

**BEACH ROAD
GOLF ESTATES
COMMUNITY DEVELOPMENT
DISTRICT**

July 17, 2023

**BOARD OF SUPERVISORS
REGULAR MEETING
AGENDA**

**BEACH ROAD GOLF ESTATES
COMMUNITY DEVELOPMENT DISTRICT**

**AGENDA
LETTER**

Beach Road Golf Estates Community Development District

OFFICE OF THE DISTRICT MANAGER

2300 Glades Road, Suite 410W • Boca Raton, Florida 33431

Phone: (561) 571-0010 • Toll-free: (877) 276-0889 • Fax: (561) 571-0013

July 10, 2023

ATTENDEES:

Please identify yourself each time you speak to facilitate accurate transcription of meeting minutes.

Board of Supervisors
Beach Road Golf Estates Community Development District

Dear Board Members:

The Board of Supervisors of the Beach Road Golf Estates Community Development District will hold a Regular Meeting on July 17, 2023 at 1:00 p.m., at the Bonita National Golf and Country Club, 2nd Floor of the Clubhouse, 17671 Bonita National Blvd., Bonita Springs, Florida 34135 and via Zoom at <https://zoom.us/j/94341134325>, Meeting ID: **943 4113 4325** or telephonically at **1-305-224-1968**, Meeting ID: **943 4113 4325**. The agenda is as follows:

1. Call to Order/Roll Call
2. Chairman's Opening Comments
3. Public Comments (*3 minutes per speaker*)
4. Presentation of Audited Financial Statements for the Fiscal Year Ended September 30, 2022, Prepared by McDirmit Davis
5. Consideration of Resolution 2023-05, Hereby Accepting the Audited Financial Statements for the Fiscal Year Ended September 30, 2022
6. Consideration of Amendment to the Engineer's Report
7. Consideration of Requisition to FPL for Bonita Beach Road Streetlighting Removal
8. Continued Discussion/Update: Beach Road Lighting/Sidewalk Lighting Projects
9. Continued Discussion: Additional Speed Hump Locations
10. Continued Review/Discussion: Fiscal Year 2023/2024 Budget
11. Acceptance of Unaudited Financial Statements as of May 31, 2023
12. Approval of June 19, 2023 Regular Meeting Minutes

13. Staff Reports

A. District Counsel: *Coleman, Yovanovich & Koester, P.A.*

B. District Engineer: *Banks Engineering, Inc.*

C. District Manager: *Wrathell, Hunt & Associates, LLC*

- NEXT MEETING DATE: August 21, 2023 at 1:00 PM [Fiscal Year 2024 Budget Adoption Hearing]

○ QUORUM CHECK

SEAT 1	JOSEPH GRILLO	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
SEAT 2	BARRY KOVE	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
SEAT 3	DANIEL DITOMMASO	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
SEAT 4	DENISE KEMPF	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
SEAT 5	TIMOTHY VANDERHYDEN	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO

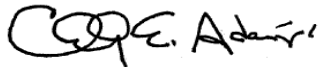
D. Field Operations: *Wrathell, Hunt & Associates, LLC*

14. Audience Comments/Supervisors' Requests

15. Adjournment

Should you have any questions, please do not hesitate to contact me directly at 239-464-7114.

Sincerely,



Chesley "Chuck" Adams
 District Manager

**BEACH ROAD GOLF ESTATES
COMMUNITY DEVELOPMENT DISTRICT**

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Financial Statements

September 30, 2022

**Beach Road Golf Estates
Community Development District**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Beach Road Golf Estates Community Development District

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of *Beach Road Golf Estates Community Development District*, (the "District") as of and for the year ended September 30, 2022, 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the District as of September 30, 2022, and the respective changes in financial position thereof and the respective budgetary comparison for the General Fund 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 (GAAS) 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 related 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

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and 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.

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 Responsibility for the Audit of 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, 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 judgement, 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 starting on page 3, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 a report dated June 13, 2023, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

McDermitt Davis

Orlando, Florida
June 13, 2023

Our discussion and analysis of *Beach Road Golf Estates Community Development District*, Lee County, Florida's (the "District") financial accomplishments provide an overview of the District's financial activities for the year ended September 30, 2022. Please read it in conjunction with the District's Independent Auditor's Report, financial statements and accompanying notes.

This information is being presented to provide additional information regarding the activities of the District and to meet the disclosure requirements of Government Accounting Standards Board Statement (GASB) No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* issued June 1999.

Financial Highlights

- The assets of the District exceeded its liabilities at September 30, 2022 by \$630,703, an increase in net position of \$621,919 in comparison with the prior year.
- At September 30, 2022, the District's governmental funds reported fund balances of \$3,496,921, a decrease of \$399,814 in comparison with the prior year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to *Beach Road Golf Estates Community Development District's* financial statements. The District's financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to 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 government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

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

Fund Financial Statements

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

Governmental Funds

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

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

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

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

Notes to Financial Statements

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

Government-Wide Financial Analysis

Statement of Net Position - The District's net position was \$630,703 at September 30, 2022. The analysis that follows focuses on the net position of the District's governmental activities.

	<u>2022</u>	<u>2021</u>
Assets, excluding capital assets	\$ 3,823,928	\$ 4,082,931
Capital assets, not being depreciated	25,805,731	25,384,892
Total assets	<u>29,629,659</u>	<u>29,467,823</u>
Liabilities, excluding long-term liabilities	894,670	763,830
Long-term liabilities	28,104,286	28,695,209
Total liabilities	<u>28,998,956</u>	<u>29,459,039</u>
Net Position:		
Net investment in capital assets	(1,365,261)	(2,012,292)
Restricted for debt service	1,885,219	1,873,979
Unrestricted	110,745	147,097
Total net position	<u>\$ 630,703</u>	<u>\$ 8,784</u>

Beach Road Golf Estates Community Development District
Management's Discussion and Analysis

The following is a summary of the District's governmental activities for the fiscal years ended September 30, 2022 and 2021.

