

***UNION PARK EAST COMMUNITY
DEVELOPMENT DISTRICT***

Advanced Board Package

Regular Meeting

***Tuesday
July 10, 2018***

9:00 a.m.

***Residence Inn
2101 Northpointe Parkway
Lutz FL***

***Note: The Advanced Board Package is a working document and thus all materials
are considered***

DRAFTS prior to presentation and Board acceptance, approval or adoption.

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT AGENDA

Residence Inn
2101 Northpointe Parkway
Lutz, Florida

District Board of Supervisors	Mike Lawson Doug Draper Lori Price Ted Sanders Sean O'Connor	Chairman Vice Chairman Assistant Secretary Assistant Secretary Assistant Secretary
District Manager	Paul Cusmano	District Manager
District Attorney	Vivek Barbar	Straley, Robin & Vericker
District Engineer	Tonja Stewart	Stantec Consulting Services, Inc.

All cellular phones and pagers must be turned off during the meeting.

The District Agenda is comprised of seven different sections:

The meeting will begin promptly at **9 :00 a .m.** with the first section which is called **Audience Questions and Comments on Agenda Items**. The Audience Comment portion of the agenda is where individuals may comment on matters that concern the District. Each individual is limited to three (3) minutes for such comment. The Board of Supervisors or Staff is not obligated to provide a response until sufficient time for research or action is warranted. IF THE COMMENT CONCERNS A MAINTENANCE RELATED ITEM, THE ITEM WILL NEED TO BE ADDRESSED BY THE DISTRICT MANAGER OUTSIDE THE CONTEXT OF THIS MEETING. The second section is called **District Counsel and District Engineer Reports**. This section allows the District Engineer, and Attorney to update the Board of Supervisors on any pending issues that are being researched for Board action. The third section is the **Landscaping and Ponds** section and contains items that often require District Engineer, Operations Manager, and Landscape Contractor to discuss and update the Board. The fourth section is the **Business Administration** section and contains items that require the review and approval of the District Board of Supervisors as a normal course of business. The fifth section is called **Business Items**. The business items section contains items for approval by the District Board of Supervisors that may require discussion, motion and votes on an item-by-item basis. Occasionally, certain items for decision within this section are required by Florida Statute to be held as a Public Hearing. During the Public Hearing portion of the agenda item, each member of the public will be permitted to provide one comment on the issue, prior to the Board of Supervisors' discussion, motion and vote. Agendas can be reviewed by contacting the Manager's office at (813) 374-9105 at least seven days in advance of the scheduled meeting. Requests to place items on the agenda must be submitted in writing with an explanation to the District Manager at least fourteen (14) days prior to the date of the meeting. The sixth section is called **Staff Reports**. This section allows the District Manager and Maintenance Supervisor to update the Board of Supervisors on any pending issues that are being researched for Board action. The seventh section which is called **Audience Comments on Other Items** provides members of the Audience the opportunity to comment on matters of concern to them that were not addressed during the meeting. The same guidelines used during the first audience comment section will apply here as well. The final section is called **Supervisor Requests**. This is the section in which the Supervisors may request Staff to prepare certain items in an effort to meet residential needs.

Public workshops sessions may be advertised and held in an effort to provide informational services. These sessions allow staff or consultants to discuss a policy or business matter in a more informal manner and allow for lengthy presentations prior to scheduling the item for approval. Typically no motions or votes are made during these sessions.

Pursuant to provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this meeting is asked to advise the District Office at (813) 374-9105, at least 48 hours before the meeting. If you are hearing or speech impaired, please contact the Florida Relay Service at 1 (800) 955-8770, who can aid you in contacting the District Office.

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

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT

Date of Meeting: Tuesday, July 10, 2018
Time: 9:00 a.m.
Location: Residence Inn
2101 Northpointe Parkway
Lutz, Florida 33558

Conference Call No.: (563) 999-2090
Code: 686859#

AGENDA

I. Roll Call

II. Audience Comments

III. Consent Agenda

- A. Approval of Minutes from June 12, 2018 Meeting **Exhibit 1**
- B. Acceptance of May 2018 Unaudited Financial Statements **Exhibit 2**

IV. Business Matters

- A. Financial Statements for September 30, 2017 **Exhibit 3**
- B. Audit Response **Exhibit 4**

V. Staff Reports

- A. District Manager
- B. Attorney
- C. District Engineer

VI. Supervisors Request

VII. Audience Questions and Comments on Other Items

VIII. Adjournment

EXHIBIT 1.

**MINUTES OF MEETING
UNION PARK EAST
COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Board of Supervisors of the Union Park East Community Development District was held on Tuesday, June 12, 2018 at 9:00 a.m. at the Residence Inn 2101 Northpointe Parkway, Lutz, Florida 33558.

FIRST ORDER OF BUSINESS – Roll Call

Mr. Cusmano called the meeting to order.

Present and constituting a quorum were:

Mike Lawson	Board Supervisor, Chairman
Doug Draper	Board Supervisor, Vice Chairman
Lori Price	Board Supervisor, Assistant Secretary

Also present were:

Paul Cusmano	District Manager, DPFG
Vivek Babbar	District Attorney, Straley, Robin & Vericker (<i>via phone</i>)
Lore Yeira	Assistant District Manager, DPFG

The following is a summary of the discussions and actions taken at the June 12, 2018 Union Park East CDD Board of Supervisors meeting.

SECOND ORDER OF BUSINESS – Audience Comments

There being none, the next item followed.

THIRD ORDER OF BUSINESS – Consent Agenda

Mr. Cusmano presented the meeting minutes from the May 1, 2018 meeting and the unaudited financial statements for April 2018 and asked for comments, questions, or corrections.

A. Approval of the Minutes from May 1, 2018 Regular Meeting

B. Acceptance of the April 2018 Unaudited Financial Statements

On a MOTION by Mr. Lawson, SECONDED by Mr. Draper, WITH ALL IN FAVOR, the Board accepted **Items A & B** for the Union Park East Community Development District.

FOURTH ORDER OF BUSINESS – Business Matters

A. Presentation of the Fiscal Year 2018-2019 Proposed Budget

Mr. Cusmano presented the proposed budget for Fiscal Year 2018-2019 and asked for comments, questions, or corrections.

On a MOTION by Mr. Lawson, SECONDED by Ms. Price, WITH ALL IN FAVOR, the Board approved the **proposed budget for Fiscal Year 2018-2019** for the Union Park East Community Development District.

B. Consideration and Adoption of Resolution 2018-04 Approving the Proposed Budget and Setting of the Public Hearing

Mr. Cusmano presented Resolution 2018-04 to adopt the proposed budget and asked for comments, questions, or corrections. Mr. Lawson called for a motion to adopt the resolution.

On a MOTION by Mr. Lawson, SECONDED by Mr. Draper, ITH ALL IN FAVOR, the Board adopted
Resolution 2018-04 for the Union Park East Community Development District.

FIFTH ORDER OF BUSINESS – Staff Reports

A. District Manager

There being none, next item followed.

