-	3,500	3,500	3,500
Audit	5,100	5,000	100	5,100	5,100
Arbitrage rebate calculation**	750	-	-	-	750
Dissemination agent*	1,000	-	-	-	1,000
Trustee*	6,500	-	-	-	6,500
Telephone	200	100	100	200	200
Postage	600	-	300	300	600
Printing & binding	500	250	250	500	500
Legal advertising	1,200	-	1,200	1,200	1,200
Annual special district fee	175	-	175	175	175
Insurance	6,400	6,188	-	6,188	6,807
Contingencies/bank charges	400	-	400	400	400
Website	705	705	-	705	705
ADA website compliance	210	-	210	210	210
Total expenditures	<u>66,699</u>	<u>24,243</u>	<u>31,541</u>	<u>55,784</u>	<u>91,106</u>
Net increase/(decrease) of fund balance	-	(10,521)	1,855	(8,666)	-
Fund balance - beginning (unaudited)	-	8,666	(1,855)	8,666	-
Fund balance - ending (projected)	<u>\$ -</u>	<u>\$ (1,855)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

* These items will be realized when bonds are issued

** These items will be realized the year after the issuance of bonds.

**FALLSCHASE
COMMUNITY DEVELOPMENT DISTRICT
DEFINITIONS OF GENERAL FUND EXPENDITURES**

EXPENDITURES

Professional & administrative

Supervisors	\$ 6,000
Statutorily set at \$200 for each meeting of the Board of Supervisors not to exceed \$4,800 for each fiscal year.	
FICA	459
Management/accounting/recording***	48,000
Wrathell, Hunt and Associates, LLC (WHA), specializes in managing community development districts by combining the knowledge, skills and experience of a team of professionals to ensure compliance with all of the District's governmental requirements. WHA develops financing programs, administers the issuance of tax exempt bond financings, operates and maintains the assets of the community.	
Legal	9,000
General counsel and legal representation, which includes issues relating to public finance, public bidding, rulemaking, open meetings, public records, real property dedications, conveyances and contracts.	
Engineering	3,500
The District's Engineer will provide construction and consulting services, to assist the District in crafting sustainable solutions to address the long term interests of the community while recognizing the needs of government, the environment and maintenance of the District's facilities.	
Audit	5,100
Statutorily required for the District to undertake an independent examination of its books, records and accounting procedures.	
Arbitrage rebate calculation**	750
To ensure the District's compliance with all tax regulations, annual computations are necessary to calculate the arbitrage rebate liability.	
Dissemination agent*	1,000
The District must annually disseminate financial information in order to comply with the requirements of Rule 15c2-12 under the Securities Exchange Act of 1934. Wrathell, Hunt & Associates serves as dissemination agent.	
Trustee	6,500
Annual fee for the service provided by trustee, paying agent and registrar.	
Telephone	200
Telephone and fax machine.	
Postage	600
Mailing of agenda packages, overnight deliveries, correspondence, etc.	
Printing & binding	500
Letterhead, envelopes, copies, agenda packages, etc.	
Legal advertising	1,200
The District advertises for monthly meetings, special meetings, public hearings, public bids, etc.	
Annual special district fee	175
Annual fee paid to the Florida Department of Economic Opportunity.	

**FALLSCHASE
COMMUNITY DEVELOPMENT DISTRICT
DEFINITIONS OF GENERAL FUND EXPENDITURES**

Expenditures (continued)

Insurance	6,807
The District will obtain public officials and general liability insurance.	
Contingencies/bank charges	400
Bank charges automated AP routing and other miscellaneous expenses incurred during the year.	
Website	705
ADA website compliance	210
Total expenditures	<u>\$ 91,106</u>

* These items will be realized when bonds are issued

** These items will be realized the year after the issuance of bonds.

*** This item will go to full agreement pricing when bonds are issued

FALLSCHASE

COMMUNITY DEVELOPMENT DISTRICT

6

**FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT
LANDOWNERS' FUNDING AGREEMENT**

THIS AGREEMENT made and entered into this 30th day of August, 2021 by and between:

Fallschase Community Development District, a special and single purpose local government created by, and established by County Ordinance on the property pursuant to, Chapter 190, Florida Statutes, hereinafter referred to as "District";

and

RED HILLS PROPERTY HOLDINGS LLC, 2810 Remington Green Circle, Tallahassee, Florida 32308, hereinafter referred to as "Landowner";

and

2ND ELEVATED DEVELOPMENT, LLC, 2810 Remington Green Circle, Tallahassee, Florida 3230, 8 hereinafter referred to as "Landowner".

WITNESSETH:

Preamble

WHEREAS, the Landowner owns certain of the lands within the District; and

WHEREAS, the District, pursuant to the powers, duties, responsibilities and authorities vested in it as chartered and granted by Chapter 190, Florida Statutes, desires to operate to remain viable legally and to be ready to exercise its specialized and single purpose to manage the provision of basic infrastructure and to proceed with its general and special charter powers for the discharge of its duties in the preparation of certain plans and specifications for the provision of infrastructure systems, facilities, improvements and services, herein referred to as "capital improvements"; and

WHEREAS, the Landowner recognizes that in so discharging said duties and responsibilities, any future provision of basic infrastructure systems, facilities and services by the District results in certain special benefits that will accrue peculiar to the land owned by the Landowner and within the District's jurisdiction;

WHEREAS, the Landowner is amenable to funding the management purpose to manage any acquisition, construction, maintenance, operations and financing of infrastructure and operations of the District as called for in the Budget, approved by the Board of Supervisors, as the same may be amended, said budget commencing October 1, 2021, and terminating at the unilateral option of the Landowner to be exercised no later than the end of this term annually; and

WHEREAS, the parties agree that this Agreement has no other direct or indirect purpose and does not constitute authority, either expressly or impliedly, for anything other than the funding of the District budget (referenced herein and expressed as Exhibit "A") for the applicable twelve month period thereafter.

NOW, THEREFORE, based upon adequate, sufficient, good and valuable consideration and mutual covenants of the parties hereinafter recited, it is agreed as follows;

1. The above Preamble to this Agreement consisting of five "whereas" clauses is true and correct, incorporated herein and made as a dispositive part of this Agreement.
2. The Landowner agrees to make available to the District the moneys necessary for and limited to the operation of the District as called for in the Budget, attached hereto as Exhibit "A", monthly, within fifteen (15) days written request by the District. The funds shall be placed in the District's general checking account in Leon County.
3. The parties hereto recognize that a portion of the afore-referenced operating expenses are required in support of the District's effort to remain viable legally.
4. Any advances and reimbursement of advances made pursuant to this agreement will not include any interest charges since it is anticipated that the District will proceed in a timely fashion to obtain its note(s) or bond(s) when and if Landowner is ready to proceed with development of land within the District.
5. This agreement, during its twelve month term, may be amended only in writing as agreed to by the parties and as approved timely by the District Board of Supervisors at a noticed public meeting.
6. This agreement shall terminate at the end of its twelve month term and may be renewed for a new twelve month term only in writing as agreed to by the parties and only as

adopted timely and approved by the Board of Supervisors at a duly noticed public meeting of the District Board.

7. This Agreement does not alter any of the duties, responsibilities and obligations of the Landowner, including the duty, responsibility and obligation to pay timely any non-ad valorem assessments imposed and/or levied on real property owned by the Landowner, previously as Landowner, of parcels and acres within the boundary of the District.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed the day and year first above written.

(SIGNATURES ON NEXT PAGE)

ATTEST:

**FALLSCHASE COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

RED HILLS PROPERTY HOLDINGS LLC

Witness _____

By: _____
Its: _____

2ND ELEVATED DEVELOPMENT, LLC

Witness _____

By: _____
Its: _____

Exhibit A

FALLSCHASE

COMMUNITY DEVELOPMENT DISTRICT

7

FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT
AMENDED AND RESTATED
ENGINEER'S REPORT ON
DISTRICT IMPROVEMENTS AND
ESTIMATED PROBABLE CONSTRUCTION COST

April 23, 2007
Amended: July 20, 2007
Amended: December 1, 2017
Amended: August 29, 2021



FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT
P.O. Box 15887
Tallahassee, Florida 32317

Prepared by



805 North Gadsden Street
Tallahassee, Florida 32303
(850) 222-5678
(850) 681-2349 (Fax)

TABLE OF CONTENTS

I. GENERAL DESCRIPTION3

 A. Purpose:.....3

 B. Location:.....3

 C. Project:.....3

 D. Offsite Improvements:4

 E. Permitting:4

 F. Infrastructure:5

 G. District Funding:5

II. DESCRIPTION OF DISTRICT IMPROVEMENTS6

 A. Stormwater:.....6

 B. Roadway & Drainage:6

 C. Sanitary Sewer:.....6

 D. Water:7

III. PHASING.....7

 A. Table 1 - Lot Distribution and Phasing8

IV. OWNERSHIP AND MAINTENANCE9

V. ENGINEER’S ESTIMATE OF PROBABLE CONSTRUCTION COST.....9

VI. SUMMARY OPINION AND CONCLUSION.....9

I. GENERAL DESCRIPTION

A. Purpose:

This report ("Report") will describe improvements proposed for funding and acquisition by the Fallschase Community Development District ("District"), established (technically under the law, Leon County's old predecessor district was "reestablished" at the request of the Leon County Commission to constitute the Fallschase Community Development District) by Leon County Ordinance 97-18, and will give an opinion of the probable construction costs for these improvements or provide costs based on construction contract amounts for phases currently under construction, status of the project, and phasing of construction. A table of the anticipated ownership and maintenance of all the improvements described herein will also be included.

