# **Lakewood Ranch Stewardship District FINANCIAL STATEMENTS** September 30, 2024

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## **REPORT**



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#### INDEPENDENT AUDITOR'S REPORT

Board of Supervisors Lakewood Ranch Stewardship District

#### **Report on the Financial Statements**

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of Lakewood Ranch Stewardship District ("District"), as of and for the year then ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of Lakewood Ranch Stewardship District, as of September 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether
  due to fraud or error, and design and perform audit procedures responsive to those risks.
   Such procedures include examining, on a test basis, evidence regarding the amounts and
  disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such
  opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### **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 through 6 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 February 5, 2025, 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 result of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Carr, Riggs, & Ingram, L.L.C.

Carr, Riggs & Ungram, L.L.C.

Bradenton, Florida February 5, 2025

#### MANAGEMENT'S DISCUSSION AND ANALYSIS

The following is a narrative overview and analysis of the financial activities of the Lakewood Ranch Stewardship District ("District") for the fiscal year ended September 30, 2024.

#### **Financial Highlights and Analysis of Financial Statements**

- As of September 30, 2024 and 2023, the total assets of the District were \$505,303,427 and \$421,853,835, respectively, an increase of \$83,449,592. The primary factors for the change was the approximate decrease in net depreciable capitalized assets of \$16.4 million and approximately \$52.1 million in an increase in construction in progress, restricted cash increased approximately \$48.9 million, and due from land owner decreased \$1.3 million.
- As of September 30, 2024 and 2023, the total liabilities of the District were \$475,607,093 and \$400,287,017, respectively, an increase of \$75,320,076. The primary factor for the change was the approximate \$87 million of debt from new bond issues less approximately \$17 million in bond principal repayments; an increase in the amortization of the discount of \$4 million.
- In the government-wide financial statements (accrual basis), the District's assets exceeded liabilities by \$30,576,516 and \$20,555,818 as of September 30, 2024 and 2023, respectively.
- In the governmental funds (modified accrual basis), the District's fund balance totaled \$74,450,232 and \$31,854,867 as of September 30, 2024 and 2023, respectively. The primary factor for both of these variances was the change in assets and liabilities as discussed above.

#### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

**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 of 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 District'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 District's governmental activities include general government, physical environment, and interest on long-term debt. The business type activities include the Braden River Utilities.

The government-wide financial statements can be found on pages 8 and 9 of this report.

**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 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the District's funds are 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 *nearterm 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 government'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 governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

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

The basic governmental fund financial statements can be found on pages 10 to 11 of this report.

**Proprietary Fund** – The District maintains one type of proprietary fund, an enterprise fund. An enterprise fund is used to report the same function presented as business-type activities in the government-wide financial statements. The District uses an enterprise fund to account for the irrigation operations within the District.

**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. The notes to the financial statements can be found on pages 13 through 25 of this report.

#### **Government-Wide Financial Analysis**

	Governmen	tal Activities	Business-typ	oe Activities	Total
Statement of Net Position	2024	2023	2024	2023	<b>2024</b> 2023
Current and other assets	\$ 82,676,472	\$ 34,616,023	\$ 1,489,687	\$ 1,737,420	<b>\$ 84,166,159</b> \$ 36,353,443
Capital assets	421,137,268	385,500,392	-	-	<b>421,137,268</b> 385,500,392
Total assets	\$ 503,813,740	\$ 420,116,415	\$ 1,489,687	\$ 1,737,420	<b>\$ 505,303,427</b> \$ 421,853,835
Deferred outflow of resources	\$ 880,182	\$ -	\$ -	\$ -	\$ 880,182 \$ -
Total deferred outflow of resources	\$ 880,182	\$ -	\$ -	\$ -	\$ 880,182 \$ -
Curent liabilities Long-term liabilities	\$ 16,193,240 459,280,684	\$ 11,414,156 388,595,283	\$ 133,169	\$ 277,578	<b>\$ 16,326,409</b> \$ 11,691,734 <b>459,280,684</b> 388,595,283
Total liabilities	\$ 475,473,924	\$ 400,009,439	\$ 133,169	\$ 277,578	<b>\$ 475,607,093</b> \$ 400,287,017
Deferred inflow of resources	\$ -	\$ 1,011,000	\$ -	\$ -	\$ - \$ 1,011,000
Total deferred inflow of resources	\$ -	\$ 1,011,000	\$ -	\$ -	\$ - \$ 1,011,000
Net investment in capital assets Restricted Unrestricted	\$ (26,340,833) 73,427,799 (17,866,968)	30,908,172	\$ - - 1,356,518	\$ - 1,459,842	<b>73,427,799</b> 30,908,172
Total net position	\$ 29,219,998	\$ 19,095,976	\$ 1,356,518	\$ 1,459,842	

Current and other assets increased by \$47,808,037 primarily due to the increase in restricted cash.

The primary changes in the capital assets increase of approximately \$35.6 million were the infrastructure improvements on the Villages of Lakewood Ranch South (known as the Waterside community), Lakewood Centre Northwest, Northeast Sector, SMR Taylor Ranch, and the Star Farms project. The continued issuance of new bonds by the District is due to the continuing opening up of new residential development areas within the District with the bond proceeds being disbursed for master infrastructure in the appropriate assessment areas

Total liabilities increased by approximately \$75.3 million, due primarily to the issuance of Taylor Ranch, Aurora, Star Farms and the Villages of Lakewood Ranch South bonds, less debt payments.

	Governmen	tal	Activities	Business-type	Activities	To	tal	
Statement of Activities	2024		2023	2024	2023	2024		2023
Program revenues								
Charges for services	\$ 33,662,191	\$	33,907,928	\$ <b>7,849,221</b> \$	3,214,751	\$ 41,511,412	\$	37,122,679
Operating grants and contributions	16,572,726		17,566,082	-	-	16,572,726		17,566,082
General revenues								
Investment income	4,967,276		1,173,775	-	-	4,967,276		1,173,775
Non advalorem assessments	9,620,460		7,928,763	-	-	9,620,460		7,928,763
Total revenues	64,822,653		60,576,548	7,849,221	3,214,751	72,671,874		63,791,299
Expenses								
General government	4,088,229		3,133,205	-	-	4,088,229		3,133,205
Physical environment	33,844,203		32,660,540	-	-	33,844,203		32,660,540
Braden River Utilities	-		-	4,000,755	1,059,185	4,000,755		1,059,185
Interest on long-term debt	20,717,989		19,781,025	-	-	20,717,989		19,781,025
Total expenses	58,650,421		55,574,770	4,000,755	1,059,185	62,651,176		56,633,955
Transfers	3,951,790		695,724	(3,951,790)	(695,724)	-		-
			•		•			
Changes in net position	10,124,022		5,697,502	(103,324)	1,459,842	10,020,698		7,157,344
Net position - beginning	19,095,976		13,398,474	1,459,842	-	20,555,818		13,398,474
Net position - ending	\$ 29,219,998	\$	19,095,976	\$ <b>1,356,518</b> \$	1,459,842	\$ 30,576,516	\$	20,555,818

Charges for services consist of lot sale proceeds and utility services and operating grants and contributions consists of Developer cash funding contributions. Charges for services increased by \$4,388,733, primarily due to an increase in homeowner debt service payments.

#### **Capital Assets**

During the year ended September 30, 2024, the District had a gross increase of infrastructure approximately \$63.7 million. Primary capital projects continuing were Villages of Lakewood Ranch South, Star Farms, Aurora, Lakewood Centre, Northwest Sector projects, and Northeast Sector projects. Additional information on the District's capital assets can be found in Note 4 of this report.

#### **Debt Administration**

During the year ended September 30, 2024, the District issued four new bonds for various projects netting to \$86.6 million. Approximately \$17.2 million was made in repayments of amounts due on the various issues of the District. Additional information on the District's long-term debt can be found in Notes 5 and 6 of this report.

#### **Budgetary Highlights**

The District set its annual budget for the District expecting to be operational for the entire year. Landowner funding came in lower than anticipated by \$1,349,390 and Assessment funding came in higher than anticipated by \$264,147. The variance of the budgeted expenditures compared with actual results was \$842,647 lower than anticipated. The reason for this variance is timing of completed infrastructure projects where needed landscape and related maintenance started later than budgeted. There were no budget amendments during the year.

#### **Economic Factors and Year 2025 Budget**

The District is anticipating increased interest in the various developments and projects currently underway. Next year's budget main components will be maintenance of the project areas, administration of the District, and continued infrastructure acquisition and improvements on capital projects begun in 2020, 2021, 2022, 2023 and 2024.

#### **Requests for Information**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in them. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Lakewood Ranch Stewardship District, Attn: Supervisor, 14400 Covenant Way, Bradenton, Florida 34202.