B. Attorney

There being none, next item followed.

C. District Engineer

There being none, next item followed.

SIXTH ORDER OF BUSINESS – Supervisors Requests

There being none, next item followed.

SEVENTH ORDER OF BUSINESS – Audience Questions and Comments on Other Items

There being none, next item followed.

EIGHTH ORDER OF BUSINESS – Adjournment

On a MOTION by Mr. Lawson, SECONDED by Ms. Price, WITH ALL IN FAVOR, the Board adjourned
the meeting for the Union Park East Community Development District.

**Each person who decides to appeal any decision made by the Board with respect to any matter considered
at the meeting is advised that 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.*

**Meeting minutes were approved at a meeting by vote of the Board of Supervisors at a publicly noticed
meeting held on _____.**

Signature

Printed Name

Title: ☐ Secretary ☐ Assistant Secretary

Signature

Printed Name

Title: ☐ Chairman ☐ Vice Chairman

EXHIBIT 2.

Union Park East Community Development District

Financial Statements
(Unaudited)

Period Ending
May 31, 2018

Union Park East CDD
Balance Sheet
May 31, 2018

	GENERAL FUND	DEBT SERVICE SERIES 2017			CAPITAL PROJECTS		CONSOLIDATED TOTAL
		2017 A-1	2017 A-2	2017 A-3	2017 A-1	2017 A-3	
<u>ASSETS:</u>							
CASH	\$ 17,162	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,162
INVESTMENT / TRUST FUNDS:							
REVENUE	-	19,397	2,322	-	-	-	21,719
RESERVE	-	414,475	330,000	248,688	-	-	993,163
INTEREST	-	-	-	-	-	-	-
CAPITAL INTEREST	-	-	169,090	127,426	-	-	296,516
PREPAYMENT	-	-	283,451	-	-	-	283,451
COST OF ISSUANCE 2017 A-1	-	-	-	-	-	-	-
COST OF ISSUANCE 2017 A-2	-	-	-	-	-	-	-
COST OF ISSUANCE 2017 A-3	-	-	-	-	-	-	-
CONSTRUCTION 2017 A-1	-	-	-	-	1,658,064	-	1,658,064
CONSTRUCTION 2017 A-3	-	-	-	-	-	1,918,177	1,918,177
UTILITY DEPOSITS	-	-	-	-	-	-	-
DUE FROM DS 2017	-	-	-	-	-	-	-
DUE FROM CAPITAL PROJECTS	-	-	-	-	-	-	-
DUE FROM GENERAL FUND	-	-	-	-	-	-	-
PREPAID ITEMS	350	-	-	-	-	-	350
ACCOUNTS RECEIVABLE	-	-	-	-	1,301,574	18,234	1,319,808
TOTAL ASSETS	<u>\$ 17,512</u>	<u>\$ 433,872</u>	<u>\$ 784,863</u>	<u>\$ 376,114</u>	<u>\$ 2,959,638</u>	<u>- 1,936,411</u>	<u>\$ 6,508,410</u>
<u>LIABILITIES:</u>							
ACCOUNTS PAYABLE	\$ 2,164	\$ -	\$ -	\$ -	\$ 1,463,380	\$ 11,471	\$ 1,477,015
ACCRUED EXPENSES	716	-	-	-	-	-	716
ACCRUED INTEREST PAYABLE	-	-	-	-	-	-	-
RETAINAGE PAYABLE	-	-	-	-	156,934	-	156,934
<u>FUND BALANCE:</u>							
NONSPENDABLE:							
PREPAID AND DEPOSITS	350	-	-	-	-	-	350
RESTRICTED FOR:							
ASSIGNED:	-	433,872	784,863	376,114	1,339,324	1,924,940	4,859,113
UNASSIGNED:	14,282	-	-	-	-	-	14,282.00
TOTAL LIABILITIES & FUND BALANCE	<u>\$ 17,512</u>	<u>\$ 433,872</u>	<u>\$ 784,863</u>	<u>\$ 376,114</u>	<u>\$ 2,959,638</u>	<u>- 1,936,411</u>	<u>\$ 6,508,410</u>

Union Park East CDD
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Period From October 1, 2017 to May 31, 2018

	FY2018 ADOPTED BUDGET	BUDGET YEAR-TO-DATE	ACTUAL YEAR-TO-DATE	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
OFF ROLL FUNDING	\$ 362,105	\$ 236,296	\$ 65,027	\$ (171,269)
LOT CLOSINGS	-	-	16,422	16,422
INTEREST REVENUE	-	-	-	-
TOTAL REVENUES	<u>\$362,105</u>	<u>236,296</u>	<u>\$81,449</u>	<u>(\$154,847)</u>
EXPENDITURES				
ADMINISTRATIVE				
BOARD OF SUPERVISORS	12,000	8,000	5,115	2,885
PAYROLL TAXES	918	612	473	139
PAYROLL SERVICES	660	440	325	115
TRAVEL	-	-	893	(893)
MANAGEMENT CONSULTING SERVICES	21,000	14,000	14,000	-
CONSTRUCTION ACCOUNTING SERVICES	9,000	9,000	9,000	-
PLANNING & COORDINATING SERVICES	36,000	24,000	24,000	-
ADMINISTRATIVE SERVICES	3,500	2,334	3,036	(702)
BANK FEES	300	200	192	8
MISCELLANEOUS	500	333	-	333
AUDITING	4,500	-	-	-
INSURANCE (Liability, Property & Casualty)	4,000	4,000	5,000	(1,000)
REGULATORY AND PERMIT FEES	175	175	175	-
LEGAL ADVERTISEMENTS	2,000	1,333	632	701
ENGINEERING SERVICES	4,000	2,667	4,509	(1,842)
LEGAL SERVICES	7,500	5,000	4,286	714
WEBSITE HOSTING	720	480	498	(18)
PERFORMANCE & WARRANTY BOND PREMIUM	-	-	-	-
TOTAL ADMINISTRATIVE	<u>106,773</u>	<u>72,575</u>	<u>72,134</u>	<u>440</u>
DEBT SERVICE ADMINISTRATION:				
DISSEMINATION AGENT	1,000	-	-	-
TRUSTEE FEES	8,000	-	-	-
ARBITRAGE	750	-	-	-
TOTAL DEBT SERVICE ADMINISTRATION	<u>9,750</u>	<u>-</u>	<u>-</u>	<u>-</u>
PHYSICAL ENVIRONMENT EXPENDITURES				
FIELD MANAGER	8,781	5,854	-	5,854
FIELD TRAVEL	1,400	933	336	597
ELECTRICITY (Pumps)	-	-	85	(85)
STREETLIGHTS	-	-	-	-
WATER	-	-	-	-
LANDSCAPE MAINTENANCE	-	-	566	(566)
IRRIGATION MAINTENANCE	-	-	-	-
POND MAINTENANCE	-	-	-	-
FIELD CONTINGENCY/ MISC FIELD EXPENSES	235,401	156,934	-	156,934
TOTAL FIELD OPERATIONS	<u>245,582</u>	<u>163,721</u>	<u>987</u>	<u>162,734</u>
TOTAL EXPENDITURES O&M	<u>362,105</u>	<u>236,296</u>	<u>73,121</u>	<u>163,175</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>8,328</u>	<u>8,330</u>
NET CHANGE IN FUND BALANCE	\$ -	\$ -	8,328	8,330
FUND BALANCE - BEGINNING	-	-	6,304	6,304
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,632.00</u>	<u>\$ 14,634.00</u>