B. Location:

The District is immediately south of Buck Lake Road, generally near the intersection of Buck Lake Road and Fred B. Mahan Drive (U.S. Highway 90, State Road 10), and Buck Lake Road intersection with Alban Stewart Way (see vicinity map). The property is east of the Weems Plantation subdivision (which fronts and has its vehicular access from Weems Road), north of Upper Lake Lafayette (the boundary previously included the major portion of Upper Lake Lafayette, but that has since been donated to Leon County), and the east boundary lies about 660 feet west of the west boundary of the Groveland Hills subdivision. See Location Map, Exhibit 1.

C. Project:

The Fallschase Development of Regional Impact and Planned Unit Development (DRI/PUD) was approved as a 492-acre mixed-use development consisting of: 750,000 square-feet of commercial/office use, 35,000 square feet of office use, and 1,514 residential units in a mixture of single-family detached, single-family attached units, condominium, and multi-family structures. The District currently comprises approximately 375.5 acres and is the focus of this report. Approximately 116.5 acres of commercial use located at the Northwest corner of the overall development and included within the DRI/PUD was removed from the District through a boundary amendment authorized by Leon County Ordinance 2007-12 which amended Leon County Ordinance 97-18. Arbor Crossing is an existing multi-family development project of 208 units located north of Buck Lake Road and south of Mahan Drive east of the intersection of the two (2) roads. These 208 units are part of the entitled 1,514 residential units, but this project site falls outside of the current District boundary. The entitlements remaining and available for development

within the District boundary are 1,306 (1,514 – 208) residential units. Although not included in the original 492 acres, the Fallschase DRI/PUD required that approximately 218 acres of land at the southern portion of the property, including Upper Lake Lafayette (“ULL”), be deeded, fee simple, to Leon County.

Of the 375.5 acres within the District, 81.5 acres has been placed in conservation easements and approximately 294 acres has been planned for development. The 294 acres is comprised of six phases on the west portion of the development totaling 166.5 acres, and 127.5 acres of future phases on the east portion of the development. See Phasing Map, Exhibit 2. Phases I, II, III, and IA have been permitted, annexed into the City of Tallahassee and are currently under construction. Phases I, II, and III comprise 130 single-family detached units. Phase IA is an apartment complex that includes 288 multi-family units. Phases IV, V, and VI are currently being permitted and include 191 single-family detached lots and 60 single-family attached lots. A breakdown of lot sizes by phase is located in Table 1, Page 8, in the Phasing section of this report. In addition to phases I-VI, infrastructure for the Future Phases (See Phasing Map, Exhibit 2), located on the east side of conservation easement #2 (the existing ravine), will also be included in the initial series of bonds. Preliminarily, the Future Phases have been estimated to be able to develop 411 lots. Costs for the Future Phases were computed based on the calculated cost per lot for Phases IV, V, and VI, plus the additional estimated cost of \$400,000 for a sewage pump station and force main which must be constructed to serve the future phases.

The proposed circulation system within the District is consistent with the PUD and consists of a roadway system as well as a bicycle / pedestrian network to encourage efficient multi-modal travel throughout the community and to surrounding areas. See Circulation Plan, Exhibit 3.

D. Offsite Improvements:

There are currently no offsite improvements that will be funded by the District. Three (3) roadway and intersection improvements that were required as part of the development agreement and PUD were constructed and are currently operational.

E. Permitting:

All development phases are subject to Leon County permitting (unless annexed into the City, and then subject to City of Tallahassee permitting) and are subject to the standards set forth within the Fallschase DRI/PUD and development agreement. Such standards control the development of the vested portions and the non-vested

portions of the project. The vested portions of the project are governed solely by the development standards set out in the Fallschase DRI/PUD. These standards will be applied during site plan review, and environmental permitting of the project. In the event of a conflict between the standards in the development agreement and any applicable part of the County's Comprehensive Plan or Land Development Regulations, the standards set forth in the Fallschase Development Agreement shall prevail. As indicated above, Phases I, IA, II, and III have already been permitted and are under construction. Phases IV, V, and VI are currently being permitted. Future phases will be subject to the same development standards described herein. No issues are anticipated with permitting of future development phases.

F. Infrastructure:

All existing infrastructure within the limits of the proposed development, excluding that recently permitted and currently under construction (Phases I, IA, II, and III), and associated with previous projects will be abandoned in place or removed. New infrastructure meeting current standards will be designed and constructed for each phase of development. All infrastructure will be designed and constructed based on the demand placed on the system and will have adequate capacity to serve that demand.

G. District Funding:

RMDC, Inc., a Florida corporation, is developing the Fallschase development and is also constructing the infrastructure described in Section II A-D below. The District is managing the provision of infrastructure including financing, constructing, acquiring, operating and/or maintaining the infrastructure improvements that serve community development within the Fallschase community. Bonds are anticipated to be issued by the District to finance a portion of the Master Project (hereinafter defined) and the bonds are anticipated to be repaid through the accessing, imposing and levying of non-ad valorem special assessments on all assessable property within the development pursuant to law including Chapters 190, 170, and 197, Florida Statutes. The non-ad valorem special assessments are co-equal with ad valorem taxes and first liens on property enforceable upon identification and determination by the District Board that special benefits flow, as a logical connection, from the infrastructure serving assessed property within the District. These improvements include, but may not be limited to, roadway, water distribution, sanitary sewer collection and conveyance systems, stormwater collection, conveyance, treatment, and detention facilities, (together, and as farther described herein, the "Master Project"). The estimated

probable construction costs given later in this report includes the improvements anticipated to be financed by the District.

II. DESCRIPTION OF DISTRICT IMPROVEMENTS

A. Stormwater:

Stormwater conveyance throughout the development will be provided through a network of inlets, pipes, and ditches/swales. Water quality treatment will be provided for the development in several stormwater treatment facilities. Stormwater treatment will be primarily provided by wet detention facilities, however detention with sand filtration may also be utilized. As outlined in the development agreement, stormwater attenuation is provided in Upper Lake Lafayette, however, the treatment ponds provide a level of attenuation as well. All of the stormwater facilities will ultimately discharge into Upper Lake Lafayette.

B. Roadway & Drainage:

The public roadway system will consist of approximately 42,900 linear feet of paved roadways, associated drainage structures, and stormwater conveyance facilities. Roadway construction will meet the requirements of both Leon County and the City of Tallahassee, as well as the PUD. All roadways will be constructed with curb and gutter, sidewalks and/or multi-use paths. Both roll-type mountable curb and standard raised 18-inch curb and gutter are utilized. Sidewalks are proposed for all roadway sections, except for alleys.

The roadway network is shown on the Circulation Plan, Exhibit 3, Sheet 3.0. There are currently four (4) typical roadway sections approved in the PUD for the development: a boulevard section, collector, local street, and alley. The alleys sections were modified to address utility and access concerns raised by Leon County during permit review. Narrow roads (modified alleys) are currently implemented only in Phases IV, V, and VI, but may be utilized in future phases.

C. Sanitary Sewer:

The development will be served by a central sewer collection system and will be conveyed to existing City of Tallahassee infrastructure stubbed to the western boundary from the adjacent Weems Plantation development. The sanitary sewer collection system will consist of approximately 37,300 linear feet of 8-inch, 3,830 linear feet of 15 inch and 520 linear feet of 18-inch gravity mains, 3000 linear feet of force main and one (1) pump station.

- D. Water:
Potable water will be provided by looped connection to existing City of Tallahassee water mains at the intersection of Fallschase Parkway and Acadian Boulevard, Barnstaple Drive in Weems Plantation, and Buck Lake Road. The water distribution system consists of 42,700 linear feet of 8-inch water main, 3875 linear feet of 12-inch water main, hydrants and associated fittings.

III. PHASING

All, or a portion, of the District infrastructure improvements will be initially funded by the developer and conveyed to the District with partial payment anticipated through the issuance one or more series of bonds. As previously stated, construction is underway on Phases I, IA, II, and III. Construction is anticipated to be complete on Phases I, II, and III within 90 days. Phases IV, V, and VI are currently in permitting with Leon County. Permitting is anticipated to be complete within 90 days. Phases I-VI comprise all the development on the west side of the ravine.

A detailed development schedule has not been created for the future phases on the east side of the ravine, but development is generally anticipated to occur within a 5 to 10-year period.

Final configurations of the future development phases on the east side of the ravine, including phasing, is subject to change. No significant changes to either lot configuration or phasing is anticipated for phases I-VI.

As of the date of this report, lot breakdowns by phase and size are as outlined on the following page in Table 1:

A. Table 1 - Lot Distribution and Phasing

Phase I – 9.98 acres

Total: 0 lots

Phase IA – 27.18 acres

Multi-family - 288 units

Phase II – 7.53 acres

50' wide - 13 lots

60' wide - 17 lots

Total: 30 lots

Phase III – 37.38 acres

50' wide - 18 lots

60' wide - 42 lots

70' wide - 19 lots

90' wide - 21 lots

Total: 100 lots

Phase IV – 9.89 acres

Townhome - 42 lots (single-family attached)

40' wide - 8 lots

50' wide - 5 lots

Total: 55 lots

Phase V – 40.16 acres

Townhome - 18 lots (single-family attached)

30' wide - 36 lots

40' wide - 28 lots

60' wide - 3 lots

Total: 85 lots

Phase VI – 34.37 acres

50' wide - 94 lots

70' wide - 12 lots

90' wide - 5

Total: 111 lots

Future Phases – 127.51 acres

50' wide - 411

Total: 411

Total Lots All Phases = 792

Total Acreage All Phases = 294 (add 81.5 acres of conservation easement for total District boundary of 375.5 acres)

Note: All lots not identified as single-family attached, are single-family detached.