## **BASIC FINANCIAL STATEMENTS**

# Lakewood Ranch Stewardship District Statement of Net Position

Sρ	nte	mh	er	30,	20	24
J	$\rho\iota\iota$	,,,,		50,	20	

	G	overnmental Activities		siness-Type Activities		Total	
Assets		Activities		Activities		TOTAL	
Current Assets:							
Cash and cash equivalents	\$	2,345,819	\$	662,954	\$	3,008,773	
Total current assets	Υ	2,345,819	<u> </u>	662,954	Υ	3,008,773	
		, , , , , , , ,		, , , , ,			
Other Assets:							
Cash and cash equivalents - restricted		79,825,750		-		79,825,750	
Accounts receivable		-		750,308		750,308	
Due from other funds		-		76,425			
Accrued interest receivable		27,974		-		27,974	
Other receivables		286,648		-		286,648	
Prepaid expenses		47,847		-		47,847	
Due from land owner		142,434		-		142,434	
Total other assets		80,330,653		826,733		81,157,386	
Capital Assets:							
Depreciable assets:		560 567 506				560 567 536	
District infrastructure		560,567,526		-		560,567,526	
Less accumulated depreciation		(193,194,703)		-		(193,194,703)	
Net depreciable assets		367,372,823				367,372,823	
Non-depreciable assets:		F2 764 44F				F2 7C4 44F	
Construction in progress		53,764,445		-		53,764,445	
Total capital assets		421,137,268		-		421,137,268	
Total assets	\$	503,813,740	\$	1,489,687	\$	505,303,427	
Deferred Outflow of Resources							
Deferred charges on debt refunding		880,182		_		880,182	
Total deferred outflow of resources		880,182		_		880,182	
		•				,	
Liabilities							
Current Liabilities:							
Accounts payable	\$	8,149,815	\$	133,169	\$	8,282,984	
Due to other funds		76,425		-		76,425	
Bonds payable, current portion		7,967,000				7,967,000	
Total current liabilities		16,193,240		133,169		16,326,409	
Non-current Liabilities:							
Bonds payable, long-term portion		459,280,684		_		459,280,684	
Total non-current liabilities		459,280,684		<u>_</u>		459,280,684	
Total liabilities		475,473,924		133,169		475,607,093	
		5, ., 5,524				,,	
Net Position							
Net investment in capital assets		(26,340,833)		-		(26,340,833)	
Restricted for debt service		34,577,874 -			34,577,874		
Restricted for capital projects		38,849,925		-		38,849,925	
Unrestricted		(17,866,968)		1,356,518		(16,510,450)	
Total net position	\$	29,219,998	\$	1,356,518	\$	30,576,516	

# Lakewood Ranch Stewardship District Statement of Activities

For the year ended September 30, 2024

			Net (I	Expense) Revenu	ie and
	Pi	rogram Revenues	Cha	inges in Net Pos	ition
	Chai	rges Operating	S		
	fc	or Grants an	d Governmental	Business-type	
Functions / Programs	Expenses Serv	ices Contributio	ns Activities	Activities	Total
Primary government:					
Governmental activities:					
General government	\$ 4,088,229 \$ 33,60	52,191 \$ 16,572,7	26 \$ 46,146,688	\$ -	\$ 46,146,688
Physical environment	33,844,203	-	- (33,844,203)	-	(33,844,203)
Interest on long-term debt	20,717,989	-	- (20,717,989)	-	(20,717,989)
Total governmental activities	\$ 58,650,421 \$ 33,60	52,191 \$ 16,572,7	26 (8,415,504)	-	(8,415,504)
Business-type activities:					
Braden River Utilities	\$ 4,000,755 \$ 7,84	49,221 \$		3,848,466	3,848,466
Total business-type activities	\$ 4,000,755 \$ 7,84	49,221 \$		3,848,466	3,848,466
	General revenues:				
	Non ad valorem assess	ments	9,620,460	-	9,620,460
	Investment income		4,967,276	-	4,967,276
	Total general reven	ues	14,587,736	-	14,587,736
	Transfers		3,951,790	(3,951,790)	-
	Total general reven	ues and transfers	18,539,526	(3,951,790)	14,587,736
	Change in net position		10,124,022	(103,324)	10,020,698
	Net position - beginnin	g	19,095,976	1,459,842	20,555,818
	Net position - ending		\$ 29,219,998	\$ 1,356,518	\$ 30,576,516

# Lakewood Ranch Stewardship District Balance Sheet – Governmental Funds and Reconciliation of the Balance Sheet to the Statement of Net Position

September 30,			Main Front			202
			Major Funds			Total
			Debt	Capital	G	overnmental
		General	Service	Projects		Funds
Assets						
Cash and cash equivalents	\$	2,345,819	\$ -	\$ -	\$	2,345,819
Cash and cash equivalents - restricted		-	34,432,213	45,393,537		79,825,750
Accounts receivable		4,030	23,944	-		27,974
Interest receivable		-	121,717	164,931		286,648
Prepaid expenses		47,847	-	-		47,847
Due from land owner		-	-	142,434		142,434
Total assets	\$	2,397,696	\$ 34,577,874	\$ 45,700,902	\$	82,676,472
Liabilities						
Accounts payable	\$	1,298,838	\$ -	\$ 6,850,977	\$	8,149,815
Due to other funds	Y	76,425	٠	, 0,030,377 -	Y	76,425
Total liabilities		1,375,263		6,850,977		8,226,240
Nonspendable Postricted		47,847	- 24 577 974	- 28 840 025		47,847
Restricted			34,577,874	38,849,925		73,427,799
Unassigned		974,586	-	-		974,586
Total fund balances		1,022,433	34,577,874	38,849,925		74,450,232
Total liabilities and fund balances	\$	2,397,696	\$ 34,577,874	\$ 45,700,902	\$	82,676,472
Amounts reported for governmental activities in the statement of net p	ositi	on are				
different because:						
Fund balance - governmental funds					\$	74,450,232
Capital assets used in governmental activities are not financial						
resources and therefore, are not reported in the funds						421,137,268
Certain liabilities are not due and payable in the current period						
and therefore are not reported in the funds.						
Bonds payable, net						467,247,684
Deferred charges on refunding on long-term debt are shown as def	erre	d outflows/ir	nflows of			,,
resources in the government-wide financial statements; however,		-				
governmental fund financial statements.		5 0 15 0.				880,182
governmental fund infancial statements.						000,102
Net position - governmental activities					Ś	29,219,998

# Lakewood Ranch Stewardship District Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

For the year ended September 30,				2024
		Major Funds		Tota
		Debt	Capital	Governmenta
	General	Service	Projects	Funds
Revenues				
Land owner funding contributions	\$ 40,000	\$ -	\$ 16,532,726	\$ 16,572,726
Assessments	9,620,460	-	-	9,620,460
Investment income	-	1,988,674	2,978,602	4,967,276
Homeowner debt service payments	-	33,265,627	-	33,265,627
Other revenues	394,600	1,964	-	396,564
Total revenues	10,055,060	35,256,265	19,511,328	64,822,653
Expenditures				
Current:				
General government	4,088,229	-	-	4,088,229
Physical environment operations	5,815,827	-	-	5,815,827
Debt service:				
Bond principal payments	-	17,168,000	-	17,168,000
Bond interest payments	-	19,635,231	-	19,635,231
Cost of issuance	-	-	888,593	888,593
Capital outlay	-	-	63,665,252	63,665,252
Total expenditures	9,904,056	36,803,231	64,553,845	111,261,132
Other Financial Sources (Uses)				
Transfers in	-	1,936,331	3,679,502	5,615,833
Transfers out	(75,266)	(1,482,553)	(106,224)	(1,664,043
Bond issuance	-	9,412,170	77,160,249	86,572,419
Discount on bonds issued	-	(1,490,365)	-	(1,490,365
Total other financing sources (uses)	(75,266)	8,375,583	80,733,527	89,033,844
Net change in fund balances	75,738	6,828,617	35,691,010	42,595,365
Fund balances - beginning	946,695	27,749,257	3,158,915	31,854,867
Fund balances - ending	\$ 1,022,433	\$ 34,577,874	\$ 38,849,925	\$ 74,450,232

# Lakewood Ranch Stewardship District Reconciliation of the Statement of Revenues, Expenditures, and Changes In Fund Balances – Governmental Funds to the Statement of Activities

For the year ended September 30,	2024
Amounts reported for governmental activities in the statement of activities are different because:	
Net change in fund balances - total governmental funds	\$ 42,595,365
Governmental funds report capital outlays as expenditures, however, in the	
statement of activities, the cost of those assets is eliminated and capitalized	
as capital assets (\$63,665,252). The total reflects depreciation expense	
for the current period (\$28,028,376).	35,636,876
Bond and other debt proceeds provide current financial resources to	
governmental funds, but issuing debt increases long-term liabilities	
in the Statement of Net Position. Repayment of bond principal in an	
expenditure in the governmental funds, but the repayment reduces	
long-term liabilities in the Statement of Net Position. Governmental	
funds reported the effect premiums, discounts, and similiar items	
have on debt when issued, whereas these amounts are deferred and	
amortized in the statement of activities.	
Bond issuance	(86,572,419)
Principal paid on debt	17,168,000
Discount on bonds	1,490,365
Amortization of premium/discount	(194,165)

\$ 10,124,022

Change in net position of governmental activities

# Lakewood Ranch Stewardship District Statement of Net Position – Proprietary Fund

For the year ended September 30,	2024
	Utilities
Assets	
Current assets:	
Cash	\$ 662,954
Accounts receivable	750,308
Due from other funds	76,425
Total assets	1,489,687
Liabilities	
Current liabilities:	
Accounts payable	133,169
Total liabilities	133,169
Net Position	
Unrestricted	1,356,518
Total net position	\$ 1,489,687

# Lakewood Ranch Stewardship District Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Fund

For the year ended September 30,	2024
	Utilities
Operating Revenues	
Charges for services	\$ 7,843,956
Other revenues	5,265
Total operating revenues	7,849,221
Operating Expenses	
Administrative and operations	1,268,884
Contractual services	1,335,965
Supplies	951,652
Repairs and maintenance	444,254
Total operating expenses	4,000,755
Operating income (loss)	3,848,466
Transfers out	(3,951,790)
Change in net position	(103,324)
Net position, beginning of year	1,459,842
Net position, end of year	\$ 1,356,518

# Lakewood Ranch Stewardship District Statement of Cash Flows - Proprietary Fund

For the year ended September 30,	2024
	Utilities
Cash flows from operating activities	
Receipts from customers and users	\$ 7,704,812
Payments to suppliers	(3,764,755)
Net cash provided by operating activities	3,940,057
Cash flows from noncapital financing activities	
Transfers to other funds	(3,951,790)
Repayments (to)/from other funds	(76,425)
Net cash used by noncapital financing activities	(4,028,215)
Net increase (decrease) in cash	(88,158)
Cash, beginning of year	751,112
Cash, end of year	662,954
Reconciliation of operating income to net cash provided by operating activities  Operating income	3,848,466
Adjustments to reconcile operating income to net cash provided by operating activities:  Decrease in:	
Accounts receivable	236,000
Accounts payables	(144,409)
Total adjustments	 91,591
Net cash provided by operating activities	\$ 3,940,057

#### **Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The following is a summary of the significant accounting principles and policies used in the preparation of these basic financial statements.