Union Park East CDD
Debt Service Series 2017 A-1
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Period From October 1, 2017 to May 31, 2018

	ACTUAL YEAR-TO-DATE
REVENUE	
ON ROLL ASSESSMENTS (GROSS)	\$ -
OFF ROLL ASSESSMENTS - PREPAYMENT ON BONDS	-
LOT CLOSINGS	18,536
INTEREST--INVESTMENT	2,424
MISCELLANEOUS REVENUE	161,180
FUND BALANCE FORWARD	-
LESS: DISCOUNT ASSESSMENTS	-
TOTAL REVENUE	182,140
EXPENDITURES	
COUNTY ASSESSMENT COLLECTION FEES	-
INTEREST EXPENSE	162,563
PRINCIPAL EXPENSE	-
COST OF ISSUANCE	-
TOTAL EXPENDITURES	162,563
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	19,577
OTHER FINANCING SOURCES (USES)	
BOND PROCEEDS	-
TRANSFER IN	-
TRANSFER OUT (USES)	(1,180)
TOTAL OTHER FINANCING SOURCES (USES)	(1,180)
NET CHANGE IN FUND BALANCE	18,397
FUND BALANCE - BEGINNING	415,474
FUND BALANCE - ENDING	\$ 433,871

Union Park East CDD
Debt Service Series 2017 A-2
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Period From October 1, 2017 to May 31, 2018

	<u>ACTUAL</u> <u>YEAR-TO-DATE</u>
REVENUE	
ON ROLL ASSESSMENTS (GROSS)	\$ -
OFF ROLL ASSESSMENTS - PREPAYMENT ON BONDS	-
LOT CLOSINGS	285,772
INTEREST--INVESTMENT	3,755
MISCELLANEOUS REVENUE	-
FUND BALANCE FORWARD	-
LESS: DISCOUNT ASSESSMENTS	-
TOTAL REVENUE	<u><u>289,527</u></u>
EXPENDITURES	
COUNTY ASSESSMENT COLLECTION FEES	-
INTEREST EXPENSE	165,000
PRINCIPAL EXPENSE	-
COST OF ISSUANCE	-
TOTAL EXPENDITURES	<u><u>165,000</u></u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	124,527
OTHER FINANCING SOURCES (USES)	
BOND PROCEEDS	-
TRANSFER IN	(769)
TRANSFER OUT (USES)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u><u>(769)</u></u>
NET CHANGE IN FUND BALANCE	<u>123,758</u>
FUND BALANCE - BEGINNING	661,103
FUND BALANCE - ENDING	<u><u>\$ 784,861</u></u>

Union Park East CDD
Debt Service Series 2017 A-3
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Period From October 1, 2017 to May 31, 2018

	<u>ACTUAL</u> <u>YEAR-TO-DATE</u>
REVENUE	
ON ROLL ASSESSMENTS (GROSS)	\$ -
OFF ROLL ASSESSMENTS - PREPAYMENT ON BONDS	-
PREPAYMENT ON BONDS	-
INTEREST--INVESTMENT	2,830
MISCELLANEOUS REVENUE	-
FUND BALANCE FORWARD	-
LESS: DISCOUNT ASSESSMENTS	-
TOTAL REVENUE	<u><u>2,830</u></u>
 EXPENDITURES	
COUNTY ASSESSMENT COLLECTION FEES	-
INTEREST EXPENSE	124,344
PRINCIPAL EXPENSE	-
COST OF ISSUANCE	-
TOTAL EXPENDITURES	<u><u>124,344</u></u>
 EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	 (121,514)
 OTHER FINANCING SOURCES (USES)	
BOND PROCEEDS	-
TRANSFER IN	-
TRANSFER OUT (USES)	(554)
TOTAL OTHER FINANCING SOURCES (USES)	<u><u>(554)</u></u>
 NET CHANGE IN FUND BALANCE	 <u>(122,068)</u>
 FUND BALANCE - BEGINNING	 498,181
 FUND BALANCE - ENDING	 <u><u>\$ 376,113</u></u>

Union Park East CDD
Capital Projects 2017 A-1
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Period From October 1, 2017 to May 31, 2018

	<u>ACTUAL YEAR-TO-DATE</u>
REVENUE	
DEVELOPER CONTRIBUTION	\$ 1,553,667
INTEREST REVENUE	24,544
MISCELLANEOUS REVENUE	-
TOTAL REVENUE	<u><u>1,578,211</u></u>
EXPENDITURES	
CONSTRUCTION IN PROGRESS	7,645,753
OTHER	-
TOTAL EXPENDITURES	<u><u>7,645,753</u></u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	(6,067,542)
OTHER FINANCING SOURCES (USES)	
BOND PROCEEDS	-
TRANSFER IN	494,071
TRANSFER OUT (USES)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u><u>494,071</u></u>
NET CHANGE IN FUND BALANCE	<u>(5,573,471)</u>
FUND BALANCE - BEGINNING	6,912,795
FUND BALANCE - ENDING	<u><u>\$ 1,339,324</u></u>

Union Park East CDD
Capital Projects 2017 A-3
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Period From October 1, 2017 to May 31, 2018

	<u>ACTUAL YEAR-TO-DATE</u>
REVENUE	
DEVELOPER CONTRIBUTION	\$ 18,234
INTEREST REVENUE	17,250
MISCELLANEOUS REVENUE	-
TOTAL REVENUE	<u><u>35,484</u></u>
EXPENDITURES	
CONSTRUCTION IN PROGRESS	1,120,850
OTHER	-
TOTAL EXPENDITURES	<u><u>1,120,850</u></u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	(1,085,366)
OTHER FINANCING SOURCES (USES)	
BOND PROCEEDS	-
TRANSFER IN	554
TRANSFER OUT (USES)	<u>(492,123)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u><u>(491,569)</u></u>
NET CHANGE IN FUND BALANCE	<u>(1,576,935)</u>
FUND BALANCE - BEGINNING	3,501,875
FUND BALANCE - ENDING	<u><u>\$ 1,924,940</u></u>

Union Park East CDD

Operating Account

Bank Reconciliation

May 31, 2018

Balance Per Bank Statement	\$ 154,208.48
Less: Outstanding Checks	(137,046.00)
<i>Adjusted Bank Balance</i>	<u>\$ 17,162.48</u>

Beginning Bank Balance Per Books	\$ 5,230.39
Cash Receipts	20,960.24
Cash Disbursements	(9,028.15)
<i>Balance Per Books</i>	<u>\$ 17,162.48</u>