IV. OWNERSHIP AND MAINTENANCE

	<u>Improvement</u>	<u>Ownership</u>	<u>Maintenance</u>
1.	Primary Roadway system*	City of Tallahassee**	City of Tallahassee
2.	Secondary Roadway system*	District	District
3.	Stormwater Facilities	District	District
4.	Water System	City of Tallahassee**	City of Tallahassee
5.	Sewer System	City of Tallahassee**	City of Tallahassee
6.	Entrance Architectural Elements	District	District
7.	Common Area Facilities	District	District

*Primary roads are differentiated from secondary roads by right of way and pavement width. Narrow right of way roads (secondary roads) are those that effectively function like alleys and are characterized by right of ways widths ranging from 25 feet to 35 feet and pavement widths between 16 feet and 18 feet. Primary roads are Fallschase Parkway, Acadian Boulevard, Rampart Drive, Loyola Street, Benoit Circle, Ursaline Street, Bienville Place, Tulane Way, Duhon Street, and Beauregard Way. Secondary roads are Catahoula Walk, Calcasieu Pass, Bossier Run, Landry Lane, Thibodeaux Trail, Kenyon Place, Zandaloo Road, Darte Court, Chicory Road, Slidell Circle, Conti Road, and Chesnay Circle.

**The Developer will fund construction of these improvements and sell them to the CDD upon completion. The CDD will then transfer these improvements to the City for ownership, maintenance, and operation.

V. ENGINEER'S ESTIMATE OF PROBABLE CONSTRUCTION COST.

It is my estimate that the probable engineering and construction cost for potential District funded improvements will be **\$45,369,280**. [Table 2] Engineer's Estimate of Probable Construction Cost gives a tabulation of improvement and probable construction costs by phase.

VI. SUMMARY OPINION AND CONCLUSION

The Master Project Construction Costs are based on the following:

- Phases I, II, and III – Construction contract between the developer and site contractor
- Phases IV, V, and VI – Quantities taken from current roadway, drainage, water, and sewer plans which are currently under review, with unit prices based on bid prices from development projects in the area.
- Future Phases – A unit cost per lot derived from the costs from Phases IV-VI and multiplied by the anticipated number of lots in future phases.

The above estimates are not a guaranteed minimum or maximum price. The labor market, future costs of equipment and materials, and the actual construction process are beyond the control of the certifying engineer. Due to this inherent opportunity for fluctuation in cost, the total final cost may be more or less than this estimate.

Based on the information provided in this report, I believe that the cost estimates herein are an accurate representation of the real and current construction costs.

Construction of the improvements for Phases I, II, and III has been periodically monitored by the undersigned, the City of Tallahassee, and Leon County. In addition to periodic monitoring, video recording will be completed for the sanitary sewer and storm drain piping, pressure testing will be performed on the piping for the water distribution system and sanitary sewer system, and bacteria testing will be completed for the water distribution system. An as-built survey of the infrastructure installed, will also be completed by Moore Bass Consulting, and reviewed by me prior to acceptance of the constructed infrastructure. Based on this testing, review of the as-built survey, and periodic inspections conducted by me, the City and the County, the constructed infrastructure, including materials used, will be certified by me as being in substantial compliance with the approved construction plans prior to acceptance by the District.



Roger V. Wynn, P.E.
Moore Bass Consulting, Inc.
Florida Reg. No. 49400

TABLE 2
SUMMARY OF ENGINEER'S ESTIMATE OF
PROBABLE CONSTRUCTION COSTS

August 29, 2021

PHASE	GENERAL CONSTRUCTION	ROADWAY	UTILITY	MISCELLANEOUS	CDD TOTAL COST
Construction:					
1 - Fallschase Residential Phase I, II, III ⁽¹⁾	1,442,476.98	2,160,041.67	2,641,537.41	4,390,686.06	10,634,742.12
2 - Fallschase Multi-Family Residential Phase IA ⁽²⁾⁽³⁾		2,500.00	41,290.00		43,790.00
2 - Fallschase Residential Phase IV	86,994.60	555,457.10	812,322.50	94,091.58	1,548,865.78
3 - Fallschase Residential Phase V	522,790.40	1,501,608.90	1,636,536.00	469,278.48	4,130,213.78
4 - Fallschase Residential Phase VI	617,821.60	1,043,934.10	2,112,896.50	752,801.28	4,527,453.48
5 - Fallschase Residential Future Phases ⁽⁴⁾	2,058,255.29	5,199,263.24	7,648,424.48	2,206,746.54	17,112,689.56
<i>Construction Subtotal⁽⁵⁾⁽⁶⁾⁽⁷⁾ :</i>	<i>4,728,338.87</i>	<i>10,462,805.01</i>	<i>14,893,006.89</i>	<i>7,913,603.94</i>	<i>37,997,754.72</i>
Professional Services:					
Off-site Engineering					200,000.00
On-site Engineering (Roads, Utilities & Platting)					2,500,000.00
Engineering (CDD Reports)					35,000.00
<i>Professional Services Subtotal:</i>					<i>2,735,000.00</i>
Other Fees and Expenses:					
Future Application and Permitting Fees					600,000.00
Miscellaneous Contingency (10% of Construction, 5% Professional Services)					3,936,525.47
Miscellaneous Expenses ⁽⁸⁾					100,000.00
<i>Other Fees and Expenses Subtotal:</i>					<i>4,636,525.47</i>
TOTAL:				\$	45,369,280.19

(1) Costs for Phases I, II, and III are based on the executed contract between RMDC, Inc. and Longleaf Construction Services, LLC dated February 24, 2021.

(2) Multi-Family Residential costs shown are only those representing infrastructure needed to access the site, or extend utilities to it. It does not include any infrastructure within the multifamily project site itself.

(3) In addition to the costs identified herein for the multi-family project, \$1,516,876 of infrastructure in phases I, II, III, IV, V, and VI was identified as providing a benefit to the multi-family project. While these costs are incurred with the construction of the single-family phases I-VI and therefore included in the costs for those phases for ease of reference, the costs were calculated as \$1,436,151 attributed to roadways, \$80,725 attributed to miscellaneous landscape and shared multi-use trails and such costs benefit and provide utility service and access to the multi-family site.

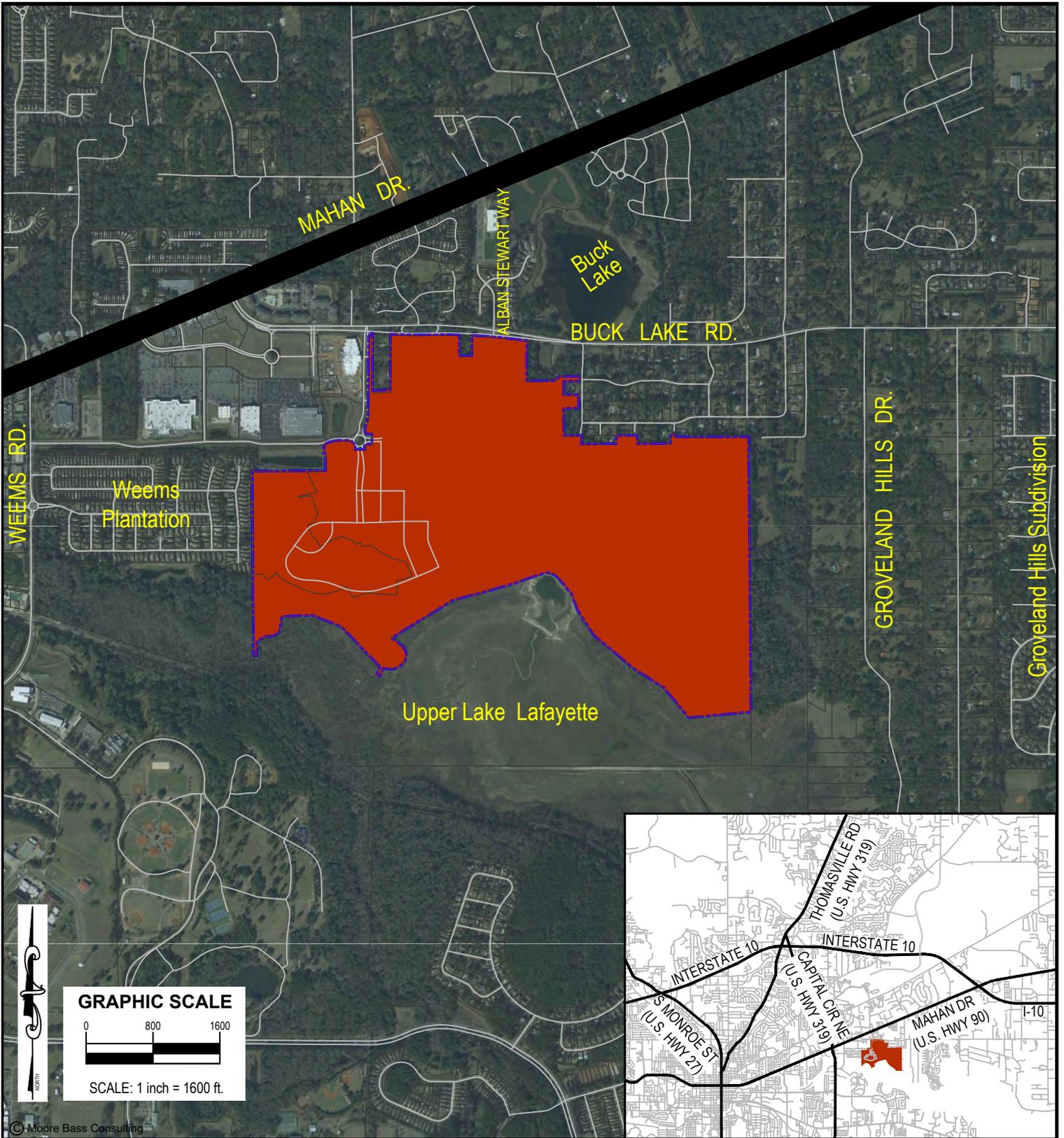
(4) The Total Cost for Future Phases is based on the average cost per lot for Phases IV, V, and VI. The total estimated cost for Phases IV, V, and VI was divided by the 251 lots in Phases IV, V, and VI and then multiplied by the estimated 411 lots within Future Phases. An additional \$400,000 has been added for a future pump station and force main to serve the future phases.