#### REPORTING ENTITY

Lakewood Ranch Stewardship District is a local unit special purpose government created on June 17, 2005 under the "Lakewood Ranch Stewardship District Act," otherwise known as Chapter 2005-338, Florida Statutes. 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 on an at large basis by the owners of the property within the District. Ownership of land within the District entitles the owner to one vote per acre. The Board of Supervisors of the District exercises all powers granted to the District pursuant to Chapter 2005-338, amended by Chapter 2009-263, Florida Statutes. The District encompasses 23,255 acres of land located in Manatee County and Sarasota County, Florida.

The Board has the final responsibility for contracting for the services of consultants; borrowing money; adopting and enforcing rules and orders pursuant to the provisions of Chapter 120; holding, controlling and acquiring by donation, purchase or condemnation or dispose of any public easements; lease as lessor or assess to or from any person, firm, corporation, association or body; borrow money and issue bonds, certificates, warrants, notes, or other evidence of indebtedness; raise, by user charges or fees authorized by resolution of the board, amounts of money necessary for the conduct of District activities; assess and impose ad valorem taxes; determine, order, levy, impose, collect, and enforce maintenance taxes.

The financial statements were prepared in accordance with Governmental Accounting Standards Board ("GASB") Statement 34, and Statement 39, an amendment of GASB Statement 34. 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 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 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### **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 the non-fiduciary activities of the primary government.

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 and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Government 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.

The government reports the following major governmental funds:

#### **General Fund**

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

#### **Debt Service Fund**

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

#### Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Capital Projects Fund

The Capital Projects fund is used to account for the cost of construction of the infrastructure of the District.

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

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

The District reports the following major proprietary fund:

#### **Braden River Utility**

The Braden River Utility fund is used to account for the irrigation utility operations that are financed and operated in a manner similar to private business enterprises.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with proprietary fund's principal ongoing operations. The principal operating revenues of the District's enterprise fund are charges to customers for sales and services.

#### **Restricted Assets**

These assets represent cash and cash equivalents set aside pursuant to bond covenants or other contractual restrictions.

#### Cash and Cash Equivalents

All deposits are placed in a bank that qualifies as a public depository, as required by law (Florida Security for Public Deposits Act). Accordingly, all deposits are insured by Federal depository insurance and/or entirely collateralized pursuant to Chapter 280, Florida Statutes. The District considers investments with original maturities less than 3 months to be cash equivalents.

#### **Capital Assets**

Capital assets are defined by the District as assets with an initial, individual cost of \$1,000 or more and an estimated useful life of more than one year. These assets are recorded at historical cost. Pursuant to GASB 34, the District elected to the report infrastructure prospectively. Construction in progress is not depreciated. Major outlays for capital assets and improvements are capitalized as projects are constructed. District infrastructure is being depreciated over twenty years.

#### Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### **Long-Term Obligations**

In the government-wide financial statements long-term debt are reported as liabilities in the statement of net position. Bond premiums and discounts, as well as insurance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of premiums or discounts.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond 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 issuance 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 Balances**

Governmental funds report fund balances are classified either as nonspendable, or as spendable. Spendable fund balances are further classified based on the extent to which there are external and internal constraints on the spending of these fund balances. These classifications are described as follows:

Nonspendable Fund Balance — Amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact.

Restricted Fund Balance – Amounts that are constrained for specific purposes which are externally imposed by creditors, grantors, contributors, or laws or regulations or imposed by laws through constitutional provisions or enabling legislation.

Committed Fund Balance – Amounts that are constrained for specific purposes imposed by formal action of the highest level of decision making authority. The highest level of authority is the Board of Supervisors. Committed amounts cannot be used for any other purpose unless the Board of Supervisors removes those constraints by taking the same type of action.

Assigned Fund Balance — Amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the Board of Supervisors or (b) the Executive Director to whom the Board of Supervisors has delegated the authority to assign amounts to be used for specific purposes.

*Unassigned Fund Balance* – Represents the residual fund balance within the General Fund, which has not been assigned to other funds and has not been restricted, committed, or assigned.

The District considers restricted funds to be used first when an expenditure is incurred and both restricted and unrestricted funds are available, followed by committed, assigned, and then unassigned as applicable.

#### Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### **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 expenses/expenditures during the reporting period. Actual results could differ from those estimates.

#### **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 all governmental funds except the capital projects fund, which adopts a project-length budget.

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 taxpayer 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) Unused appropriations for annually budgeted funds lapse at the end of the year.
- f) The legal level of budgetary control is the fund level.

#### **Note 2: CASH AND CASH EQUIVALENTS**

The District's cash balances are 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.

The District has not formally adopted a written investment policy. According to Florida Statutes 218.415(17) the District is authorized to invest in the following:

- (a)The Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in §163.01.
- (b)Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.
- (c)Interest-bearing time deposits or savings accounts in qualified public depositories, as defined in §280.02.
- (d)Direct obligations of the U.S. Treasury.

#### Note 2: CASH AND CASH EQUIVALENTS (Continued)

The securities listed in (c) and (d) above must be invested such as to provide sufficient liquidity to pay obligations as they come due.

As of September 30, 2024, the District has the following balances in cash equivalents:

Money market accounts

\$ 79,825,750

#### **Note 3: 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. These risks are covered by commercial insurance from independent third parties. There have been no significant reductions in insurance coverage from the prior year. No settlements have exceeded the District's insurance coverage for each of the past three fiscal years.

**Note 4: CAPITAL ASSETS** 

Capital asset activity for the fiscal year ended September 30, 2024 was as follows:

	Beginning				Ending
	Balance	Increases	Decreases	Adjustments	Balance
Capital Assets, not being depreciated:					
Construction in Progress					
Public Roads	\$ 96,205	\$ 12,225,944	\$ 389,594	\$ -	\$ 11,932,555
Lighting	5,404	1,448,478	-	-	1,453,882
Drainage	168,581	11,743,566	3,037,500	-	8,874,647
Irrigation	54,588	4,804,759	54,588	-	4,804,759
Other Utilities	-	1,958,719	482,351	-	1,476,368
Landscaping	=	415,655	359,132	-	56,523
Sanitary Sewer	63,159	5,373,663	2,650,690	-	2,786,132
Potable Water	267,448	5,754,675	1,874,562	-	4,147,561
Earthwork, Clearing & Fill	571,387	13,890,032	272,709	-	14,188,710
Engineering & Surveying	310,901	2,158,470	832,992	-	1,636,379
Permit Fees & Bonding	116,335	167,482	1,461	-	282,356
Direct Bill and Stored Materials	=	1,587,531	-	-	1,587,531
Other Infrastructure	55,434	986,670	505,062	-	537,042
Total Construction in Progress	1,709,442	62,515,644	10,460,641	-	53,764,445
Capital Assets, being depreciated:					
District infrastructure	548,957,277	11,610,249	-	-	560,567,526
Total depreciable assets	548,957,277	11,610,249	-	-	560,567,526
Less accumulated depreciation for:					
District infrastructure	165,166,327	28,028,376	-	-	193,194,703
Total Capital Assets, being depreciated net	383,790,950	(16,418,127)	-	-	367,372,823
Total Capital Assets, net	\$ 385,500,392	\$ 46,097,517	\$ 10,460,641	\$ -	\$ 421,137,268

Depreciation expense was \$28,028,376 for the fiscal year ended September 30, 2024, reported under the Physical environment function in the statement of activities.

**Note 5: LONG TERM DEBT** 

Unamortized discounts on governmental activities revenue bonds amounted to \$4,100,316 and \$4,133,286 as of September 30, 2024 and 2023, respectively.

		9/30/23		Additions	0	Decreases		9/30/24	D	ue within 1 year
2014 Country Club East Series A Bonds	\$	10,200,000	\$	_	Ś	270,000	\$	9,930,000	\$	285,000
2015 Lakewood Ctr North Bonds	7	28,500,000	Y	_	7	775,000	7	27,725,000	7	5,000
2016 The Villages of LWR South Bonds		51,540,000		_		1,490,000		50,050,000		185,000
2017 Del Webb Bonds		13,140,000		_		295,000		12,845,000		35,000
2017 Lakewood National & Polo Run Bonds		44,400,000		_		965,000		43,435,000		120,000
2018 Northeast Sector Bonds - Phase 1A		13,865,000		_		295,000		13,570,000		305,000
2018 Lakewood Centre & Northwest Sector		8,140,000		_		5,730,000		2,410,000		50,000
2018 NE Sector, Phase 1B		33,720,000		_		680,000		33,040,000		130,000
2019 The Isles at LWR		7,040,000		_		145,000		6,895,000		150,000
2019 Lake Club Phase 4		4,190,000		_		550,000		3,640,000		170,000
2019 Cresswind Project		4,640,000		_		100,000		4,540,000		105,000
2019 Indigo Expansion Area		4,390,000		_		105,000		4,285,000		105,000
2019 NE Sect PH2A		5,240,000		_		355,000		4,885,000		120,000
2019 Azario		11,940,000		_		260,000		11,680,000		270,000
2020 Country Club East		16,575,000		_		965,000		15,610,000		1,015,000
2020 LWCNWS		25,405,000		_		1,205,000		24,200,000		1,225,000
2020 Azario		6,250,000		_		140,000		6,110,000		145,000
2020 Lorraine Series		10,215,000		-		220,000		9,995,000		225,000
2020 NE Sector Phase 2B		17,015,000		-		385,000		16,630,000		395,000
2020 NE Sector Phase 2C		7,250,000		-		170,000		7,080,000		170,000
2021 The Isles at Lakewood Ranch Project Phase 2		3,945,000		-		90,000		3,855,000		95,000
2021 Belle Isle/Central Park		3,310,000		-		160,000		3,150,000		155,000
2021 Star Farms at Lakewood Ranch		8,300,000		-		205,000		8,095,000		180,000
2021 Sweetwater		4,805,000		-		105,000		4,700,000		110,000
2021 Lake Club		8,447,000		-		569,000		7,878,000		582,000
2023 Central Park		5,745,000		-		209,000		5,536,000		202,000
2023 Country Club East		6,354,000		-		215,000		6,139,000		223,000
2023 Braden River Utility		36,820,569		494,431		-		37,315,000		-
2023 Taylor Ranch		-		67,210,000		515,000		66,695,000		835,000
2024 Aurora		-		4,125,000		-		4,125,000		215,000
2024 Star Farms at Lakewood Ranch		-		11,190,000		-		11,190,000		160,000
2024 Villages of Lakewood Ranch South		-		4,115,000		-		4,115,000		
Bonds payable		401,381,569		87,134,431		17,168,000		471,348,000		7,967,000
Less unamortized premiums (discounts)		(4,133,286)		(161,195)		194,165		(4,100,316)		(199,538)
Bonds payable, less unamortized discounts	\$	397,248,283	\$	86,973,236	\$	17,362,165	\$	467,247,684	\$	7,767,462