UNION PARK CDD

CHECK REGISTER FY 2018

Date	Num	Name	Memo	Deposits	Disbursements	Balance
EOY						8,587.43
10/3/2017	1029	Egis Insurance & Risk Advisors	Insurance FY 2018		5,000.00	3,587.43
10/18/2017		Golden Ranch Property LLC	GF 2018-01	14,042.00		17,629.43
10/20/2017	1031	DPFG MANAGEMENT & CONSULTING, LLC	CDD/Field Mgmt - October & Construction Accounting		14,042.00	3,587.43
EOM				14,042.00	19,042.00	3,587.43
11/2/2017	1032	Steve Faison	Field - Payroll		336.00	3,251.43
11/2/2017		Golden Ranch Property LLC	GF 2017-12/GF 2018-02	269.80		3,521.23
11/3/2017	1033	Business Observer	Legal Ad		68.00	3,453.23
11/3/2017	1034	Straley Robin Vericker	Legal Svcs thru 9/15/17		25.00	3,428.23
11/3/2017	1035	TAMPA BAY TIMES	Legal Ad		116.80	3,311.43
11/3/2017	1036	Venturesin.com, Inc.	Web Site Hosting - October		60.00	3,251.43
11/30/2017		Golden Ranch Property LLC	GF 2018-03	6,255.47		9,506.90
11/30/2017	1037	Business Observer	Legal Ad		129.63	9,377.27
11/30/2017	1038	DPFG MANAGEMENT & CONSULTING, LLC	CDD/Field Mgmt - November		5,042.00	4,335.27
11/30/2017	1039	FLORIDA DEPT OF ECONOMIC OPPORTUNIT	Annual Filing FY 2018		175.00	4,160.27
11/30/2017	1040	Stantec Consulting Services Inc.	Engineering Svcs thru 10/13/17		396.25	3,764.02
11/30/2017	1041	Straley Robin Vericker	Legal Svcs thru 10/15/17		434.60	3,329.42
11/30/2017	1042	Venturesin.com, Inc.	Web Site Hosting - November & Domain Name Renewal		77.99	3,251.43
EOM				6,525.27	6,861.27	3,251.43
12/15/2017	1043	BSB Design	2017-06 CF		9,500.00	-6,248.57
		Golden Ranch Property LLC	2017-06 CF	9,500.00		3,251.43
12/15/2017	1044	Heidt Design	2017-04 CF		11,400.00	-8,148.57
12/15/2017		Golden Ranch Property LLC	2017-04 CF	11,400.00		3,251.43
12/18/2017		Golden Ranch Property LLC	Developer Funding	25,248.19		28,499.62
12/19/2017	1045	Hamilton Engineering	Engineering Svcs thru 12/31/17		25,248.19	3,251.43
EOM				25,248.19	25,248.19	3,251.43
01/03/2018	1046	Pasco County	VOIDED		0.00	3,251.43
01/03/2018		Golden Ranch Property LLC	2017-07 CF	321,188.00		324,439.43
01/03/2018	1047	Pasco County Utilities	2017-07 CF		321,188.00	3,251.43
01/08/2018		Golden Ranch Property LLC		48,195.00		51,446.43
01/08/2018	1048	Golden Ranch Property LLC	Return 2017-10		48,195.00	3,251.43
01/12/2018		Golden Ranch Property LLC	2017-8,9,12,13	1,767.50		5,018.93
01/12/2018	1049	Ferguson Waterworks	2017-12 CF		1,767.50	3,251.43
01/12/2018		Golden Ranch Property LLC	2017-08 CF	50,435.60		53,687.03
01/12/2018	1050	Hamilton Engineering & Services	2017-08 CF		50,435.60	3,251.43
01/16/2018		Golden Ranch Property LLC	Developer	495,287.41		498,538.84
01/16/2018	1051	Golden Ranch Property LLC	Refund to Developer		495,287.41	3,251.43
01/31/2018	1052	DPFG MANAGEMENT & CONSULTING, LLC	CDD/Field Mgmt - January		5,042.00	-1,790.57
01/31/2018	1053	DPFG MANAGEMENT & CONSULTING, LLC	CDD/Field Mgmt - December		5,042.00	-6,832.57
01/31/2018		GOLDEN RANCH PROPERTY	GF 2018-04, 05	15,268.50		8,435.93
EOM				15,268.50	10,084.00	8,435.93
02/01/2018	1054	Stantec Consulting Services Inc.	Engineering Services		2,229.00	6,206.93
02/01/2018	1055	Straley Robin Vericker	Legal Services		1,784.00	4,422.93
02/01/2018	1056	Venturesin.com, Inc.	Website Hosting		120.00	4,302.93
02/01/2018		Bank United	Business Checks		127.43	4,175.50
02/06/2018	1058	Ira Draper	BOS Mtg - 2/6/18 - Travel		4.36	4,171.14
02/26/2018	1001	Ira Draper	BOS Mtgs (3)		524.93	3,646.21
02/26/2018	1003	Lori Price	BOS Mtgs (3)		524.93	3,121.28
02/26/2018	1002DD	Michael Lawson	BOS Mtgs (3)		554.10	2,567.18
02/26/2018	ACH02262018	Paychex	BOS Mtgs (3)		333.74	2,233.44
02/26/2018	ACH02262018	Paychex	P/R Fee		55.05	2,178.39
02/28/2018	ACH02282018	Paychex	P/R Fee		111.90	2,066.49
02/28/2018	50003	Ira Draper	BOS Mtgs - (2)		360.23	1,706.26
02/28/2018	50005DD	Lori Price	BOS Mtgs - (2)		360.23	1,346.03
02/28/2018	50004	Michael Lawson	BOS Mtgs - (2)		369.40	976.63
02/28/2018	ACH02282018	Paychex	BOS Mtgs - (2)		201.94	774.69
EOM				0.00	7,661.24	774.69
03/01/2018		GOLDEN RANCH PROPERTY	GF 2018-06	5,314.50		6,089.19
03/02/2018	1156	DPFG MANAGEMENT & CONSULTING, LLC	CDD/Field Mgmt - February		5,042.00	1,047.19
03/02/2018	1157	Straley Robin Vericker	Legal Svcs thru 1/15/18		212.50	834.69
03/02/2018	1158	Venturesin.com, Inc.	Web Site Hosting - February		60.00	774.69
03/26/2018		GOLDEN RANCH PROPERTY	GF 2018-07	7,717.59		8,492.28
03/27/2018	1161	Business Observer	Legal Ad		172.13	8,320.15
03/27/2018	1162	DPFG MANAGEMENT & CONSULTING, LLC	CDD/Field Mgmt - March		5,042.00	3,278.15
03/27/2018	1163	Stantec Consulting Services Inc.	Engineering Svcs thru 1/12/18		1,883.46	1,394.69
03/27/2018	1164	Straley Robin Vericker	Legal Svcs thru 2/15/18		560.00	834.69
03/27/2018	1165	Venturesin.com, Inc.	Web Site Hosting - March		60.00	774.69
03/28/2018	ACH03282018	BANK UNITED	2 Wire Fees		50.00	724.69
EOM				13,032.09	13,082.09	724.69