(5) Dirt excavated from the stormwater facilities may be used as fill on lots. The cost for stormwater facility excavation is included, but any costs, for moving and placing fill on lots, or grading associated with building pads for lots, are not included. Street lighting, including poles and the underground conduit and wiring, will be provided by, installed (with the exception of conduit crossing roads - conduit is supplied by the City and installed by the developer), owned and maintained by the City of Tallahassee.

(6) All financed improvements will be on land owned by, or subject to a permanent easement for the benefit of, the District or another governmental entity.

(7) Fencing or walls, if any, are for buffer or safety purposes only.

(8) Budget Item.



© Moore Bass Consulting

The Drawings, Specifications and other documents prepared by Moore Bass Consulting, Inc. (MB) for this Project are instruments of MB for use solely with respect to this Project and, unless otherwise provided, MB shall be deemed the author of these documents and shall retain all common law, statutory and other reserved rights, including the copyright.

CLIENT NAME RMDC, INC. - 2810 REMINGTON GREEN CIRCLE TALLAHASSEE, FL 32308	PROJECT NAME FALLSCHASE RESIDENTIAL	SHEET TITLE LOCATION MAP (EXHIBIT 1)	1.0
FILE # T2418.0006	CONTRACT # T2418.0006	T2418.0006-Exhibit-Location Map.dwg	
DATE 5/20/2021	ARCHIVE	DRAWN BY MB	



Looking South From North
End of Fallschase Blvd



Looking South Toward Phase I Pond From Fallschase Blvd



Looking SE Toward Phases II and III
from Fallschase Blvd



Looking South From Acadian
Blvd Toward Multi-family Project

FALLSCHASE

COMMUNITY DEVELOPMENT DISTRICT

8

FALLSCHASE

COMMUNITY DEVELOPMENT DISTRICT

Amended and Restated Master Special Assessment Methodology Report

August 30, 2021



Provided by:

Wrathell, Hunt and Associates, LLC
2300 Glades Road, Suite 410W
Boca Raton, FL 33431
Phone: 561-571-0010
Fax: 561-571-0013
Website: www.whassociates.com

Table of Contents

1.0	Introduction	
1.1	Purpose	1
1.2	Scope of the Amended and Restated Report	1
1.3	Special Benefits and General Benefits	1
1.4	Organization of the Amended and Restated Report	2
2.0	Development Program	
2.1	Overview	2
2.2	The Revised Development Program	3
3.0	The Capital Improvement Program	
3.1	Overview	3
3.2	Capital Improvement Program	3
4.0	Financing Program	
4.1	Overview	4
4.2	Types of Bonds Proposed	5
5.0	Assessment Methodology	
5.1	Overview	5
5.2	Special Benefit Apportionment	6
5.3	Assigning Bond Assessments	8
5.4	Assessment Validity Test: Special Benefit Flows to the Property as a Logical Connection from the Improvement Infrastructure	9
5.5	Assessment Validity Test: Reasonable and Fair Apportionment of the Special Benefits Peculiar to the Property	10
5.6	True-Up Mechanism	10
5.7	Preliminary Assessment Roll	12
6.0	Additional Stipulations	
6.1	Overview	12
7.0	Appendix	
	Table 1	13
	Table 2	13
	Table 3	14
	Table 4	15
	Table 5	15
	Table 6	16
	Table 7	16

1.0 Introduction

1.1 Purpose

This Amended and Restated Master Special Assessment Methodology Report (the “Amended and Restated Report”) was developed to provide a revision to the master financing plan and a master special assessment methodology described in the Master Special Assessment Methodology Report dated April 27, 2007 updated June 5, 2007 (the “Original Report”) as well as to the Updated Master Special Assessment Methodology Report (the “Updated Report”) dated December 6, 2017. The Amended and Restated Report was developed for the Fallschase Community Development District (the “District”), located in Leon County, Florida, as related to funding the costs of public infrastructure improvements (the “Capital Improvement Program”) contemplated to be provided by the District.

1.2 Scope of the Amended and Restated Report

This Amended and Restated Report presents the projections for financing the District’s Capital Improvement Program described in the Amended and Restated Engineer’s Report dated April 23, 2007, amended July 20, 2007, December 1, 2017 and August 29, 2021 (the “Amended and Restated Engineer’s Report”) prepared by Moore Bass Consulting, Inc. (the “District Engineer”), as well as describes the method for the apportionment of special benefits and the allocation of special assessment debt resulting from the provision and funding of the Capital Improvement Program.

1.3 Special Benefits and General Benefits

Improvements undertaken and funded by the District as part of the Capital Improvement Program create special and peculiar benefits, different in kind and degree than general benefits, for properties within its borders as well as general benefits to the public at large. However, as discussed within this Amended and Restated Report, these general benefits are incidental in nature and are readily distinguishable from the special benefits which accrue to peculiar property within the District. The District’s Capital Improvement Program enables properties within its boundaries to be developed.

There is no doubt that the general public and property owners of property outside the District will benefit from the provision of the Capital Improvement Program. However, these benefits are only

incidental since the Capital Improvement Program is designed solely to provide special benefits peculiar to property within the District. Properties outside the District are not directly served by the Capital Improvement Program and do not depend upon the Capital Improvement Program to obtain or to maintain their development entitlements. This fact alone clearly distinguishes the special benefits which District properties receive compared to those lying outside of the District's boundaries.

The Capital Improvement Program will provide public infrastructure improvements which are all necessary in order to make the lands within the District developable, marketable and saleable. The installation of such improvements will cause the value of the developable and saleable lands within the District to increase by more than the sum of the financed cost of the individual components of the Capital Improvement Program. Even though the exact value of the special benefits provided by the Capital Improvement Program is hard to estimate at this point, it is nevertheless greater than the costs associated with providing the same.

1.4 Organization of the Amended and Restated Report

Section Two describes the revised development program as proposed by the Developer, as defined below.

Section Three provides a summary of the revised Capital Improvement Program as determined by the District Engineer.

Section Four discusses the revised master financing program for the District.

Section Five introduces the revised master special assessment methodology for the District.

2.0 Development Program

2.1 Overview

The District will serve the residential portion of the Fallschase development (the "Development"), a master planned, mixed-use development located partly in unincorporated Leon County, Florida and partly within the municipal boundaries of the City of Tallahassee. The land within the District consists of approximately 375.5 +/- acres and is generally south of Buck Lake Road, north of

the Upper Lake Lafayette, east of the Weems Plantation subdivision, and west of the Groveland Hills subdivision.

2.2 The Revised Development Program

The development of Fallschase is anticipated to be conducted by RMDC, Inc. or its affiliates (the “Developer”) over a multi-year period. Based upon the revised information provided by the Developer, the revised development plan envisions a total of 1,080 Multi-Family, Townhome and Single-Family residential dwelling units developed in multiple phases, although land use types and unit numbers may change throughout the development period. Table 1 in the *Appendix* illustrates the revised development plan for the Development.

3.0 The Capital Improvement Program

3.1 Overview

The public infrastructure costs to be funded by the District are described by the District Engineer in the Amended and Restated Engineer's Report. Only public infrastructure that may qualify for bond financing by the District under Chapter 190, Florida Statutes and under the Internal Revenue Code of 1986, as amended, was included in these estimates. The installation of such improvements has already commenced.

3.2 Capital Improvement Program

The Capital Improvement Program needed to serve the Development is projected to consist of storm water management, roadways and drainage, sanitary sewer, potable water, common area improvements, and landscaping, all projected to be constructed in multiple infrastructure construction phases over multiple years.

According to the Amended and Restated Engineer's Report, the costs of the Capital Improvement Program are estimated to total \$45,369,280.18. Of the construction cost estimates prior to the inclusion of the professional services, fees, permit costs and contingencies in the amount of \$37,997,754.72, the costs directly attributable to the Multi-Family residential units projected to be developed within Phase IA will total \$43,790.00, while another \$1,516,876.00 in costs related to construction of capital improvements within Phases I, II, III, IV, V, and VI were identified

by the District Engineer as providing a benefit to the Multi-Family units.

Table 2 in the *Appendix* illustrates the specific components of the Capital Improvement Program, separated into costs related to capital improvements constructed within Phase IA and capital improvements constructed within all other phases (the “Remaining Phases”), as well as the proposed method of apportionment of the major cost categories identified in the Amended and Restated Engineer's Report.

4.0 Financing Program

4.1 Overview

As noted above, the District is embarking on a program of public infrastructure improvements which will facilitate the development of lands within the District. Generally, construction of public infrastructure improvements is either funded by the Developer and then acquired by the District or funded directly by the District. The choice of the exact mechanism for providing public infrastructure improvements has not yet been made at the time of this writing, and the District may either acquire the public infrastructure improvements from the Developer or construct it, or even partly acquire it and partly construct it.