On August 5, 2013, the District issued \$8,500,000 of Special Assessment Revenue Bonds, Series 2013A, due on May 1, 2043, with two fixed interest rates of 6.70% and 7.00%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District, known as the Country Club East Project, as well as set up a debt service reserve fund and to pay costs of issuance.

On August 5, 2013, the District issued \$7,535,000 of Special Assessment Revenue Bonds, Series 2013, due on May 1, 2043, with interest rates ranging from 6.10% to 6.40%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District, known as the Central Park Project, as well as set up a debt service reserve fund and to pay costs of issuance.

#### Note 5: LONG TERM DEBT (Continued)

On October 14, 2014, the District issued \$12,145,000 of Special Assessment Revenue Bonds, Series 2014, due of May 1, 2044, with interest rates ranging from 5.35% to 5.60%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District known as the Country Club East Project, as well as set-up of a debt service reserve fund and to pay cost of issuance.

On February 9, 2015, the District issued \$37,360,000 of Special Assessment Revenue Bonds, Series 2015, due of May 1, 2045, with interest rates ranging from 4.25% to 4.875%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District known as the Lakewood Centre North Project, as well as set-up of a debt service reserve fund and to pay cost of issuance.

On February 8, 2016, the District issued \$79,505,000 of Special Assessment Revenue Bonds, Series 2016, due of May 1, 2046, with interest rates ranging from 4.00% to 5.125%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District known as the Villages of Lakewood Ranch South Project (Waterside community), as well as set-up of a debt service reserve fund and to pay cost of issuance.

On May 8, 2017, the District issued \$14,805,000 of Special Assessment Revenue Bonds, Series 2017, due as of May 1, 2047, with interest rates ranging from 3.65% to 5.125%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District known as the Del Webb Project, as well as set-up of a debt service reserve fund and to pay cost of issuance.

On February 21, 2017, the District issued \$49,480,000 of Special Assessment Revenue Bonds, Series 2017, due of May 1, 2047, with interest rates ranging from 4.00% to 5.375%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District known as the Lakewood National and Polo Run Project, as well as set-up of a debt service reserve fund and to pay cost of issuance.

On September 29, 2017, the District issued \$14,548,000 of Special Assessment Revenue Refunding Bonds, Series 2017, due as of May 1, 2036 with a fixed interest rate of 4.00%. The bonds were issued to refund and redeem all of the outstanding principal amount of the District's Special Assessment Revenue Bonds, 2006 Series A (Lake Club Project), pay certain costs associated with the issuance of the 2017 Bond, make a deposit into the 2017 Reserve Account, and pay interest first coming due on the 2017 Bond.

On August 30, 2018, the District issued \$14,925,000 of Special Assessment Revenue Bonds, Series 2018, due as of May 1, 2048 with interest rates ranging from 3.90% to 5.10%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District known as the NE Sector Project Phase 1A, as well as set-up of a debt service reserve fund and to pay cost of issuance.

On December 10, 2018, the District issued \$11,790,000 of Special Assessment Revenue Bonds, Series 2018, due on May 1, 2048, with interest rates ranging from 4.55% to 5.65%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District, known as the Lakewood Centre & Northwest Sector Projects, as well as set up a debt service reserve fund and to pay costs of issuance.

#### Note 5: LONG TERM DEBT (Continued)

On December 10, 2018, the District issued \$36,185,000 of Special Assessment Revenue Bonds, Series 2018, due on May 1, 2048, with interest rates ranging from 4.35% to 5.45%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District, known as the Northeast Sector Project – Phase 1B, as well as set up a debt service reserve fund and to pay costs of issuance.

On April 8, 2019, the District issued \$7,580,000 of Special Assessment Revenue Bonds, Series 2019, due on May 1, 2049, with interest rates ranging from 3.50% to 4.875%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District, known as The Isles at Lakewood Ranch Project – Phase 1, as well as set up a debt service reserve fund and to pay costs of issuance.

On May 20, 2019, the District issued \$9,125,000 of Special Assessment Revenue Bonds, Series 2019, due on May 1, 2049, with interest rates ranging from 3.60% to 4.50%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District, known as the Lake Club Phase 4 Project, as well as set up a debt service reserve fund and to pay costs of issuance.

On May 20, 2019, the District issued \$5,005,000 of Special Assessment Revenue Bonds, Series 2019, due on May 1, 2049, with interest rates ranging from 3.60% to 4.50%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District, known as the Cresswind Project, as well as set up a debt service reserve fund and to pay costs of issuance.

On September 9, 2019, the District issued \$4,775,000 of Special Assessment Revenue Bonds, Series 2019, due on May 1, 2049, with interest rates ranging from 2.90% to 4.00%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District, known as the Indigo Expansion Area Project, as well as set up a debt service reserve fund and to pay costs of issuance.

On October 18, 2019, the District issued \$5,585,000 of Special Assessment Revenue Bonds, Series 2019, due on May 1, 2049, with interest rates ranging from 3.00% to 4.00%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District, known as the Northeast Sector Project Phase 2, as well as set up a debt service reserve fund and to pay costs of issuance.

On November 22, 2019, the District issued \$12,670,000 of Special Assessment Revenue Bonds, Series 2019, due on May 1, 2050, with interest rates ranging from 3.125% to 4.00%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District, known as the Azario Project, as well as set up a debt service reserve fund and to pay costs of issuance.

On June 24, 2020, the District issued \$19,195,000 of Special Assessment Revenue Refunding Bonds, Series 2020, due on May 1, 2037, with interest rates ranging from 2.00% to 5.00%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District, known as the Country Club East Project, as well as set up a debt service reserve fund and to pay costs of issuance.

#### Note 5: LONG TERM DEBT (Continued)

On August 21, 2020, the District issued \$29,100,000 of Special Assessment Revenue Bonds, Series 2020, due on May 1, 2040, with interest rates ranging from 0.941% to 2.401%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District, known as the Lakewood Centre & Northwest Sector Expansion Area Projects, as well as set up a debt service reserve fund and to pay costs of issuance.

On September 3, 2020, the District issued \$6,655,000 of Special Assessment Revenue Bonds, Series 2020, due on May 1, 2050, with interest rates ranging from 2.625% to 3.90%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District, known as the Azario Project, as well as set up a debt service reserve fund and to pay costs of issuance.

On September 18, 2020, the District issued \$10,655,000 of Special Assessment Revenue Bonds, Series 2020, due on May 1, 2051, with interest rates ranging from 2.50% to 3.875%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District, known as the Lorraine Lakes Project, as well as set up a debt service reserve fund and to pay costs of issuance.

On October 1, 2020 the District issued \$17,755,000 of Special Assessment Revenue Bonds, Series 2020, due on May 1, 2050 with interest rates ranging from 2.50% to 4.00%. The bonds were issued to redeem all of the outstanding principal amount of the District's Bond Anticipation Note, Series 2017 (Northeast Sector Project), to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District known as Northeast Sector Project Phase 2B, as well as set up a debt service reserve fund and to pay cost of issuance.

On December 1, 2020 the District issued \$7,575,000 of Special Assessment Revenue Bonds, Series 2020, due on May 1, 2050 with interest rates ranging from 2.50% to 4.00%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District, known as the Northeast Sector Project Phase 2C, as well as set up a debt service reserve fund and to pay costs of issuance.

On September 1, 2021 the District issued \$4,120,000 of Special Assessment Revenue Bonds, Series 2021, due May 1, 2051 with interest rates ranging from 2.125% to 4.00%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District known as The Isles at Lakewood Ranch Project Phase 2, as well as set up a debt service reserve fund and to pay costs of issuance.

On July 12, 2021 the District issued \$3,610,000 of Special Assessment Revenue Bonds Series 2021, due May 1, 2040 with an interest rate of 2.780%, for the purpose of refunding the Central Park Series 2010A and the Belle Isle Series 2011A bonds, with a par amount outstanding of \$2,655,000 and \$1,410,000 respectively and an average coupon of 7.40% and 8.00%, respectively. The District completed the current refunding to reduce its total debt service payments and created a net present value savings of \$1,727,308.