UNION PARK CDD

CHECK REGISTER FY 2018

Date	Num	Name	Memo	Deposits	Disbursements	Balance
04/26/2018	1170	DPFG MANAGEMENT & CONSULTING, LLC	CDD/Field Mgmt - April		5,042.00	-4,317.31
04/26/2018		Shutts & Bowen	Lot Closings	9,547.70		5,230.39
EOM				9,547.70	5,042.00	5,230.39
05/04/2018	ACH542018	BANK UNITED	Incoming Wire Fee		15.00	5,215.39
05/10/2018	ACH51018	Paychex	Payroll Fees		58.00	5,157.39
05/14/2018		Shutts & Bowen	O & M (Shutts & Bowen)	6,874.34		12,031.73
05/25/2018		GOLDEN RANCH PROPERTY	GF 2017-13, GF 2018-08, 09	14,085.90		26,117.63
05/25/2018	1184	DPFG MANAGEMENT & CONSULTING, LLC	CDD/Field Mgmt - May		5,042.00	21,075.63
05/25/2018	1185	Straley Robin Vericker			983.00	20,092.63
05/25/2018	1186	TAMPA BAY TIMES	Legal Ad		242.00	19,850.63
05/25/2018	1187	Venturesin.com, Inc.	Web Site Hosting - April		60.00	19,790.63
05/31/2018	ACH05312018	Paychex	P/R Fee		44.55	19,746.08
05/31/2018	50007	Michael Lawson	CDD Mtgs		738.80	19,007.28
05/31/2018	50006	Ira Draper	CDD Mtgs		689.63	18,317.65
05/31/2018	50008DD	Lori Price	CDD Mtgs		689.63	17,628.02
05/31/2018	ACH05312018	Paychex	CDD Mtgs		465.54	17,162.48
EOM				20,960.24	9,028.15	17,162.48

EXHIBIT 3.

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT

FINANCIAL STATEMENTS

September 30, 2017

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT
FINANCIAL STATEMENTS
September 30, 2017

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INDEPENDENT AUDITORS' REPORT

To the Board of Supervisors
Union Park East Community Development District
Pasco County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Union Park East Community Development District, Pasco County, Florida ("District") as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 - 7 and page 25 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 June 19, 2018, on our consideration of Union Park East Community Development 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Union Park East Community Development District's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

We have also issued our report dated June 19, 2018 on our consideration of the District's compliance with 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.

DiBartolomeo, McBee, Hartley & Barnes

DiBartolomeo, McBee, Hartley & Barnes, P.A.
Fort Pierce, Florida
June 19, 2018

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2017

Our discussion and analysis of Union Park East Community Development District, Pasco County, Florida ("District") financial performance provides an overview of the District's financial activities for the fiscal year ended September 30, 2017. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The liabilities of the District exceeded its assets at the close of the most recent fiscal year resulting in a net position balance of (\$700,701).
- The change in the District's total net was (\$700,701). The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2017, the District's governmental funds reported combined ending fund balances of \$12,334,457. A portion of fund balance is restricted for debt service and future capital repairs and replacement, and the remainder is unassigned fund balance which is available for spending at the District's discretion.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as the introduction to the District's 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 and liabilities, with the difference between the two 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.

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2017

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

Fund Financial Statements

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

The District maintains three individual governmental funds for external reporting. Information is presented in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund and capital projects fund. All funds are major funds. The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

Notes to the Financial Statements

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

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2017

GOVERNMENT WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the District, liabilities exceeded assets at the close of the most recent fiscal year. A portion of the District's net position reflects its investment in capital assets (e.g. land, land improvements and infrastructure). These assets are used to provide services to residents; consequently, these assets are not available for future spending. The remaining balance of unrestricted net position may be used to meet the District's other obligations.

Key components of net position were as follows:

Statement of Net Position

	2017
Current assets	\$ 14,774,804
Capital assets	3,393,370
Total assets	18,168,174
Current liabilities	2,724,262
Long-term liabilities	16,144,613
Total liabilities	18,868,875
Net position	
Net invested in capital assets	(12,751,243)
Restricted for capital projects	10,414,671
Restricted for debt service	1,632,284
Unrestricted	3,587
Total net position	\$ (700,701)

The District's net position decreased during the most recent fiscal year. The majority of the change represents the degree to which cost of issuance and debt expenditures exceeded program revenues.

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

Change in Net Position

	2017
Program revenues	\$ 187,632
General revenues	821
Total revenues	188,453
Expenses	
General government	77,752
Interest on long-term debt	283,915
Cost of issuance	527,487
Total expenses	889,154
Change in net position	(700,701)
Net position - beginning of year	-
Net position - end of year	\$ (700,701)

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2017

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2017 was \$889,154, which primarily consisted of interest on long-term debt and costs associated with constructed and maintaining certain capital improvements. The costs of the District's activities were funded by special assessments and developer contributions.

GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2017.

The variance between budgeted and actual general fund revenues is considered significant. The actual general fund expenditures for the current fiscal year were lower than budgeted amounts due primarily to anticipated costs which were not incurred in the current fiscal year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2017, the District had \$3,393,370 invested in construction in process. Construction in process has not completed as of September 30, 2017 and therefore is not depreciated to date. Once projects are complete, items will transfer to depreciable assets. More detailed information about the District's capital assets is presented in the notes of the financial statements.

Capital Debt

At September 30, 2017, the District had \$16,144,613 in Bonds outstanding for its governmental activities. More detailed information about the District's capital debt is presented in the accompanying notes to the financial statements.

ECONOMIC FACTORS, NEXT YEAR'S BUDGET AND OTHER INFORMATION

For the fiscal year 2018, the District anticipates that the cost of general operations will remain fairly constant. In connection with the District's future infrastructure maintenance and replacement plan, the District Board has included in the budget, an estimate of those anticipated future costs and has assigned a portion of current available resources for that purpose.

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2017

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, land owners, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact Union Park East Community Development District's Finance Department at 250 International Parkway, Suite 280, Lake Mary, FL 32746.