Even though the actual financing plan may change to include multiple series of bonds, it is likely that in order to fully fund the costs of the Capital Improvement Program as described in *Section 3.2* in one financing transaction, the District would have to issue approximately \$56,880,000 in par amount of special assessment bonds (the "Bonds").

Please note that the purpose of this Amended and Restated Report is to apportion the special benefit of the Capital Improvement Program peculiar to the property in the District and based on such benefit apportionment to allocate the maximum debt necessary to fund the Capital Improvement Program. The discussion of the structure and size of the indebtedness is based on various estimates and is subject to change.

4.2 Types of Bonds Proposed

The proposed revised master financing plan for the District provides for the issuance of the Bonds in the approximate principal amount of \$56,880,000 to finance Capital Improvement Program costs estimated at \$45,369,280.19. The Bonds as projected under this revised master financing plan would be structured to be amortized in 30 annual installments following a 24-month capitalized interest period. Interest payments on the Bonds would be made every May 1 and November 1, and principal payments on the Bonds would be made either every May 1 or November 1.

In order to finance all public infrastructure improvement costs described in *Section 4.1*, the District would need to borrow more funds and incur indebtedness in the total amount of \$56,880,000. The difference is comprised of debt service reserve, capitalized interest, and costs of issuance, including the underwriter's discount. Preliminary sources and uses of funding for the Bonds are presented in Table 3 in the *Appendix*.

Please note that the structure of the Bonds as presented in this Amended and Restated Report is preliminary and may change due to changes in the development program, market conditions, timing of infrastructure installation as well as for other reasons. The District maintains complete flexibility as to the structure of the Bonds and reserves the right to modify it as necessary.

5.0 Assessment Methodology

5.1 Overview

The issuance of the Bonds provides the District with funds necessary to construct/acquire the public infrastructure improvements which are part of the Capital Improvement Program outlined in *Section 3.2* and described in more detail by the District Engineer in the Amended and Restated Engineer's Report. The improvements funded with proceeds of the Bonds lead to special and general benefits, with special benefits accruing peculiar to properties within the boundaries of the District and general benefits accruing to areas outside the District and to the public at large, which general benefits are only incidental in nature. The debt incurred in financing the cost of the Capital Improvement Program will be paid off by assessing properties that derive special and peculiar benefits from the Capital Improvement Program funded

with the Bonds issued by the District specifically to fund such costs. All properties that receive special benefits from the Capital Improvement Program will be assessed for their fairly and reasonably apportioned share of the debt issued in order to finance the Capital Improvement Program.

5.2 Special Benefit Apportionment

The most current, revised development plan for the land within the District envisions a total of 1,080 Multi-Family, Townhome and Single-Family residential dwelling units developed in multiple phases, although land use types and unit numbers may change throughout the development period.

As already stated in *Section 3.2* herein, according to the Amended and Restated Engineer's Report, \$43,790.00 in costs of the Capital Improvement Program are related to construction of capital improvements within Phase IA and thus directly attributable to the Multi-Family residential units, while another \$1,516,876.00 in costs related to construction of capital improvements within Phases I, II, III, IV, V, and VI were identified by the District Engineer as providing a benefit to the Multi-Family units. Consequently, when separating costs of capital improvements that benefit the Multi-Family residential units projected to be developed within Phase IA from those that benefit the Single-Family and Townhome residential units projected to be developed within the Remaining Phases, a total of \$1,560,666.00 (\$43,790.00 plus \$1,516,876.00) can be attributed to benefit the Multi-Family residential units projected to be developed within Phase IA, while the balance in the amount of \$36,437,088.72 (\$37,997,754.72 less \$1,560,666.00) can be attributed to benefit the Single-Family and Townhome residential units projected to be developed within the Remaining Phases. Table 4 in the *Appendix* illustrates the derivation of costs of capital improvements benefitting Phase IA and Remaining Phases as well as the proposed method of apportionment of the major cost categories identified in the Amended and Restated Engineer's Report.

The sum of all public infrastructure improvements as described in the Amended and Restated Engineer's Report will comprise interrelated systems of improvements, separately for the Phase IA and separately for the Remaining Phases, which means the public infrastructure improvements will serve, separately Phase IA and separately the Remaining Phases, and improvements will be interrelated such that they will reinforce one another, and their combined special benefits will be greater than the sum of their

individual benefits. All property within, separately Phase IA and separately the Remaining Phases, will receive special benefits from the public infrastructure improvements, as the public infrastructure improvements provide basic infrastructure to all property within, separately Phase IA and separately the Remaining Phases, as integrated systems of improvements from which special benefits flow to all property within, separately Phase IA and separately the Remaining Phases, apportioned fairly and reasonably peculiar to the properties.

Special benefits flow as a logical connection from the public infrastructure improvements described in the District Engineer's Capital Improvement Program peculiar to the property within the District, as without such public infrastructure improvements, the development of the property within the District would not be possible. Based upon the special benefits flowing as a logical connection from the public infrastructure improvements apportioned peculiar to the properties within the District, the District can assign or allocate a portion of the District's debt through the imposition of non-ad valorem assessments, to the property receiving such special benefits allocating the dollar amount of the assessments per parcel. Even though these special and peculiar benefits are real and ascertainable (for example added use of the property, added enjoyment of the property, decreased insurance premiums, and increased marketability and value of the property), the precise amount of the special benefit cannot yet be calculated with mathematical certainty. However, such special benefit is more valuable than the cost of, or the actual non-ad valorem assessment amount levied on that parcel.

The development of land in Fallschase may likely include recreational facilities that may be owned and operated by the home owners' association, whose members will be residential landowners within the Development. While it is beyond question that any parcel(s) containing such recreational facilities would benefit from the provision of the Capital Improvement Program, the District may determine to exempt such property from capital assessments provided that the requirements of Section 193.0235, F.S. have been satisfied. The rationale for this exemption is that the cost of capital assessments would already have been borne by the residential landowners within the District in the proportion equivalent to their special benefit of Capital Improvement Program.

The special benefit resulting from the provision of the public infrastructure improvements described in the Amended and Restated Engineer's Report is proposed to be apportioned peculiar

to the property within the District in proportion to the density of development and intensity of use of the public infrastructure improvements as measured by a standard unit called an Equivalent Residential Unit ("ERU"). Such apportionment identifies special benefits peculiar to different property types based on the determination of special benefits received by each property type from different public infrastructure improvement categories. Table 4 in the *Appendix* identifies major public infrastructure improvement categories and the proposed method of apportionment of special benefits flowing to property within the District from such improvements. As shown in Table 4, special benefits of general construction, which includes earthwork ponds, sodding, seeding, and mulching are proposed to be apportioned based on average lot area, a measure referred to herein as "Acre", special benefits of roadways are proposed to be apportioned based on trip generation (Trip), special benefits of utilities are proposed to be apportioned based on a measure called Equivalent Residential Connection (ERC), and special benefits of miscellaneous are proposed to be apportioned based on parcel size (for Phase IA) or average lot area (for Remaining Phases) (Acre).

Table 5 in the *Appendix* illustrates the Acre, Trip and ERC factors proposed to be assigned to different property types to estimate each property types' peculiar use of that infrastructure and also to apportion each property type's peculiar amount of special benefit flowing from each type of infrastructure. Table 6 in the *Appendix* illustrates the proposed updated development plan for the District, as well as the apportionment of special benefits peculiar to different property types as expressed by the ERU derived as the product of factor weights from Table 5 and cost weights from Table 4.

Table 7 in the *Appendix* presents the allocation of the special assessments in levied by the District in connection with proposed issuance of the Bonds (the "Bond Assessments") to the different property types in the District in accordance with the ERU benefit apportionment method presented in Table 6. Table 7 also presents the projected annual debt service assessments per unit.

5.3 Assigning Bond Assessments

As the land in the District is not yet platted for its intended final use and the precise location of the different property types by lot or parcel is unknown, the Bond Assessments will be assessed and imposed on the property in the District based on determination made in the Supplemental Methodology of flow of special benefits peculiar to property.

When the land is platted, Bond Assessments will be allocated to each platted parcel on a first platted-first assigned basis based on the planned use for that platted parcel as reflected in Table 7 in the *Appendix*. Such allocation of Bond Assessments from unplatted gross acres to platted parcels will reduce the amount of Bond Assessments levied on unplatted gross acres within the District.

Further, to the extent that any parcel of land which has not been platted is sold to another developer or builder, the Bond Assessments will be assigned to such parcel at the time of the sale based upon the development rights associated with such parcel that are transferred from seller to buyer. The District shall provide an estoppel or similar document to the buyer evidencing the amount of Bond Assessments transferred at sale.

5.4 Assessment Validity Test: Special Benefit Flows to the Property as a Logical Connection from the Improvement Infrastructure

As first discussed in *Section 1.3*, Special Benefits and General Benefits, improvements undertaken by the District and funded with proceeds of the Bonds create special benefits peculiar to properties within the District. The District's improvements benefit properties within the District and accrue to all properties within the District on an ERU basis.

Improvements undertaken by the District can be shown to be creating special and peculiar benefits to the property within the District. The special and peculiar benefits resulting from each improvement are:

- a. added use of the property;
- b. added enjoyment of the property;
- c. decreased insurance premiums; and
- d. increased marketability and value of the property.

The improvements which are part of the Capital Improvement Program make the land in the District developable and saleable and when implemented jointly as parts of the Capital Improvement Program, provide special and peculiar benefits which are greater than the benefits of any single category of improvements. These special and peculiar benefits are real and ascertainable, but not yet capable of being calculated and assessed in terms of numerical value; however, such benefits are more valuable than either the cost of, or the actual assessment levied for, the improvement or debt allocated to the parcel of land.