On December 10, 2021 the District issued \$8,480,000 of Special Assessment Revenue Bonds Series 2021 due May 1, 2026 with interest rates ranging from 2.30% to 4.00%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District, known as Star Farms, as well as set up a debt service reserve fund and to pay costs of issuance.

#### **Note 5: LONG TERM DEBT (Continued)**

On October 5, 2021 the District issued \$4,910,000 of Special Assessment Revenue Bonds Series 2021 due May 1, 2052 with interest rates ranging from 2.125% to 4.00%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District, known as Sweetwater Project, as well as set up a debt service reserve fund and to pay costs of issuance.

On December 8, 2021 the District issued \$9,760,000 of Special Assessment Revenue Bonds Series 2021, due November 1, 2036 with an interest rate of 2.150%, for the purpose of refunding the Lake Club Series 2017 bond, with a par amount outstanding of \$10,040,000 and an average coupon of 4.00%. The District completed the current refunding to reduce its total debt service payments and created a net present value savings of \$1,152,175.

On February 8, 2023 the District issued \$5,883,000 of Special Assessment Revenue Bonds Series 2023 due May 1, 2043 with an interest rate of 3.87% for the purpose of refunding the Central Park Series 2013 bond, with a par amount outstanding of \$6,155,000 and an average coupon of 6.35%. The transaction resulted in an economic gain, shown as a deferred inflow of \$272,000. The District completed the current refunding to reduce its total debt service payments and created a net present value saving of \$1,247,784.

On February 8, 2023 the District issued \$6,506,000 of Special Assessment Revenue Bonds Series 2023 due May 1, 2043 with an interest rate of 3.87% for the purpose of refunding the Country Club East Series 2013 bond, with a par amount outstanding of \$6,506,000 and an average coupon of 6.95%. The transaction resulted in an economic gain, shown as a deferred inflow of \$739,000. The District completed the current refunding to reduce its total debt service payments and created a net present value saving of \$1,919,629.

On June 14, 2023 the District issued \$37,315,000 of Utility Revenue Bonds Series 2023 due October 1, 2043 with an interest rates ranging from 4.50% to 5.25%. The bonds were issued to finance the costs of acquisition of a non-potable irrigation system and the undertaking of certain capital improvements with respect to the system, fund deposits to the operating fund and pay certain costs associated with the issuance of the bonds.

On October 11, 2023 the District issued \$67,210,000 of Special Assessment Revenue Bonds Series 2023 due May 1, 2054 with an interest rates ranging from 5.4% to 6.3%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District, known as Taylor Ranch, as well as set up a debt service reserve fund and to pay costs of issuance.

On March 6, 2024 the District issued \$4,125,000 of Special Assessment Revenue Bonds Series 2024 due May 1, 2054 with an interest rates ranging from 4.4% to 5.5%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District, known as Aurora, as well as set up a debt service reserve fund and to pay costs of issuance.

On June 11, 2024 the District issued \$11,190,000 of Special Assessment Revenue Bonds Series 2024 due May 1, 2054 with an interest rates ranging from 4.6% to 5.5%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District, known as Star Farms, as well as set up a debt service reserve fund and to pay costs of issuance.

#### **Note 5: LONG TERM DEBT (Continued)**

On September 1, 2024 the District issued \$4,115,000 of Special Assessment Revenue Bonds Series 2024 due May 1, 2055 with an interest rates ranging from 4.3% to 5.3%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District, known as Villages of Lakewood Ranch South, as well as set up a debt service reserve fund and to pay costs of issuance.

The District has unspent bond proceeds of \$63,933,056 consisting of unspent construction funds and unspent debt service reserves and debt service capitalized interest.

#### Note 5: LONG TERM DEBT (Continued)

								Sereis 2018							
	Series	2014 Country	Series 2015	Series 2016 The		Series 2017	Series 2018	Lakewood Centre				Series 2019			
	Club	b East Series A Lakew	rood Ctr North V	illages of LWR South	Series 2017 Del	Lakewood National	Northeast Sector	and Northwest	Series 2019 NE	Series 2019 The	Series 2019 Lake	Cresswind		Series 2019 NE	Series 2019
Principal		Bonds	Bonds	Bonds	Webb Bonds	& Polo Run Bonds	Bonds	Sector	Sector, Phase 1B	Isles at LWR	Club Phase 4	Project S	eries 2019 Indigo	Sect PH2A	Azario
2025	\$	285,000 \$	5,000 \$	185,000 \$	35,000	\$ 120,000	\$ 305,000	50,000	\$ 130,000 \$	150,000 \$	170,000 \$	105,000 \$	105,000 \$	120,000 \$	270,000
2026		300,000	780,000	1,285,000	310,000	1,005,000	320,000	55,000	710,000	160,000	80,000	110,000	110,000	125,000	280,000
2027		315,000	815,000	1,340,000	320,000	1,055,000	335,000	55,000	745,000	165,000	85,000	115,000	115,000	130,000	285,000
2028		330,000	855,000	1,405,000	335,000	1,105,000	350,000	60,000	780,000	170,000	85,000	115,000	120,000	135,000	295,000
2029		350,000	900,000	1,475,000	350,000	1,160,000	365,000	60,000	820,000	180,000	90,000	120,000	120,000	140,000	310,000
2030-2034		2,060,000	5,210,000	8,590,000	2,050,000	6,810,000	2,130,000	365,000	4,785,000	1,025,000	505,000	690,000	675,000	775,000	1,725,000
2035-2039		2,710,000	6,655,000	11,040,000	2,630,000	8,850,000	2,725,000	475,000	6,235,000	1,295,000	630,000	865,000	820,000	935,000	2,100,000
2040-2044		3,580,000	8,485,000	14,250,000	3,400,000	11,560,000	3,510,000	635,000	8,145,000	1,650,000	785,000	1,075,000	995,000	1,135,000	2,575,000
2045+		=	4,020,000	10,480,000	3,415,000	11,770,000	3,530,000	655,000	10,690,000	2,100,000	1,210,000	1,345,000	1,225,000	1,390,000	3,840,000
Total	\$	9,930,000 \$	27,725,000 \$	50,050,000 \$	12,845,000	\$ 43,435,000	\$ 13,570,000	2,410,000	\$ 33,040,000 \$	6,895,000 \$	3,640,000 \$	4,540,000 \$	4,285,000 \$	4,885,000 \$	11,680,000

								Sereis 2018							
						2017 Lakewood	Į.	akewood Centre							
	2014 C	ountry Club 2015	Lakewood Ctr	2016 The Villages of	2017 Del Webb	National & Polo	2018 Northeast	and Northwest	2019 NE Sector,	2019 The Isles at	2019 Lake Club	2019 Cresswind		NE Sect PH2A	
Interest	East Ser	ies A Bonds	North Bonds	LWR South Bonds	Bonds	Run Bonds	Sector Bonds	Sector	Phase 1B	LWR	Phase 4	Project	2019 Indigo	2019	Azario 2019
2025	\$	539,636 \$	1,329,900	\$ 2,483,113 \$	636,324 \$	2,262,628 \$	669,834	66,473 \$	1,731,905	\$ 320,915 \$	150,400	\$ 195,945 \$	161,423 \$	93,980 \$	451,509
2026		523,988	1,293,459	2,427,331	622,779	2,214,991	656,553	131,708	1,697,349	314,909	147,265	191,860	157,983	186,010	442,530
2027		507,536	1,252,753	2,363,731	608,696	2,165,041	642,634	129,109	1,661,130	308,612	144,035	187,680	154,383	182,029	432,925
2028		490,283	1,209,975	2,291,732	592,744	2,109,038	628,078	126,386	1,623,130	302,121	140,710	183,405	150,623	177,885	423,065
2029		472,093	1,165,003	2,216,106	574,744	2,046,563	611,515	123,540	1,583,230	295,340	137,195	178,940	146,783	173,579	412,865
2030-2034		2,049,629	5,069,269	9,803,030	2,568,895	9,169,688	2,756,200	566,524	7,173,919	1,343,525	621,400	810,810	662,908	790,443	1,879,740
2035-2039		1,400,000	3,558,385	7,222,993	1,955,376	7,010,120	2,152,025	457,926	5,642,881	1,072,101	491,710	641,850	523,125	632,821	1,499,800
2040-2044		524,300	1,630,443	3,836,575	1,149,794	4,144,662	1,365,527	313,214	3,614,714	720,281	327,376	428,065	347,500	439,250	1,033,500
2045+		-	50,213	371,947	206,592	747,932	371,536	117,380	989,721	265,689	119,927	156,939	126,500	204,100	478,600
Total	\$	6,507,465 \$	16,559,400	\$ 33,016,558 \$	8,915,944 \$	31,870,663 \$	9,853,902 \$	2,032,260 \$	25,717,979	\$ 4,943,493 \$	2,280,018	\$ 2,975,494 \$	2,431,228 \$	2,880,097 \$	7,054,534