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT

STATEMENT OF NET POSITION

September 30, 2017

	GOVERNMENTAL ACTIVITIES
ASSETS	
Cash and cash equivalents	\$ 57,581
Due from developer	60,225
Restricted Assets:	
Investments	14,656,998
Capital assets:	
Non-depreciable	3,393,370
TOTAL ASSETS	\$ 18,168,174
LIABILITIES	
Accounts payable and accrued expenses	\$ 2,278,413
Accrued interest payable	283,915
Retainage payable	156,934
Unearned revenue	5,000
Bonds payable, due in more than one year	16,144,613
TOTAL LIABILITIES	18,868,875
NET POSITION	
Net investment in capital assets	(12,751,243)
Restricted for:	
Capital projects	10,414,671
Debt service	1,632,284
Unrestricted	3,587
TOTAL NET POSITION	\$ (700,701)

The accompanying notes are an integral part of this financial statement

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT

STATEMENT OF ACTIVITIES

Year Ended September 30, 2017

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for	Operating	Revenues and
		Services	Contributions	Changes in Net
				Position
				Governmental
				Activities
Governmental activities				
General government	\$ 77,752	\$ -	\$ 81,339	\$ 3,587
Physical environment	-	-	106,293	106,293
Interest on long-term debt	283,915	-	-	(283,915)
Cost of issuance	527,487	-	-	(527,487)
Total governmental activities	<u>\$ 889,154</u>	<u>\$ -</u>	<u>\$ 187,632</u>	<u>(701,522)</u>
General revenues:				
Investment earnings				821
Total general revenues				<u>821</u>
Change in net position				(700,701)
Net position - October 1, 2016				<u>-</u>
Net position - September 30, 2017				<u>\$ (700,701)</u>

The accompanying notes are an integral part of this financial statement

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT

BALANCE SHEET – GOVERNMENTAL FUNDS

September 30, 2017

	MAJOR FUNDS			TOTAL
	GENERAL	DEBT SERVICE	CAPITAL PROJECTS	GOVERNMENTAL FUNDS
<u>ASSETS</u>				
Cash and cash equivalents	\$ 8,587	\$ -	\$ 48,994	\$ 57,581
Due from developer	2,927	-	57,298	60,225
Restricted Assets:				
Investments	-	1,916,199	12,740,799	14,656,998
TOTAL ASSETS	<u>\$ 11,514</u>	<u>\$ 1,916,199</u>	<u>\$ 12,847,091</u>	<u>\$ 14,774,804</u>
<u>LIABILITIES AND FUND BALANCES</u>				
LIABILITIES				
Accounts payable and accrued expenses	\$ 2,927	\$ -	\$ 2,275,486	\$ 2,278,413
Retainage payable	-	-	156,934	156,934
Unearned revenue	5,000	-	-	5,000
TOTAL LIABILITIES	<u>7,927</u>	<u>-</u>	<u>2,432,420</u>	<u>2,440,347</u>
FUND BALANCES				
Restricted for:				
Debt service	-	1,916,199	-	1,916,199
Capital projects	-	-	10,414,671	10,414,671
Unassigned	3,587	-	-	3,587
TOTAL FUND BALANCES	<u>3,587</u>	<u>1,916,199</u>	<u>10,414,671</u>	<u>12,334,457</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 11,514</u>	<u>\$ 1,916,199</u>	<u>\$ 12,847,091</u>	<u>\$ 14,774,804</u>

The accompanying notes are an integral part of this financial statement

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2017

Total Governmental Fund Balances in the Balance Sheet, Page 10	\$ 12,334,457
Amount reported for governmental activities in the Statement of Net Assets are different because:	
Capital asset used in governmental activities are not financial resources and therefore are not reported in the governmental funds:	
Governmental capital assets	3,393,370
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Accrued interest payable	(283,915)
Governmental bonds payable	<u>(16,144,613)</u>
Net Position of Governmental Activities, Page 8	<u><u>\$ (700,701)</u></u>

The accompanying notes are an integral part of this financial statement

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
Year Ended September 30, 2017

	MAJOR FUNDS			TOTAL
	GENERAL	DEBT SERVICE	CAPITAL PROJECTS	GOVERNMENTAL FUNDS
REVENUES				
Developer contributions	\$ 81,339	\$ -	\$ 106,293	\$ 187,632
Investment earnings	-	821	-	821
TOTAL REVENUES	<u>81,339</u>	<u>821</u>	<u>106,293</u>	<u>188,453</u>
EXPENDITURES				
General government	77,752	-	-	77,752
Capital outlay	-	-	3,393,370	3,393,370
Debt				
Bond issuance costs	-	527,487	-	527,487
TOTAL EXPENDITURES	<u>77,752</u>	<u>527,487</u>	<u>3,393,370</u>	<u>3,998,609</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>3,587</u>	<u>(526,666)</u>	<u>(3,287,077)</u>	<u>(3,810,156)</u>
OTHER SOURCES (USES)				
Issuance of debt	-	2,442,865	13,701,748	16,144,613
TOTAL OTHER SOURCES (USES)	<u>-</u>	<u>2,442,865</u>	<u>13,701,748</u>	<u>16,144,613</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>3,587</u>	<u>1,916,199</u>	<u>10,414,671</u>	<u>12,334,457</u>
FUND BALANCE				
Beginning of year	-	-	-	-
End of year	<u>\$ 3,587</u>	<u>\$ 1,916,199</u>	<u>\$ 10,414,671</u>	<u>\$ 12,334,457</u>

The accompanying notes are an integral part of this financial statement

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended September 30, 2017

Net Change in Fund Balances - Total Governmental Funds, Page 12	\$ 12,334,457
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Amount reported for governmental activities in the Statement of Activities
are different because:

The issuance of long-term debt provides current financial resources to governmental funds. These transactions, however, have no effect on net assets. This is the amount of long-term debt issued in the current period.	(16,144,613)
--	--------------

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the costs of those assets are depreciated over their estimated useful lives:

Capital outlay	3,393,370
----------------	-----------

Certain items reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported expenditures in the governmental funds:

Change in accrued interest payable	(283,915)
------------------------------------	-----------

Change in Net Position of Governmental Activities, Page 9	\$ (700,701)
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The accompanying notes are an integral part of this financial statement

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

September 30, 2017

NOTE A- NATURE OF ORGANIZATION AND REPORTING ENTITY

Union Park East Community Development District (the District) was established on October 13, 2016 by the Pasco County Board of County Commissioners, Florida, pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes, under Pasco County ordinance 16-28. The Act provides among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

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

The District is governed by the Board of Supervisors ("Board"), which is composed of five members. All of the Board members are affiliated with the Developer. The Supervisors are elected on an at large basis by the qualified electors of the property owners 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") Statement 14, and Statement 39, an amendment of GASB Statement 14. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the District Board of Supervisors 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 B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements

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

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

September 30, 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (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 economic 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.

Assessments

Assessments are non-ad valorem assessments on benefited lands within the District. Assessments are levied to pay for the operations and maintenance 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. The District's annual assessments for operations are billed and collected by the County Tax Collector. The amounts remitted to the District are net of applicable discounts or fees and include interest on monies held from the day of collection to the day of distribution.

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. All other revenue items are considered to be measurable and available only when cash is received by the government.

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

September 30, 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

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.

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.

Debt Service Fund

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

Capital Projects Fund

The capital projects fund accounts for the financial resources to be used for the acquisition or construction of major infrastructure with the District.

Assets, Liabilities and Net Position or Equity

Restricted Assets

These assets represent cash and investments set aside pursuant to contractual restrictions.

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and demand deposits (interest and non-interest bearing).

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

- a) The Local Government Surplus Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act;
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

September 30, 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (continued)

Deposits and Investments (continued)

- c) Interest bearing time deposits or savings accounts in qualified public depositories;
- d) Direct obligations of the U.S. Treasury.