5.5 Assessment Validity Test: Reasonable and Fair Apportionment of the Special Benefits Peculiar to the Property

A reasonable estimate of the proportion of special and peculiar benefits received from the improvements is delineated in Table 6 (expressed as ERU factors) in the *Appendix*.

The apportionment of the assessments is fair and reasonable because it was conducted on the basis of consistent application of the methodology described in *Section 5.2* across all assessable property within the District according to reasonable estimates of the special and peculiar benefits derived from the Capital Improvement Program by different parcels classified as specific property types.

Accordingly, no acre or parcel of property within the District will be liened for the payment of any non-ad valorem special assessment more than the determined special benefit peculiar to that property.

5.6 True-Up Mechanism

The Assessment Methodology described herein is based on conceptual information obtained from the Developer prior to construction. As development occurs, it is possible that the development plan as signified by number of ERUs may change. The mechanism for maintaining the methodology over the changes is referred to as true-up.

This mechanism is to be utilized to ensure that the Bond Assessments within District on a per ERU basis never exceed the initially allocated assessments as contemplated in the adopted assessment methodology. Bond Assessments per ERU preliminarily equal \$42,426.06 (\$56,880,000 in Bond Assessments divided by 1,340.6854 ERUs) and may change based on the final bond sizing. If such changes occur, the Methodology is applied to the land based on the number of and property types within each and every parcel as signified by the number of ERUs.

As the land in the District is platted, the Bond Assessments is allocated to platted parcels based on the figures in Table 7 in the *Appendix*. If as a result of platting and allocation of the Bond Assessments to the platted parcels, the Bond Assessments per ERU for land that remains unplatted remains equal to \$42,426.06, then no true-up adjustment will be necessary.

If as a result of platting and allocation of the Bond Assessments to the platted parcels, the Bond Assessments per ERU for land that remains unplatted equals less than \$42,426.06 (either as a result of a larger number of units, different units or both), then the per ERU Bond Assessments for all parcels within the District will be lowered if that state persists at the conclusion of platting of all land within the District.

If, in contrast, as a result of platting and allocation of the Bond Assessments to the platted parcels, the Bond Assessments per ERU for land that remains unplatted¹ equals more than \$42,426.06 (either as a result of a smaller number of units, different units or both), taking into account any future development plans for the unplatted lands – in the District's sole discretion and to the extent such future development plans are feasible, consistent with existing entitlements and governmental requirements, and reasonably expected to be implemented, then the difference in Bond Assessments plus accrued interest will be collected by the District from the owner of the property which platting caused the increase of assessment per ERU to occur, in accordance with the assessment resolution and/or a true-up agreement to be entered into between the District and the Developer, which will be binding on assignees.

The owner(s) of the property will be required to immediately remit to the Trustee for redemption a true-up payment equal to the difference between the actual Bond Assessments per ERU and \$42,426.06, multiplied by the actual number of ERUs plus accrued interest to the next succeeding interest payment date on the Bonds, unless such interest payment date occurs within 45 days of such true-up payment, in which case the accrued interest shall be paid to the following interest payment date (or such other time as set forth in the supplemental indenture for the applicable series of Bonds secured by the Bond Assessments).

In addition to platting of property within the District, any planned sale of an unplatted parcel to another builder or developer will cause the District to initiate a true-up test as described above to test whether the amount of the Bond Assessments per ERU for land that remains unplatted within the District remains equal to

¹ For example, if the first platting includes 19 SF 70' lots (which equates to 38.1900 ERUs), then the remaining unplatted land within the District would be required to absorb 1,302.4954 ERUs, or approximately \$55,259,748.76 in debt. If the remaining unplatted land would only be able to absorb 1,300.4854 ERUs, or approximately \$55,174,472.38 in debt, then a true-up, payable by the owner of the land subject to the initial plat, would be due in the amount of approximately \$85,276.38, calculated as 2.0100 ERUs times \$42,426.06.

\$42,426.06. The test will be based upon the development rights as signified by the number of ERUs associated with such parcel that are transferred from seller to buyer. The District shall provide an estoppel or similar document to the buyer evidencing the amount of Bond Assessments transferred at sale.

5.7 Preliminary Assessment Roll

The Bond Assessments of \$56,880,000 are proposed to be levied in accordance with the table below. Excluding any capitalized interest period, debt service assessment shall be paid in thirty (30) annual installments.

Fallschase
Community Development District

Preliminary Assessment Roll

Parcel ID	Owner	Address	Preliminary Bond Assessments
1126200090000	Red Hills Property Holdings, LLC	2810 Remington Green Circle Tallahassee, FL 32308-8708	\$44,374,695.19
1126200070000	RMDC, Inc.	2810 Remington Green Circle Tallahassee, FL 32308-8708	\$12,505,304.81
Total			\$56,880,000.00

6.0 Additional Stipulations

6.1 Overview

Wrathell, Hunt and Associates, LLC was retained by the District to prepare a methodology to fairly allocate the special assessments related to the District’s Capital Improvement Program. Certain financing, development and engineering data was provided by members of District Staff and/or the Developer. The allocation Methodology described herein was based on information provided by those professionals. Wrathell, Hunt and Associates, LLC makes no representations regarding said information transactions beyond restatement of the factual information necessary for compilation of this Amended and Restated Report.

Wrathell, Hunt and Associates, LLC does not represent the District as a Municipal Advisor or Securities Broker nor is Wrathell, Hunt and Associates, LLC registered to provide such services as described in Section 15B of the Securities and Exchange Act of 1934, as amended. Similarly, Wrathell, Hunt and Associates, LLC

does not provide the District with financial advisory services or offer investment advice in any form.

7.0 Appendix

Table 1

Fallschase

Community Development District

Revised Development Program

Unit Type	Phase IA	Phase II	Phase III	Phase IV	Phase V	Phase VI	Future Phases	Total Number of Units
Multi-Family	288	0	0	0	0	0	0	288
Townhome	0	0	0	42	18	0	0	60
SF 30'	0	0	0	0	36	0	0	36
SF 40'	0	0	0	8	28	0	0	36
SF 50'	0	13	18	5	3	94	411	544
SF 60'	0	17	42	0	0	0	0	59
SF 70'	0	0	19	0	0	12	0	31
SF 90'	0	0	21	0	0	5	0	26
Total	288	30	100	55	85	111	411	1,080

Table 2

Fallschase

Community Development District

Capital Improvement Program

Description	Phase IA Costs*	Remaining Phases Costs	Total Estimated Cost	Benefit Apportionment Method	Apportionment Rate
General Construction	\$0.00	\$4,728,338.87	\$4,728,338.87	Acre	12.4437%
Roadways	\$2,500.00	\$10,460,305.01	\$10,462,805.01	Trip	27.5353%
Utilities	\$41,290.00	\$14,851,716.89	\$14,893,006.89	ERC	39.1944%
Miscellaneous	\$0.00	\$7,913,603.94	\$7,913,603.94	Acre	20.8265%
	\$43,790.00	\$37,953,964.72	\$37,997,754.72		
Share of CIP	0.1152%	99.8848%	100.0000%		
Professional Services			\$2,735,000.00		
Fees/Permitting Costs			\$600,000.00		
Contingencies			\$4,036,525.47		
Total			\$45,369,280.19		100.0000%

* According to the District Engineer, Multi-Family Residential (Phase IA) costs are only those representing infrastructure needed to access the site, or extend utilities to it. It does not include any infrastructure within the Multi-Family project site itself. In addition to the costs identified herein for the Multi-Family project, \$1,516,876 of infrastructure in Phases I, II, III, IV, V, and VI were identified as providing a benefit to the Multi-Family project. While these costs are incurred with the construction of the Single-Family and Townhome Phases I-VI and therefore included in the costs for those phases for ease of reference, the costs were calculated as \$1,436,151 attributed to roadways, \$80,725 attributed to miscellaneous landscape and shared multi-use trails and such costs benefit and provide utility service and access to the Multi-Family site.

Table 3

Fallschase

Community Development District

Preliminary Sources and Uses of Funds

<u>Sources:</u>	Amount
Bond Proceeds:	
Par Amount	\$56,880,000.00
Total Sources	\$56,880,000.00
<u>Uses:</u>	
Project Fund Deposit:	
Project Fund	\$45,369,280.19
Other Funds Deposits:	
Debt Service Reserve Fund	\$3,913,650.56
Capitalized Interest Fund	\$6,256,800.00
	<u>\$10,170,450.56</u>
Delivery Date Expenses:	
Costs of Issuance	\$1,337,600.00
Rounding	\$2,669.25
	<u>\$1,340,269.25</u>
Total Uses	\$56,880,000.00

Table 4

Fallschase

Community Development District

Derivation of Costs of Capital Improvements Benefitting Phase IA and Remaining Phases

Description	Phase IA Costs	Additional Phase IA Allocation*	Total Phase IA Allocation	Remaining Phases Costs	Total Estimated Cost
				Less Additional Phase IA Allocation	
General Construction	\$0.00	\$0.00	\$0.00	\$4,728,338.87	\$4,728,338.87
Roadways	\$2,500.00	\$1,436,151.00	\$1,438,651.00	\$9,024,154.01	\$10,462,805.01
Utilities	\$41,290.00	\$0.00	\$41,290.00	\$14,851,716.89	\$14,893,006.89
Miscellaneous	\$0.00	\$80,725.00	\$80,725.00	\$7,832,878.94	\$7,913,603.94
Total	\$43,790.00	\$1,516,876.00	\$1,560,666.00	\$36,437,088.72	\$37,997,754.72
		Share of CIP	4.1073%	95.8927%	