						2017 Lakewood	L	Sereis 2018 akewood Centre							
	2014	4 Country Club 201	5 Lakewood Ctr	2016 The Villages of	2017 Del Webb	National & Polo	2018 Northeast	and Northwest	2019 NE Sector,	2019 The Isles at	2019 Lake Club	2019 Cresswind		NE Sect PH2A	
Total	East S	Series A Bonds	North Bonds	LWR South Bonds	Bonds	Run Bonds	Sector Bonds	Sector	Phase 1B	LWR	Phase 4	Project	2019 Indigo	2019	Azario 2019
2025	\$	824,636 \$	1,334,900	\$ 2,668,113 \$	671,324 \$	2,382,628 \$	974,834 \$	116,473	1,861,905	\$ 470,915 \$	320,400	\$ 300,945 \$	266,423 \$	213,980 \$	721,509
2026		823,988	2,073,459	3,712,331	932,779	3,219,991	976,553	186,708	2,407,349	474,909	227,265	301,860	267,983	311,010	722,530
2027		822,536	2,067,753	3,703,731	928,696	3,220,041	977,634	184,109	2,406,130	473,612	229,035	302,680	269,383	312,029	717,925
2028		820,283	2,064,975	3,696,732	927,744	3,214,038	978,078	186,386	2,403,130	472,121	225,710	298,405	270,623	312,885	718,065
2029		822,093	2,065,003	3,691,106	924,744	3,206,563	976,515	183,540	2,403,230	475,340	227,195	298,940	266,783	313,579	722,865
2030-2034		4,109,629	10,279,269	18,393,030	4,618,895	15,979,688	4,886,200	931,524	11,958,919	2,368,525	1,126,400	1,500,810	1,337,908	1,565,443	3,604,740
2035-2039		4,110,000	10,213,385	18,262,993	4,585,376	15,860,120	4,877,025	932,926	11,877,881	2,367,101	1,121,710	1,506,850	1,343,125	1,567,821	3,599,800
2040-2044		4,104,300	10,115,443	18,086,575	4,549,794	15,704,662	4,875,527	948,214	11,759,714	2,370,281	1,112,376	1,503,065	1,342,500	1,574,250	3,608,500
2045+		-	4,070,213	10,851,947	3,621,592	12,517,932	3,901,536	772,380	11,679,721	2,365,689	1,329,927	1,501,939	1,351,500	1,594,100	4,318,600
Total	\$	16,437,465 \$	44,284,400	\$ 83,066,558 \$	21,760,944 \$	75,305,663 \$	23,423,902 \$	4,442,260 \$	58,757,979	\$ 11,838,493 \$	5,920,018	\$ 7,515,494 \$	6,716,228 \$	7,765,097 \$	18,734,534

#### **Note 5: LONG TERM DEBT (Continued)**

									Series 2021				Central Park Cou	intry Club East	Braden River
			Series 2020		Series 2020	Series 2021 The Seri	ies 2020 NE Sect	Series 2020 NE	Belleisle & Central	Star Farms Series	Sweetwater Series	Lake Club Series		,	Utility
Principal	Se	eries 2020 CCE	LWCNWS	Series 2020 Azario	Lorraine Lakes	Isles	PH2C	Sect PH2B	Park	2021	2021	2021	2023	2023	2023
2025	\$	1,015,000 \$	1,225,000 \$	145,000 \$	225,000 \$	95,000 \$	170,000	\$ 395,000	\$ 155,000	\$ 180,000	\$ 110,000	\$ 582,000 \$	202,000 \$	223,000 \$	-
2026		1,060,000	1,250,000	150,000	235,000	95,000	175,000	405,000	165,000	185,000	110,000	594,000	209,000	232,000	35,000
2027		1,095,000	1,280,000	155,000	240,000	100,000	180,000	420,000	170,000	190,000	115,000	607,000	217,000	241,000	105,000
2028		1,120,000	1,305,000	160,000	250,000	100,000	190,000	435,000	170,000	195,000	115,000	620,000	226,000	251,000	300,000
2029		1,140,000	1,345,000	165,000	255,000	105,000	195,000	445,000	175,000	205,000	120,000	634,000	235,000	260,000	385,000
2030-2034		6,115,000	7,345,000	915,000	1,425,000	560,000	1,070,000	2,480,000	965,000	1,125,000	650,000	3,383,000	1,321,000	1,464,000	4,260,000
2035-2039		4,065,000	8,565,000	1,105,000	1,705,000	650,000	1,275,000	2,995,000	1,110,000	1,305,000	750,000	1,458,000	1,603,000	1,776,000	5,925,000
2040-2044		-	1,885,000	1,330,000	2,035,000	775,000	1,530,000	3,630,000	240,000	1,530,000	885,000	=	1,523,000	1,692,000	7,400,000
2045+		-	-	1,985,000	3,625,000	1,375,000	2,295,000	5,425,000	-	3,180,000	1,845,000	-	-	-	18,905,000
Total	\$	15,610,000 \$	24,200,000 \$	6,110,000 \$	9,995,000 \$	3,855,000 \$	7,080,000	\$ 16,630,000	\$ 3,150,000	\$ 8,095,000	\$ 4,700,000	\$ 7,878,000 \$	5,536,000 \$	6,139,000 \$	37,315,000
									Series 2021				Central Park Cou	intry Club Fact	Braden River
					Lorraine Series	Series 2021 The Seri	ies 2020 NE Sect	Series 2020 NE	Belleisle & Central	Star Farms Series	Sweetwater Series	Lake Club Series	2023	2023	Utility
Interest		CCE 2020	LWCNWS 2020	Azario 2020	2020	Isles	PH2C	Sect PH2B	Park	2021	2021	2021	2023	2023	2023
2025	\$	395,538 \$	694,170 \$	225,796 \$	363,575 \$	130,991 \$	257,000	\$ 622,805	\$ 85,485	\$ 276,908	\$ 161,115	\$ 163,121 \$	210,315 \$	233,264 \$	1,830,106
2026		346,313	669,231	221,493	357,091	128,972	252,250	611,388	80,968	272,595	158,778	150,479	202,382	224,460	1,830,106
2027		311,513	642,006	216,613	349,669	126,650	246,925	598,188	76,311	267,778	156,099	137,568	194,139	215,307	1,828,706
2028		289,363	611,817	211,573	342,013	124,025	241,375	584,508	71,585	262,445	153,081	124,378	185,567	205,787	1,824,506
2029		266,763	578,410	206,373	334,122	121,334	235,600	570,428	66,790	256,978	146,996	110,897	176,646	195,899	1,812,506
2030-2034		927,661	2,298,750	939,526	1,531,134	561,412	1,076,876	2,602,548	256,526	1,193,920	697,925	341,660	736,636	817,073	8,689,130
2035-2039		161,897	1,070,671	751,557	1,249,048	468,437	873,065	2,091,845	112,313	1,013,125	590,601	31,519	454,628	504,571	7,528,924
2040-2044		-	32,385	520,858	903,472	350,897	616,300	1,458,763	3,336	787,550	457,063	=	120,724	134,134	6,051,825
2045+		-	-	206,701	511,016	200,400	285,900	676,300	-	535,000	255,770	-	-	-	5,300,403
Total	\$	2,699,048 \$	6,597,440 \$	3,500,490 \$	5,941,140 \$	2,213,118 \$	4,085,291	\$ 9,816,773	\$ 753,314	\$ 4,866,299	\$ 2,777,428	\$ 1,059,622 \$	2,281,037 \$	2,530,495 \$	36,696,212
									Series 2021				Central Park Cou	intry Club Fast	Braden River
					Lorraine Series	Series 2021 The Seri			Belleisle & Central	Star Farms Series			2023	2023	Utility
Total		CCE 2020	LWCNWS 2020	Azario 2020	2020	Isles	PH2C	Sect PH2B	Park	2021	2021	2021			2023
	\$	1,410,538 \$	1,919,170 \$		588,575 \$	225,991 \$	427,000						412,315 \$	456,264 \$	1,830,106
2026		1,406,313	1,919,231	371,493	592,091	223,972	427,250	1,016,388	245,968	457,595	268,778	744,479	411,382	456,460	1,865,106
2027		1,406,513	1,922,006	371,613	589,669	226,650	426,925	1,018,188	246,311	457,778	271,099	744,568	411,139	456,307	1,933,706
2028		1,409,363	1,916,817	371,573	592,013	224,025	431,375	1,019,508	241,585	457,445	268,081	744,378	411,567	456,787	2,124,506
2029		1,406,763	1,923,410	371,373	589,122	226,334	430,600	1,015,428	241,790	461,978	266,996	744,897	411,646	455,899	2,197,506
2030-2034		7,042,661	9,643,750	1,854,526	2,956,134	1,121,412	2,146,876	5,082,548	1,221,526	2,318,920	1,347,925	3,724,660	2,057,636	2,281,073	12,949,130
2035-2039		4,226,897	9,635,671	1,856,557	2,954,048	1,118,437	2,148,065	5,086,845	1,222,313	2,318,125	1,340,601	1,489,519	2,057,628	2,280,571	13,453,924
2040-2044		-	1,917,385	1,850,858	2,938,472	1,125,897	2,146,300	5,088,763	243,336	2,317,550	1,342,063	-	1,643,724	1,826,134	13,451,825
2045+		-	-	2,191,701	4,136,016	1,575,400	2,580,900	6,101,300	<u> </u>	3,715,000	2,100,770	-	<u> </u>	-	24,205,403
Total	\$	18,309,048 \$	30,797,440 \$	9,610,490 \$	15,936,140 \$	6,068,118 \$	11,165,291	\$ 26,446,773	\$ 3,903,314	\$ 12,961,299	\$ 7,477,428	\$ 8,937,622 \$	7,817,037 \$	8,669,495 \$	74,011,212