Securities listed in paragraph c and d shall be invested to provide sufficient liquidity to pay obligations as they come due. In addition, surplus funds may be deposited into certificates of deposit which are insured.

The District records all interest revenue related to investment activities in the respective funds and reports investments at fair value.

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 one year. 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.

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

<u>Assets</u>	<u>Years</u>
Improvements	10 - 20
Infrastructure	20 - 40

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

September 30, 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (continued)

Capital Assets (continued)

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

Unearned Revenue

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

Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized 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 uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources

The statement of net position reports, as applicable, a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to future reporting period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. For example, the District would record deferred outflows of resources related to debit amounts resulting from current and advance refundings 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).

The statement of net position reports, as applicable, a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to future reporting period(s) and so will not be recognized as an inflow of resources (revenue) until that time. For example, when an asset is recorded in the governmental fund financial statements, but the revenue is not available, the District reports a deferred inflow of resources until such times as the revenue becomes available.

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

September 30, 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (continued)

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.

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

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

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

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

Other Disclosures

Use of Estimates

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

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

September 30, 2017

NOTE C - BUDGETARY INFORMATION

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

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

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

NOTE D – DEPOSITS AND INVESTMENTS

Deposits

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

Investments

The District's investments were held as follows at September 30, 2017:

Investment	Fair Value	Credit Risk	Maturities
Money Market Mutual Funds - First American Treasury Obligation CL Y	\$ 14,656,998	S&P AAAM	Weighted average of the fund portfolio: 23 days
Total Investments	<u>\$ 14,656,998</u>		

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

September 30, 2017

NOTE D – DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (continued)

Custodial credit risk - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The District has no formal policy for custodial risk. The investments listed in the schedule above are not evidenced by securities that exist in physical or book entry form.

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

Concentration risk - The District places no limit on the amount the District may invest in anyone issuer.

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

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

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

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

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

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

September 30, 2017

NOTE E - CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2017 was as follows:

	Balance 10/01/2016	Increases	Decreases	Balance 09/30/2017
Governmental activities:				
Capital assets, not being depreciated:				
Construction in process	\$ -	\$ 3,393,370	\$ -	\$ 3,393,370
Total capital assets, not being depreciated	-	3,393,370	-	3,393,370
Governmental activities capital assets - net	\$ -	\$ 3,393,370	\$ -	\$ 3,393,370

NOTE F – LONG-TERM LIABILITIES

\$6,010,000 Capital Improvement Revenue Bonds, Series 2017A-1 – On June 2, 2017, the District issued \$6,010,000 in Capital Improvement Revenue Bonds, Series 2017A-1. The Bonds are payable in annual principal installments through November 2047. The Bonds bear interest ranging from 5.0% to 5.5% payable semi-annually on the first day of each May and November. Principal is due serially each November 1, commencing November 2017.

\$6,000,000 Capital Improvement Revenue Bonds, Series 2017A-2 – On June 2, 2017, the District issued \$6,000,000 in Capital Improvement Revenue Bonds, Series 2017A-2. The Bonds are payable November 2029. The Bonds bear interest at 5.5% payable semi-annually on the first day of each May and November through November 2029.

\$4,325,000 Capital Improvement Revenue Bonds, Series 2017A-3 – On June 2, 2017, the District issued \$4,325,000 in Capital Improvement Revenue Bonds, Series 2017A-2. The Bonds are payable November 2029. The Bonds bear interest at 5.725% payable semi-annually on the first day of each May and November through November 2029.

The Bond Indenture has certain restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agreed to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The requirements have been met for the fiscal year ended September 30, 2017.

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

September 30, 2017

NOTE F – LONG-TERM LIABILITIES (CONTINUED)

The following is a summary of activity in the long-term debt of the District for the year ended September 30, 2017:

	Balance 10/1/2016	Additions	Deletions	Balance 9/30/2017	Due Within One Year
Capital Improvement Revenue Bonds, Series 2017A-1	\$ -	\$ 6,010,000	\$ -	\$ 6,010,000	\$ -
Capital Improvement Revenue Bonds, Series 2017A-2	-	6,000,000	-	6,000,000	-
Capital Improvement Revenue Bonds, Series 2017A-2	-	4,325,000	-	4,325,000	-
	-	16,335,000	-	16,335,000	-
Unamortized bond discount	-	(190,387)	-	(190,387)	-
	<u>\$ -</u>	<u>\$ 16,144,613</u>	<u>\$ -</u>	<u>\$ 16,144,613</u>	<u>\$ -</u>

The annual requirements to amortize the principal and interest of bonded debt outstanding as of September 30, 2017 are as follows:

September 30,	Principal	Interest	Total
2018	\$ -	\$ 793,347	\$ 793,347
2019	85,000	901,687	986,687
2020	90,000	897,312	987,312
2021	95,000	892,688	987,688
2022	100,000	887,812	987,812
2023-2027	580,000	4,357,062	4,937,062
2028-2032	11,070,000	2,739,569	13,809,569
2033-2036	975,000	1,058,063	2,033,063
2037-2041	1,280,000	750,200	2,030,200
2042-2047	1,670,000	346,500	2,016,500
2048	390,000	10,725	400,725
	<u>\$ 16,335,000</u>	<u>\$ 13,634,965</u>	<u>\$ 23,489,477</u>

NOTE G - MANAGEMENT COMPANY

The District has contracted with a management company to perform services which include financial and accounting advisory 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.

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

September 30, 2017

NOTE H – SUBSEQUENT EVENTS

Management has performed an analysis of the activities and transactions subsequent to September 30, 2017, to determine the need for any adjustments to and/or disclosures within the audited financial statements for the year ended September 30, 2017. Management has performed their analysis through June 19, 2018, the audit completion date.

NOTE I - 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; natural disasters; and environmental remediation. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. Settled claims from these risks have not exceeded commercial insurance coverage over the past three years.

NOTE J – CONCENTRATION

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

UNION PARK EAST COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL – GENERAL FUND
Year Ended September 30, 2017

	<u>* BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
REVENUES			
Developer contributions	\$ -	\$ 81,339	\$ 81,339
Special assessments	<u>362,105</u>	<u>-</u>	<u>(362,105)</u>
TOTAL REVENUES	<u>362,105</u>	<u>81,339</u>	<u>(280,766)</u>
EXPENDITURES			
Current			
General government	112,105	77,752	34,353
Physical environment	<u>250,000</u>	<u>-</u>	<u>250,000</u>
TOTAL EXPENDITURES	<u>362,105</u>	<u>77,752</u>	<u>284,353</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ -</u>	3,587	<u>\$ 3,587</u>
FUND BALANCES			
Beginning of year		<u>-</u>	
End of year		<u>\$ 3,587</u>	

* Original and final budget.

UNION PARK EAST 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).

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, 2017.

The variance between budgeted and actual general fund revenues is considered significant. The actual general fund expenditures for the current fiscal year were lower than budgeted amounts due primarily to anticipated costs which were not incurred in the current fiscal year.