Description	Benefit Apportionment Method	Total Phase IA Allocation	Apportionment Rate	Remaining Phases Costs	Apportionment Rate
				Less Additional Phase IA Allocation	
General Construction	Acre	\$0.00	0.0000%	\$4,728,338.87	12.9767%
Roadways	Trip	\$1,438,651.00	92.1819%	\$9,024,154.01	24.7664%
Utilities	ERC	\$41,290.00	2.6457%	\$14,851,716.89	40.7599%
Miscellaneous	Acre	\$80,725.00	5.1725%	\$7,832,878.94	21.4970%
Total		\$1,560,666.00	100.0000%	\$36,437,088.72	100.0000%

* According to the District Engineer, Multi-Family Residential (Phase IA) costs are only those representing infrastructure needed to access the site, or extend utilities to it. It does not include any infrastructure within the Multi-Family project site itself. In addition to the costs identified herein for the Multi-Family project, \$1,516,876 of infrastructure in Phases I, II, III, IV, V, and VI were identified as providing a benefit to the Multi-Family project. While these costs are incurred with the construction of the Single-Family and Townhome Phases I-VI and therefore included in the costs for those phases for ease of reference, the costs were calculated as \$1,436,151 attributed to roadways, \$80,725 attributed to miscellaneous landscape and shared multi-use trails and such costs benefit and provide utility service and access to the Multi-Family site.

Table 5

Fallschase

Community Development District

Benefit Factors

Unit Type	Share of CIP	Acre	Trip	ERC
Multi-Family	4.1073%	0.09	6.72	0.80
Townhome		0.05	5.86	0.80
SF 30'		0.06	5.86	0.80
SF 40'		0.07	9.57	0.80
SF 50'	95.8927%	0.13	9.57	1.00
SF 60'		0.17	9.57	1.00
SF 70'		0.19	9.57	1.00
SF 90'		0.31	9.57	1.20

Table 6

Fallschase

Community Development District

Benefit Apportionment

Unit Type	Units	ERU per Unit	Total ERU
Multi-Family	288	0.1912	55.0654
Townhome	60	0.9400	56.4000
SF 30'	36	1.0000	36.0000
SF 40'	36	1.2100	43.5600
SF 50'	544	1.6600	903.0400
SF 60'	59	1.8900	111.5100
SF 70'	31	2.0100	62.3100
SF 90'	26	2.8000	72.8000
Total	1,080		1,340.6854

Table 7

Fallschase

Community Development District

Bond Assessments Allocation

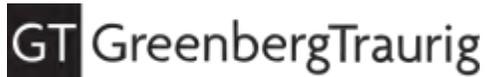
Unit Type	Total Number of Units	Total Bond Assessments Allocation	Bond Assessments Allocation per Unit	Annual Bond Assessments Payment per Unit*
Multi-Family	288	\$2,336,208.62	\$8,111.84	\$600.15
Townhome	60	\$2,392,829.79	\$39,880.50	\$2,950.53
SF 30'	36	\$1,527,338.16	\$42,426.06	\$3,138.86
SF 40'	36	\$1,848,079.18	\$51,335.53	\$3,798.02
SF 50'	544	\$38,312,429.31	\$70,427.26	\$5,210.51
SF 60'	59	\$4,730,929.96	\$80,185.25	\$5,932.45
SF 70'	31	\$2,643,567.80	\$85,276.38	\$6,309.11
SF 90'	26	\$3,088,617.18	\$118,792.97	\$8,788.81
Total	1,080	\$56,880,000.00		

* Includes County costs of collection and 4% early payment discount

FALLSCHASE

COMMUNITY DEVELOPMENT DISTRICT

9



Greenberg Traurig, P.A. | Attorneys at Law

101 East College Avenue | Tallahassee, Florida 32301 | T +1 850.222.6891 | F +1 850.521.1355

Fred F. Harris, Jr.
Tel. 850.222.6891
Fax 850.521.1355
harrisf@gtlaw.com

June 9, 2021

Board of Supervisors of Fallschase
Community Development District
c/o Mr. Craig A. Wrathell, Managing Member
Wrathell, Hart, Hunt & Associates, LLC
1200 N.W. 17th Avenue, Suite 13
Delray Beach, Florida 33445

**Re: Fallschase Community Development District
Special Assessment Revenue Bonds,
Series 2021**

Dear Mr. Chairman and Board Members:

Greenberg Traurig P.A. would be pleased to serve as Bond Counsel to Cypress Ridge Community Development District (the “District”) in connection with its proposed financing program involving the issuance of special assessment bonds which will provide infrastructure for a proposed planned residential community in Leon County, Florida. For purposes of this letter, we have assumed that the District will issue long term “permanent” bonds to finance public infrastructure for multiple phases in multiple series. Because the amount of each series of bonds is undetermined at this time, we would propose a flat fee structure. Absent unusual circumstances, we would propose to charge a fee of \$75,600 for each series of bonds. Any increase in the fee resulting from “unusual circumstances” would be subject to prior Board approval.

We would propose to perform all of the services customarily performed by bond counsel. Our services would also include our tax analysis in connection with the tax status of the Bonds proposed to be issued, including the preparation of all Bonds resolutions, preparation of a master trust indenture and one or more supplemental trust indentures, the drafting of all closing papers, and the delivery of our tax opinion to the investors. In the event that for any reason the District is unable to complete a financing that the finance team has been working on, we would expect to be paid for our time and expenses at our normal hourly rates less 10%, subject to a cap equal to the otherwise applicable fixed fee set forth above. In such an unlikely case, we would expect that payment would be made under a developer funding agreement with RMDC or related entities or principals thereof. Our out-of-pocket expenses which we will bill the

Fallschase Community Development District
June 9, 2021

District at the time of delivery of the Bonds will not include the cost of preparing the final bond transcripts. Such item will be a post-closing matter and will be billed to the District at cost.

If our fee quote is acceptable to you, please indicate by signing below on the extra copy of this letter enclosed and return the same to me.

If you have any questions, please feel free to give me a call. We look forward to the opportunity to work with you on this financing.

Very truly yours,

GREENBERG TRAURIG, P.A.

Fred F. Harris, Jr.

Fred F. Harris, Jr., Shareholder

**FALLSCHASE COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Name: _____
Title: _____

FALLSCHASE

COMMUNITY DEVELOPMENT DISTRICT

10

**FALLSCHASE
COMMUNITY DEVELOPMENT DISTRICT
FINANCIAL STATEMENTS
UNAUDITED
JULY 31, 2021**

**FALLSCHASE
COMMUNITY DEVELOPMENT DISTRICT
BALANCE SHEET
JULY 31, 2021**

	Major Funds General	Total Governmental Funds
ASSETS		
Cash	\$ 11,444	\$ 11,444
Due from Developer	7,252	7,252
Total assets	\$ 18,696	\$ 18,696
 LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 6,174	\$ 6,174
Due to Developer	4,179	4,179
Accrued wages payable	1,000	1,000
Accrued taxes payable	77	77
Total liabilities	11,430	11,430
 DEFERRED INFLOWS OF RESOURCES		
Deferred receipts	7,252	7,252
Total deferred inflows of resources	7,252	7,252
 Fund balances:		
Unassigned	14	14
Total fund balances	14	14
 Total liabilities, deferred inflows of resources & fund balances	 \$ 18,696	 \$ 18,696

**FALLSCHASE
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND
FOR THE PERIOD ENDED JULY 31, 2021**

	Current Month	Year to Date	Adopted Budget	% of Budget
REVENUES				
Developer contribution	\$ -	\$ 24,891	\$ 66,699	37%
Interest	1	10	-	N/A
Total revenues	<u>1</u>	<u>24,901</u>	<u>66,699</u>	37%
EXPENDITURES				
Supervisors	-	1,000	6,000	17%
FICA	-	76	459	17%
Management/accounting/recording	2,000	20,000	24,000	83%
Legal	-	-	9,000	0%
Engineering	-	-	3,500	0%
Audit	-	5,000	5,100	98%
Arbitrage rebate calculation	-	-	750	0%
Dissemination agent	-	-	1,000	0%
Trustee	-	-	6,500	0%
Telephone	17	167	200	84%
Postage	-	-	600	0%
Printing & binding	42	417	500	83%
Legal advertising	-	-	1,200	0%
Annual district filing fee	-	-	175	0%
Insurance	-	6,188	6,400	97%
Contingencies	-	-	400	0%
ADA website compliance	-	-	210	0%
Website	-	705	705	100%
Total expenditures	<u>2,059</u>	<u>33,553</u>	<u>66,699</u>	50%
Excess/(deficiency) of revenues over/(under) expenditures	(2,058)	(8,652)	-	
Fund balance - beginning	<u>2,072</u>	<u>8,666</u>	-	
Fund balance - ending	<u>\$ 14</u>	<u>\$ 14</u>	<u>\$ -</u>	

FALLSCHASE

COMMUNITY DEVELOPMENT DISTRICT

11

DRAFT

**MINUTES OF MEETING
FALLSCHASE
COMMUNITY DEVELOPMENT DISTRICT**

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39

The Board of Supervisors of the Fallschase Community Development District held a Regular Meeting on June 7, 2021 at 11:00 a.m., at 2810 Remington Green Circle, Tallahassee, Florida 32308.