#### Note 5: LONG TERM DEBT (Continued)

	Ser	ies 2023 Taylor				Series 2024 Star	Se	ries 2024 Villages		
Principal		Ranch	Se	ries 2024 Aurora		Farms		of LWR South		Total
2025	\$	835,000	\$	215,000	\$	160,000	\$	_	\$	7,967,000
2026		885,000		60,000		170,000		60,000		11,705,000
2027		935,000		65,000		175,000		65,000		12,230,000
2028		985,000		70,000		185,000		70,000		12,887,000
2029		1,040,000		70,000		195,000		70,000		13,479,000
2030-2034		6,150,000		405,000		1,130,000		405,000		78,563,000
2035-2039		8,260,000		525,000		1,465,000		525,000		93,027,000
2040-2044		11,230,000		675,000		1,905,000		665,000		100,710,000
2045+		36,375,000		2,040,000		5,805,000		2,255,000		140,780,000
Total	\$	66,695,000	\$	4,125,000	\$	11,190,000	\$	4,115,000	\$	471,348,000
Interest		lor Ranch 2023		Aurora 2024		Star Farms 2024		Villages of LWR S		Total
2025	\$		\$	,	\$	595,074	\$	209,610	\$	21,820,811
2026		4,018,493		204,380		587,443		208,320		21,533,857
2027		3,969,353		201,630		579,464		205,633		21,063,846
2028		3,917,513		198,660		571,139		202,730		20,571,240
2029		3,862,578		195,580		562,352		199,720		20,037,468
2030-2034		18,365,414		927,410		2,656,624		946,651		90,832,856
2035-2039		16,246,127		814,819		2,318,041		831,950		71,374,251
2040-2044		13,281,862		658,370		1,874,432		683,950		47,811,122
2045+		12,641,425		617,437		1,758,380		720,141		27,915,949
Total	\$	80,367,698	\$	4,025,306	\$	11,502,949	\$	4,208,705	\$	342,961,400
Tatal	т	.la. Danah 2022		A 2024		Ct F 2024		Villages of LM/D C		Tatal
Total 2025	Ś	dor Ranch 2023 4,899,933	\$	Aurora 2024 422,020	ć	Star Farms 2024 755,074	\$	Villages of LWR S 209,610	ć	Total 29,787,811
2025	Þ	4,899,933	Þ	264,380	Þ	755,074 757,443	Ş	268,320	Þ	
2026		4,903,493		264,380		757,443 754,464		270,633		33,238,857
2027				,		,		,		33,293,846
		4,902,513		268,660		756,139		272,730		33,458,240
2029		4,902,578		265,580		757,352		269,720		33,516,468
2030-2034		24,515,414		1,332,410		3,786,624		1,351,651		169,395,856
2035-2039		24,506,127		1,339,819		3,783,041		1,356,950		164,401,251
2040-2044		24,511,862		1,333,370		3,779,432		1,348,950		148,521,122
2045+	_	49,016,425	^	2,657,437	_	7,563,380	_	2,975,141	_	168,695,949
Total	\$	147,062,698	\$	8,150,306	\$	22,692,949	\$	8,323,705	\$	814,309,400

#### **Note 6: INTERFUND TRANSFERS**

	Tr	ransfers Out		
Transfers In	General Fund Debt Servi	ice Capital Projects	s Utilities	Total Transfers In
General Fund	\$ - \$	- \$ -	\$ -	\$ -
Debt Service	-	- 106,224	1,830,107	1,936,331
Capital Projects	75,266 1,482,	553 -	2,121,683	3,679,502
Total transfers out	\$ 75,266 \$ 1,482,	553 \$ 106,224	\$ 3,951,790	\$ 5,615,833

Transfers out of the Utilities to the Capital Projects are proceeds used for various projects. Transfers out of the Utilities to the Debt Service fund are payments for interest and principal on debt service. Transfers out of Debt Service to Capital Projects are proceeds used for various projects.

#### **Note 7: SUBSEQUENT EVENTS**

Subsequent events have been evaluated through February 5, 2025, which is the date the financial statements were available to be issued. On October 30, 2024 the District issued \$16,835,000 of Special Assessment Revenue Bonds Series 2024 due May 1, 2055 with an interest rates ranging from 4.5% to 5.5%. The bonds were issued to finance the acquisition and construction of certain infrastructure improvements for the benefit of the District, know as Palm Grove Project, as well as set up a debt service reserve fund and to pay costs of issuance.



# **REQUIRED SUPPLEMENTARY INFORMATION**

## Lakewood Ranch Stewardship District Budgetary Comparison Schedule – General Fund

For the year ended September 30,			2024
	Original and		Variance
	Final		Positive
	Budget	Actual	(Negative)
Revenues			
Landowner funding	\$ 1,389,390	\$ 40,000	\$ (1,349,390)
Assessments	9,356,313	9,620,460	264,147
Miscellaneous	1,000	394,600	393,600
Total revenues	10,746,703	10,055,060	(691,643)
Expenditures			
Current:			
General government	2,356,146	4,088,229	(1,732,083)
Physical environment:			
Operations	8,390,557	5,815,827	2,574,730
Total expenditures	10,746,703	9,904,056	842,647
Other financing sources (uses)			
Transfers out	-	(75,266)	75,266
Total other financing sources (uses)	-	(75,266)	75,266
NET CHANGE IN FUND BALANCES	-	75,738	226,270
FUND BALANCES - BEGINNING OF YEAR	-	946,695	946,695
FUND BALANCES - END OF YEAR	\$ -	\$ 1,022,433	\$ 1,172,965





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# 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

Board of Supervisors Lakewood Ranch Stewardship District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Lakewood Ranch Stewardship District, ("the District"), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 5, 2025.

### **Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing 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 over financial reporting. 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 and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District'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.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and 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**

This 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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Carr, Riggs, & Ingram, L.L.C.

Carr, Riggs & Ungram, L.L.C.

Bradenton, Florida February 5, 2025



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# INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH FLORIDA STATUTES 218.415 – INVESTMENT OF PUBLIC FUNDS

Board of Supervisors Lakewood Ranch Stewardship District

We have examined the Lakewood Ranch Stewardship District ("District") compliance with Section 218.415, Florida Statutes during the fiscal year ended September 30, 2024. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2024.

This report is intended solely for the information and use of Lakewood Ranch Stewardship District and the Florida Auditor General, and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs, & Ingram, L.L.C.

Carr, Riggs & Ungram, L.L.C.

Bradenton, Florida February 5, 2025



Carr, Riggs & Ingram, L.L.C.

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#### **MANAGEMENT LETTER**

Board of Supervisors Lakewood Ranch Stewardship District

## **Report on the Financial Statements**

We have audited the financial statements of Lakewood Ranch Stewardship District ("District"), as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated February 5, 2025.

### **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 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*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated February 5, 2025 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. There were no recommendations made in the preceding financial audit report.

## 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. There were no component units related to the District.

### **Financial Condition and Management**

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not 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 the 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.

### **Property Assessed Clean Energy (PACE) Programs**

As required by Section 10.554(1)(i)6.a., Rules of the Auditor General, the District a statement as to whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did/did not operate within the District's geographical boundaries during the fiscal year under audit. A PACE program did not operate within the District's geographical boundaries during the fiscal year under audit.

As required by Section 10.554(1)(i)6.b., Rules of the Auditor General, if a PACE program was operating within the geographical areas of the District, a list of all program administrators and third-party administrators that administered the program. A PACE program did not operate within the District's geographical boundaries during the fiscal year under audit.

As required by Section 10.554(1)(i)6.c., Rules of the Auditor General, if a PACE program was operating within the geographical areas of the District, the full names and contact information of each such program administrator and third-party administrator. A PACE program did not operate within the District's geographical boundaries during the fiscal year under audit.

#### **Specific Information**

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the District reported:

- a. The total number of District employees compensated in the last pay period of the District's fiscal year as 19.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year as 48.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$1,297,746.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$907,277.

- e. Each construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such projects as not applicable.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reporting if the District amends a final adopted budget under Section 189.016(6), Florida Statutes, as included in the Required Supplementary Information as the Budgetary Comparison Schedule General Fund.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)9, Rules of the Auditor General, the District reported:

- a. The rates or rates of non-ad valorem special assessments imposed by the District as annual assessments ranging from \$53 to \$3,866 and annual operations & maintenance assessments ranging from \$218 to \$636.
- b. The total amount of special assessments collected by or on behalf of the District as \$42,886,083.
- c. The total amount of outstanding bonds issued by the District and the terms of such bonds is disclosed in the notes to the financial statements.

#### **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 fraud, waste, or abuse, that have occurred, or is likely to have occurred, that has 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 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 and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs, & Ingram, L.L.C.

Carr, Riggs & Ungram, L.L.C.

Bradenton, Florida February 5, 2025



# **REQUIRED COMMUNICATIONS**



**Carr, Riggs & Ingram, L.L.C.** 50 Central Avenue Suite 910

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Sarasota, FL 34236

February 5, 2025

To the Board of Lakewood Ranch Stewardship District

We are pleased to present the results of our audit of the 2024 financial statements of Lakewood Ranch Stewardship District (the "District").

The document also contains the communications required by our professional standards.

Our audit was designed, primarily to express an opinion on the District's 2024 financial statements. We considered the District's current and emerging business needs, along with an assessment of risks that could materially affect the financial statements, and aligned our audit procedures accordingly. We conducted the audit with the objectivity and independence that you expect. We received the full support and assistance of the District's personnel.

At Carr, Riggs & Ingram, L.L.C. (CRI), we are continually evaluating the quality of our professionals' work in order to deliver audit services of the highest quality that will meet or exceed your expectations. We encourage you to provide any feedback you believe is appropriate to ensure that we do not overlook a single detail as it relates to the quality of our services.

This report is intended solely for the information and use of the District and management and others within the District and should not be used by anyone other than these specified parties.

We appreciate this opportunity to work with you. If you have any questions or comments, please contact me at 941-281-7242 or <a href="mailto:tgruters@criadv.com">tgruters@criadv.com</a>.

Very truly yours,

Timothy Gruters, CPA

Partner



As discussed with the District and management during our planning process, our audit plan represented an approach responsive to the assessment of risk for the District. Specifically, we planned and performed our audit to:

- Perform audit services, as requested by the Board and management, 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, in order to express an opinion on the District's financial statements for the year ending September 30, 2024.
- 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.