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
Union Park East Community Development District
Pasco County, Florida

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Union Park East Community Development District, as of September 30, 2017 and for the year ended September 30, 2017, which collectively comprise Union Park East Community Development District's basic financial statements and have issued our report thereon dated June 19, 2018.

Internal Control Over Financial Reporting

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

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 misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

This report is intended 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 purpose.



DiBartolomeo, McBee, Hartley & Barnes, P.A.

Fort Pierce, Florida

June 19, 2018

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
Union Park East Community Development District
Pasco County, Florida

We have examined the District's compliance with the requirements of Section 218.415, Florida Statutes with regards to the District's investments during the year ended September 30, 2017. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants 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 year ended September 30, 2017.

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 Union Park East Community Development District, Pasco County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

DiBartolomeo, McBee, Hartley & Barnes

DiBartolomeo, McBee Hartley & Barnes, P.A.
Fort Pierce, Florida
June 19, 2018

Management Letter

To the Board of Supervisors
Union Park East Community Development District
Pasco County, Florida

Report on the Financial Statements

We have audited the financial statements of Union Park East Community Development District as of and for the fiscal year ended September 30, 2017, and have issued our report thereon dated June 19, 2018.

Auditor's Responsibility

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

Other Reports and Schedule

We have issued our Independent Auditor's 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*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated June 19, 2018, 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 annual financial audit report. Initial year audit, there were no findings in the prior year.

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. Refer to Note A in the notes to the financial statements.

Financial Condition

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and report results of our determination as to whether or not Union Park East Community Development District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. In connection with our audit, we determined that Union Park East Community Development District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

Annual Financial Report

Section 10.554(1)(i)5.b. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and report the results of our determination as to whether the annual financial report for Union Park East Community Development District for the fiscal year ended September 30, 2017, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2017. In connection with our audit, we determined that these two reports were in agreement.

Other Matters

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

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any 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 Chairman and Members of the Board of Commissioners, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

DiBartolomeo, McBee, Hartley & Barnes

DiBartolomeo, McBee, Hartley & Barnes, P.A.

Fort Pierce, Florida

June 19, 2018

EXHIBIT 4.

STRALEY ROBIN VERICKER

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June 18, 2018

*Via Email (Theresa@dmhbcpa.com)
and U.S. Mail*

DiBartolomeo, McBee, Hartley & Barnes
2222 Colonial Road, Suite 200
Fort Pierce, Florida 34950

Re: Union Park East Community Development District

Ladies and Gentlemen:

By this communication, we are responding to the letter of Ms. Patricia Comings-Thibault dated June 13, 2018, received in our office via email on June 17, 2018, requesting that we furnish certain information to you concerning our representation of Union Park East Community Development District (the "District") and pending or threatened litigation involving the District.

While this firm may represent the District on a regular basis, our engagements have been limited to specific matters as to which we may have been consulted. There may exist matters of a legal nature that could have a bearing on the financial position of the District with respect to which we have not been consulted and consequently have no knowledge. The information furnished by this letter is limited to matters which have been given substantive attention by the lawyers in this firm in the form of legal consultation and, where appropriate, legal representation from October 1, 2016, to the effective date of this response. We have, to the extent believed necessary, attempted to determine from the lawyers in this firm who have performed services for the District since the beginning of the period upon which the report is based, whether such services involved substantive attention in the form of legal consultation or representation in litigation. Beyond that, no review has been made of any of the District's transactions or other matters for the purposes of identifying loss contingencies, nor have we made inquiry with other law firms who either are now or who have in the past performed services for the District.

The response of this firm is limited to loss contingencies coming within the meaning of the American Bar Association Statement of Policy Regarding Lawyers' Responses to Auditors' Requests for Information (the "Statement of Policy") which are considered to be probable (within the meaning of the Commentary accompanying the Statement of Policy) of assertion and which are considered individually or collectively material to the presentation of the District's financial statements and is further limited to the matters set out herein. The firm is not undertaking to respond or comment upon all aspects of the District's business activities and

except as noted in this communication, no inference should be drawn on any matters beyond the scope of this response.

The information as supplied in this audit response is solely for the auditor's information in connection with your audit of the financial condition of the District. Without the express written approval of this law firm and the District, it is not to be quoted in whole or in part or otherwise referred to in any financial statements of the District or related documents, nor is it to be filed with any governmental agency or other person.

This response is limited by, and subject to, the Statement of Policy; without limiting the generality of the foregoing, the limitations set forth in the Statement of Policy on the scope and use of this response are specifically incorporated herein by reference, and any description herein of any "loss contingencies" is qualified by the meaning as described in the Statement of Policy and the accompanying commentary.

The District does not intend to waive the attorney-client privilege with respect to any information which the District has furnished to us. Moreover, please be advised that our response to you should not be construed in any way to constitute a waiver of the protection of the attorney work-product privilege with respect to any of our files involving the District.

Subject to the foregoing, we advise you that from October 1, 2016, to the effective date of this response, we have not been engaged to give substantive attention to, or represent the District in connection with, material (defined by Ms. Comings-Thibault in her aforesaid letter to us as matters involving amounts exceeding \$5,000 individually or in the aggregate) loss contingencies coming within the scope of clause (a) of paragraph 5 of the Statement of Policy.

In Ms. Comings-Thibault's letter to us, the District did not specifically identify and specifically request us to comment on any loss contingencies coming within the scope of clause (c) of Paragraph 5 of the Statement of Policy. Therefore, we have not commented on any such loss contingencies. Please be advised that pursuant to clauses (b) and (c) of Paragraph 5 of the Statement of Policy and accompanying Commentary, it would be inappropriate for us to respond to a general inquiry relating to the existence of unasserted possible claims or assessments involving the District. We can only furnish information concerning those upon which the District has specifically requested in writing that we comment, nor can we comment upon the adequacy of the District's listing, if any, of unasserted possible claims or assessments or its assertions concerning the advice, if any, about the need to disclose same.

Consistent with the last sentence of Paragraph 6 of the Statement of Policy and pursuant to the District's request, however, this letter will confirm as correct the District's understanding as set forth in Ms. Comings-Thibault's aforesaid letter to us that whenever, in the course of performing legal services for the District with respect to a matter recognized to involve an unasserted possible claim or assessment that may call for financial statement disclosure, we have formed a professional conclusion that the District must disclose or consider disclosure concerning such possible claim or assessment, we as a matter of profession responsibility to the

District, will so advise the District of such disclosure and the applicable requirements of Statement of Financial Accounting Standards No. 5.

The information set forth herein is as of the date hereof, except as otherwise noted, and we assume no obligation to advise you of changes which may have been or are brought to our attention thereafter.

The District was indebted to this law firm in the amount of \$25.00 as of September 30, 2017.

Very truly yours,



Tracy J. Robin

TJR/lab

cc: Patricia Comings-Thibault, District Accountant (*via email*)
Paul Cusmano, District Manager (*via email*)
Lore Yeira, District Manager (*via email*)
Mike Lawson, Chairman of the Board of Supervisors (*via email*)