Present at the meeting were:

Richard Yates	Chair
Rick Singletary	Vice Chair
Jeff Phipps	Assistant Secretary
William Lamb	Assistant Secretary
Lewis Singletary	Assistant Secretary

Also present were:

Cindy Cerbone	District Manager
Jamie Sanchez	Wrathell, Hunt and Associates, LLC (WHA)
Ken van Assenderp	District Counsel
Roger Wynn	District Engineer
Eddie Bass	District Engineer

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Ms. Cerbone called the meeting to order at 11:04 a.m. All Supervisors were present.

SECOND ORDER OF BUSINESS

Public Comments

There being no public comments, the next item followed.

THIRD ORDER OF BUSINESS

Consideration of Replacing Howard McGaffney with Cindy Cerbone as Assistant Secretary

Ms. Cerbone noted that Mr. McGaffney resigned.

40 **On MOTION by Mr. Phipps and seconded by Mr. Lamb, with all in favor, the**
41 **removal of Mr. Howard McGaffney as Assistant Secretary and appointing Ms.**
42 **Cindy Cerbone as Assistant Secretary, was approved.**

43
44
45 **▪ Discussion/Update: Bond Financing**

46 **This item, previously the Seventh Order of Business, was presented out of order.**

47 Ms. Cerbone and Mr. Wynn provided updates and responded to questions as follows:

48 ➤ Updated Draft Engineer's Report: WHA, Ms. Kilinski and others asked for additional time
49 to review the Report. WHA would then update the Assessment Methodology Report.

50 ➤ The draft Report was emailed over the weekend; however, some details still needed to
51 be finalized.

52 ➤ Phases 1, 1A, 2 and 3 were under construction and were expected to be completed in
53 the next 60 to 90 days. Phase 1A comprised of a lot that will be designated as CDD property.

54 ➤ Phases 4, 5 and 6 were in permitting and under review; construction would probably be
55 staggered and was expected to commence within 60 to 90 days.

56 ➤ Future Phases: There were concepts but no definitive plans for the area on the east side
57 of the ravine; the plans may be subject to what the market is doing.

58 Mr. Yates stated, if possible, he may want to include that property into the financing, as
59 he was concerned about variables, such as interest rates, labor and materials costs and
60 leveraging arbitrage costs. He commented that the unit costs were in line with the market and
61 noted that Second Elevated is not the Developer; this would need to be corrected in the Report.

62 ➤ Unit costs were broken down as follows:

63 ✓ Phases 1, 2, 3: Unit costs were comprised of contract amounts between the
64 Developer and the Site Contractors.

65 ✓ Phases 4, 5, 6: Because construction level plans were completed, unit costs were
66 based on current prices.

67 ✓ Future Phases - About 400 Lots: Developed unit costs per lot, based on Phases 1
68 through 6.

69 ➤ Ms. Cerbone would advise Mr. Szymonowicz, who was reviewing the updated
70 Engineer’s Report, to include the 400 lots and Operational Maintenance Costs in the
71 Methodology Report.

72 ➤ Timeline: Reports may be ready to present at the August meeting; the Public Hearing
73 could possibly be held in September or October.

74 Discussion ensued regarding the bond issuance process, interest rate trends and tax law
75 changes.

76 Mr. van Assenderp clarified that the bonds do not drive the assessments; the
77 assessments are based on the constructed infrastructure that the CDD purchased, which
78 provides certain benefits to all the parcels as indicated in the Methodology Report and
79 collected as non-ad valorem assessments through the County Tax Collector. If the property
80 owner is delinquent, the Tax Collector would sell the tax certificate to recoup the unpaid taxes,
81 including assessments.

82 Mr. Wynn provided an overview of the construction monitoring and reporting process
83 and noted that a significant number of projects were completed and some but not all punch list
84 items were corrected.

85 Mr. van Assenderp explained that the legal purpose of the CDD is management of
86 construction, acquisition of infrastructure and to ensure, based on Mr. Wynn’s certification,
87 that the process of construction and the construction methodology meet the standard of this
88 CDD and ensure that the quality constructed and the materials used to construct it were in a
89 manner that allows for long-term, sustained quality maintenance.

90 Discussion ensued regarding which infrastructure would be turned over to the City and
91 County and if the CDD would receive any rebates, maintaining certain operations as the City’s
92 standard of maintenance is inadequate, liability insurance, Board Supervisor’s being covered by
93 sovereign immunity.

94

95 **FOURTH ORDER OF BUSINESS**

**Consideration of Resolution 2021-02,
Approving a Proposed Budget for Fiscal
Year 2021/2022 and Setting a Public
Hearing Thereon Pursuant to Florida Law;
Addressing Transmittal, Posting and**

96
97
98
99

Publication Requirements; Addressing Severability; and Providing an Effective Date

100
101
102
103
104
105
106
107
108
109

Ms. Cerbone presented Resolution 2021-02. She reviewed the proposed Fiscal Year 2022 budget, highlighted line item increases compared to the Fiscal Year 2021 budget and explained the reason for adjustments, which reflected a full year budget, if bonds are issued; the expenses would be prorated depending on the issuance of bonds. Operations and maintenance (O&M) costs were omitted from the proposed Fiscal Year 2022 budget.

On MOTION by Mr. Phipps and seconded by Mr. Lewis Singletary, with all in favor, Resolution 2021-02, Approving a Proposed Budget for Fiscal Year 2021/2022 and Setting a Public Hearing Thereon Pursuant to Florida Law on August 30, 2021 at 11:00 a.m., at 2810 Remington Green Circle, Tallahassee, Florida 32308; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability; and Providing an Effective Date, was adopted.

110
111
112
113
114
115
116
117

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2021-03, Designating Dates, Times, and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2021/2022 and Providing for an Effective Date

118
119
120
121
122
123
124
125
126

Ms. Cerbone presented Resolution 2021-03.

On MOTION by Mr. Phipps and seconded by Mr. Lamb, with all in favor, Resolution 2021-03, Designating Dates, Times, and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2021/2022 and Providing for an Effective Date, was adopted.

127
128
129
130
131
132

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2021-04, Re-Designating a Date, Time and Location for a Landowners' Meeting of the District, and Providing for an Effective Date

133
134
135
136
137

138 Ms. Cerbone presented Resolution 2021-04. The following change was made to
139 Resolution 2021-04 and Exhibit A:

140 Page 1, Section 2 and throughout the Exhibit A items.: Change "9:00 a.m." to "10:30
141 a.m."

142

143 **On MOTION by Mr. Phipps and seconded by Mr. Rick Singletary, with all in**
144 **favor, Resolution 2021-04, as amended, Re-Designating a Date, Time and**
145 **Location for a Landowners' Meeting of the District, and Providing for an**
146 **Effective Date, was adopted.**

147

148

149 **SEVENTH ORDER OF BUSINESS** **Discussion/Update: Bond Financing**

150

151 This item was presented following the Third Order of Business.

152

153 **EIGHTH ORDER OF BUSINESS** **Acceptance of Unaudited Financial**
154 **Statements as of April 30, 2021**

155

156 Ms. Cerbone presented the Unaudited Financial Statements as of April 30, 2021

157

158 **On MOTION by Mr. Phipps and seconded by Mr. Rick Singletary, with all in**
159 **favor, the Unaudited Financial Statements as of April 30, 2021, were accepted.**

160

161

162 **NINTH ORDER OF BUSINESS** **Approval of March 1, 2021 Special Meeting**
163 **Minutes**

164

165 Ms. Cerbone presented the March 1, 2021 Special Meeting Minutes.

166

167 **On MOTION by Mr. Phipps and seconded by Mr. Lamb, with all in favor, the**
168 **March 1, 2021 Special Meeting Minutes, were approved.**

169

170

171 **TENTH ORDER OF BUSINESS** **Staff Reports**

172

173 **A. Attorney: *van Assenderp Law***

174 There was no report.

175 B. Engineer: Moore Bass Consulting, Inc.

176 There was no report.

177 C. Manager: *Wrathell, Hunt and Associates, LLC*

178 I. 0 Registered Voters in District as of April 15, 2021

179 There were no registered voters residing within the District as of April 15, 2021.

180 II. Discussion: Distribution of Agenda Packages

181 Board Member agenda packages should be shipped to Mr. Yates’ office, via FedEx and

182 emailed to the Board.

183 III. NEXT MEETING DATE: August 30, 2021 at 11:00 A.M.

184 • QUORUM CHECK

185 The next meeting would be held on August 30, 2021 at 11:00 a.m.

186

187 ELEVENTH ORDER OF BUSINESS

Audience Comments/Supervisors Requests

188

189 There being no audience comments or Supervisors’ requests, the next item followed.

190

191 TWELFTH ORDER OF BUSINESS

Adjournment

192

193 There being nothing further to discuss, the meeting adjourned.

194

195 On MOTION by Mr. Phipps and seconded by Mr. Lamb, with all in favor, the
196 meeting adjourned at 11:52 a.m.

197

198

199

200

201

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

202
203
204
205
206
207
208
209

Secretary/Assistant Secretary

Chair/Vice Chair

FALLSCHASE

COMMUNITY DEVELOPMENT DISTRICT

12C

FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT

BOARD OF SUPERVISORS FISCAL YEAR 2021/2022 MEETING SCHEDULE

LOCATION

2810 Remington Green Circle, Tallahassee, Florida 32308

DATE	POTENTIAL DISCUSSION/FOCUS	TIME
October 4, 2021	Regular Meeting	11:00 AM
November 1, 2021	Landowners' Meeting	10:30 AM
March 7, 2022	Regular Meeting	11:00 AM
April 4, 2022	Regular Meeting	11:00 AM
June 6, 2022	Regular Meeting	11:00 AM
August 1, 2022	Public Hearing & Regular Meeting	11:00 AM