We have audited the District's financial statements for the year ended September 30, 2024, and have issued our report thereon dated February 5, 2025. Professional standards require that we provide you with the following information related to our audit:

MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
Auditor's responsibility under Generally Accepted Auditing Standards and Government Auditing Standards	As stated in our engagement letter dated January 16, 2025, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (GAAP). Our audit of the financial statements does not relieve you or management of your responsibilities.  As part of our audit, we considered the internal control of the District. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.
Client's responsibility	Management, with oversight from those charged with governance, is responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of financial position, results of operations, and cash flows in conformity with the applicable framework.  Management is responsible for the design and implementation of programs and controls to prevent and detect fraud. Management is responsible for overseeing nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.
Planned scope and timing of the audit	Our initial audit plan was not significantly altered during our fieldwork.
Management judgments and accounting estimates  The process used by management in forming particularly sensitive accounting estimates and the basis for the Auditor's conclusion regarding the reasonableness of those estimates.	Please see the following section titled "Accounting Policies, Judgments and Sensitive Estimates and CRI Comments on Quality."



MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
Potential effect on the financial statements of any significant risks and exposures	No such risks or exposures were noted.
Major risks and exposures facing the District and how they are disclosed.	
Significant accounting policies, including critical accounting policies and alternative treatments within generally accepted accounting principles and the auditor's judgment about the quality of accounting principles	Significant accounting policies are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2024. We noted no transactions entered into by the organization during the year for which there is a lack of authoritative
The initial selection of and changes in significant accounting policies or their application; methods used to account for significant unusual transactions; and effect of significant policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.	guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.  The financial statement disclosures are neutral,
The auditor should also discuss the auditor's judgment about the quality, not just the acceptability, of the Company's accounting policies as applied in its financial reporting. The discussion should include such matters as consistency of accounting policies and their application, and clarity and completeness of the financial statements, including disclosures.  Critical accounting policies and practices applied by the Company in its financial statements and our assessment of management's disclosures regarding such policies and practices (including any significant modifications to such disclosures proposed by us but rejected by management), the reasons why certain policies and practices are or are not considered critical, and how current and anticipated future events impact those determinations;	consistent, and clear.
• Alternative treatments within GAAP for accounting policies and practices related to material items, including recognition, measurement, presentation and disclosure alternatives, that have been discussed with client management during the current audit period, the ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the auditor; Furthermore, if the accounting policy selected by management is not the policy preferred by us, discuss the reasons why management selected that policy, the policy preferred by us, and the reason we preferred the other policy.	



MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
Significant difficulties encountered in the audit  Any significant difficulties, for example, unreasonable logistical constraints or lack of cooperation by management.	We encountered no significant difficulties in dealing with management in performing and completing our audit.
Disagreements with management  Disagreements, whether or not subsequently resolved, about matters significant to the financial statements or auditor's report. This does not include those that came about based on incomplete facts or preliminary information.	We are pleased to report that no such disagreements arose during the course of our audit.
Other findings or issues  Matters significant to oversight of the financial reporting practices by those charged with governance. For example, an entity's failure to obtain the necessary type of audit, such as one under Government Auditing Standards, in addition to GAAS.	None noted.
Matters arising from the audit that were discussed with, or the subject of correspondence with, management  Business conditions that might affect risk or discussions regarding accounting practices or application of auditing standards.	None noted.
Corrected and uncorrected misstatements  All significant audit adjustments arising from the audit, whether or not recorded by the District, that could individually or in the aggregate have a significant effect on the financial statements. We should also inform the Board about uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented, that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Any internal control deficiencies that could have prevented the misstatements.	None noted.



MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
Major issues discussed with management prior to retention  Any major accounting, auditing or reporting issues discussed with management in connection with our initial or recurring retention.	Discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.
Consultations with other accountants When management has consulted with other accountants about significant accounting or auditing matters.	To our knowledge, there were no such consultations with other accountants.
Written representations A description of the written representations the auditor requested (or a copy of the representation letter).	See "Management Representation Letter" section.
Internal control deficiencies Any significant deficiencies or material weaknesses in the design or operation of internal control that came to the auditor's attention during the audit.	See "Internal Control Findings" section.
Fraud and illegal acts Fraud involving senior management or those responsible for internal controls, or causing a material misstatement of the financial statements, where the auditor determines there is evidence that such fraud may exist. Any illegal acts coming to the auditors' attention involving senior management and any other illegal acts, unless clearly inconsequential.	We are unaware of any fraud or illegal acts involving management or causing material misstatement of the financial statements.
Other information in documents containing audited financial statements  The external auditor's responsibility for information in a document containing audited financial statements, as well as any procedures performed and the results.	Our responsibility related to documents (including annual reports, websites, etc.) containing the financial statements is to read the other information to consider whether:  Such information is materially inconsistent with the financial statements; and We believe such information represents a material misstatement of fact.  We have not been provided any such items to date and are unaware of any other documents that contain the audited financial statements.



MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
Significant unusual accounting transactions Auditor communication with governance to include auditor's views on policies and practices management used, as well as the auditor's understanding of the business purpose.	No significant unusual accounting transactions were noted during the year.
Required Supplementary Information The auditor's responsibility for required supplementary information accompanying the financial statements, as well as any procedures performed and the results.	We applied certain limited procedures to the required supplementary information (RSI) that supplements the financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

# Accounting Policies, Judgments, & Sensitive Estimates & Carr, Riggs & Ingram, L.L.C. Comments on Quality



We are required to communicate our judgments about the quality, not just the acceptability, of the District's accounting principles as applied in its financial reporting. We are also required to communicate critical accounting policies and sensitive accounting estimates. Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The Board of Supervisors may wish to monitor throughout the year the process used to compute and record these accounting estimates. The table below summarizes our communications regarding these matters.

AREA	ACCOUNTING POLICY	CRITICAL POLICY?	JUDGMENTS & SENSITIVE ESTIMATE	COMMENTS ON QUALITY OF ACCOUNTING POLICY & APPLICATION
Fixed Assets	Useful lives of depreciable assets are at twenty years and are depreciated at straight line.	X	A sensitive estimate for the District is the useful lives of fixed assets.	The District's policies are in accordance with accounting principles generally accepted in the United States of America (GAAP).

## **Summary of Audit Adjustments**



During the course of our audit, we accumulate differences between amounts recorded by the Company and amounts that we believe are required to be recorded under GAAP reporting guidelines. Those adjustments are either recorded (corrected) by the Company or passed (uncorrected). Uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even if, in the auditors' judgment, such uncorrected misstatements are immaterial to the financial statements under audit.

There were no adjustments, either corrected or uncorrected, as a result of our audit procedures.

# Summary of Audit Adjustments

## **QUALITATIVE MATERIALITY CONSIDERATIONS**

In evaluating the materiality of audit differences when they do arise, we consider both quantitative and qualitative factors, for example:

- Whether the difference arises from an item capable of precise measurement or whether it arises from an estimate, and, if so, the degree of imprecision inherent in the estimate;
- Whether the difference masks a change in earnings or other trends;
- Whether the difference changes a net decrease in assets to addition, or vice versa;
- Whether the difference concerns an area of the District's operating environment that has been identified as playing a significant role in the District's operations or viability;
- Whether the difference affects compliance with regulatory requirements;
- Whether the difference has the effect of increasing management's compensation for example, by satisfying requirements for the award of bonuses or other forms of incentive compensation;.
- Whether the difference involves concealment of an unlawful transaction.





February 5, 2025

Carr, Riggs, & Ingram, LLC 1001 3<sup>rd</sup> Avenue West, Suite 500 Bradenton, FL 34205

This representation letter is provided in connection with your audit(s) of the financial statements of Lakewood Ranch Stewardship District, which comprise the respective financial position of the governmental activities, the business-type activities and each major fund as of September 30, 2024, and the respective changes in financial position, and where applicable cash flows for the fiscal year then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of February 5, 2025, the following representations made to you during your audit.

#### Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated January 16, 2025, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for 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.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, Ioans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the accounts.

- The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed.

#### Information Provided

- 11) We have provided you with:
  - Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters.
  - b) Additional information that you have requested from us for the purpose of the audit.
  - Unrestricted access to persons within the District from whom you determined it necessary to obtain audit evidence.
  - d) Minutes of the meetings of Board of Supervisors or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the District and involves-
  - Management,
  - Employees who have significant roles in internal control, or
  - Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the District's financial statements communicated by employees, former employees, regulators, or others.
- 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.
- 17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 18) We have disclosed to you the names of the District's related parties and all the related party relationships and transactions, including any side agreements.

#### Government-specific

- There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 20) We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.

Page 2 of 4

- 21) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.
- 22) The District has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 23) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 24) We have appropriately disclosed all information for conduit debt obligations in accordance with GASBS No. 91.
- 25) We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements
- 26) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 27) As part of your audit, you assisted with preparation of the financial statements and disclosures. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures.
- 28) The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 29) The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 30) The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 31) The financial statements include all fiduciary activities required by GASBS No. 84, as amended.
- The financial statements properly classify all funds and activities in accordance with GASBS No. 34, as amended.
- 33) All funds that meet the quantitative criteria in <u>GASBS Nos. 34</u> and <u>37</u> for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 34) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.

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- Investments, derivative instrument transactions, and land and other real estate held by endowments are properly valued.
- 36) Provisions for uncollectible receivables have been properly identified and recorded.
- 37) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 38) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- Deposits and investment securities and derivative instrument transactions are properly classified as to risk and are properly disclosed.
- Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 42) We have appropriately disclosed the District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 43) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 44) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

Signature: Market Signature: William Director

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# **INTERNAL CONTROL FINDINGS**



February 5, 2025

To the Board of Lakewood Ranch Stewardship District

In planning and performing our audit of the financial statements of Lakewood Ranch Stewardship District ("the District") as of and for the year ended September 30, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our 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.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. 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.

This communication is intended solely for the information and use of management, The Board of Supervisors, others within the District, and is not intended to be, and should not be, used by anyone other than these specified parties.

CARR, RIGGS & INGRAM, L.L.C.

Carr, Riggs & Ungram, L.L.C.

Bradenton, FL