	<u>2022</u>	<u>2021</u>
Revenues:		
Program revenues	\$ 2,275,552	\$ 2,197,664
General revenues	33,003	90,435
Total revenues	<u>2,308,555</u>	<u>2,288,099</u>
Expenses:		
General government	173,375	280,341
Maintenance and operations	133,066	4,179
Interest on long-term debt	1,380,195	1,403,675
Total expenses	<u>1,686,636</u>	<u>1,688,195</u>
Change in net position	621,919	599,904
Net position, beginning	8,784	(591,120)
Net position, ending	<u>\$ 630,703</u>	<u>\$ 8,784</u>

As noted above and in the statement of activities, the cost of all governmental activities during the year ended September 30, 2022 was \$1,686,636. The majority of these costs are interest on long-term debt.

Financial Analysis of the Government's Funds

The District uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The focus of the District's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. At September 30, 2022, the District's governmental funds reported combined ending fund balances of \$3,496,921. Of this total, \$3,391,499 is restricted, \$7,771 is nonspendable, and the remainder of \$97,651 is unassigned.

The fund balance of the general fund decreased \$37,099 due to a decrease in intergovernmental revenue and increase in maintenance and operations expenditures. The debt service fund balance did not change significantly. The capital projects fund balance decreased by \$364,038 due to capital outlay expenditures.

General Fund Budgetary Highlights

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget to actual comparison for the general fund, including the original budget and final adopted budget, is shown on page 12. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control is at the fund level.

Capital Asset and Debt Administration

Capital Assets

At September 30, 2022, the District had \$25,805,731 invested in construction in process.

Capital Debt

At September 30, 2022, the District had \$28,195,000 in bonds outstanding. More detailed information about the District's capital debt is presented in the notes to financial statements.

Requests for Information

If you have questions about this report or need additional financial information, contact *Beach Road Golf Estates Community Development District's* Finance Department at 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431.

FINANCIAL STATEMENTS

Beach Road Golf Estates Community Development District
Statement of Net Position
September 30, 2022

	Governmental Activities
Assets	
Cash	\$ 107,016
Due from other governments	10,010
Other receivables	1,430
Prepaid expenses	7,489
Deposits	282
Restricted assets:	
Temporarily restricted investments	3,697,701
Capital assets:	
Capital assets not being depreciated	25,805,731
Total assets	29,629,659
Liabilities	
Accounts payable and accrued expenses	320,131
Due to developers	1,983
Accrued interest payable	572,556
Noncurrent liabilities:	
Due within one year	620,000
Due in more than one year	27,484,286
Total liabilities	28,998,956
Net Position	
Net investment in capital assets	(1,365,261)
Restricted for debt service	1,885,219
Unrestricted	110,745
Total net position	\$ 630,703

Beach Road Golf Estates Community Development District

Statement of Activities

Year Ended September 30, 2022

Functions/Programs	Expenses	Program Revenue			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Governmental Activities
Governmental activities:					
General government	\$ 173,375	\$ 133,745	\$ -	\$ -	\$ (39,630)
Maintenance and operations	133,066	102,648	-	-	(30,418)
Interest on long-term debt	1,380,195	2,023,077	10,641	5,441	658,964
Total governmental activities	\$ 1,686,636	\$ 2,259,470	\$ 10,641	\$ 5,441	588,916
General Revenues:					
					17,099
					15,904
					33,003
					621,919
					8,784
					\$ 630,703

Beach Road Golf Estates Community Development District
Balance Sheet - Governmental Funds
September 30, 2022

	General	Debt Service	Capital Projects	Total Governmental Funds
Assets				
Cash	\$ 107,016	\$ -	\$ -	\$ 107,016
Investments	-	2,457,612	1,240,089	3,697,701
Due from other funds	263	-	-	263
Due from other governments	10,010	-	-	10,010
Other receivables	574	163	693	1,430
Prepaid costs	7,489	-	-	7,489
Deposits	282	-	-	282
Total assets	\$ 125,634	\$ 2,457,775	\$ 1,240,782	\$ 3,824,191
Liabilities and Fund Balances				
Liabilities:				
Accounts payable and accrued expenses	\$ 13,336	\$ -	\$ 306,795	\$ 320,131
Due to other funds	-	-	263	263
Due to developers	1,983	-	-	1,983
Total liabilities	15,319	-	307,058	322,377
Deferred Inflows:				
Unavailable revenue	4,893	-	-	4,893
Fund Balances:				
Nonspendable	7,771	-	-	7,771
Restricted for debt service	-	2,457,775	-	2,457,775
Restricted for capital projects	-	-	933,724	933,724
Unassigned	97,651	-	-	97,651
Total fund balances	105,422	2,457,775	933,724	3,496,921
Total liabilities and fund balances	\$ 125,634	\$ 2,457,775	\$ 1,240,782	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	25,805,731
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	4,893
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Accrued interest payable	(572,556)
Bonds payable	(28,104,286)
Net position of governmental activities	\$ 630,703

Beach Road Golf Estates Community Development District
Statement of Revenues, Expenditures and Changes in the Fund Balances
Governmental Funds
Year Ended September 30, 2022

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
Revenues				
Assessment revenue	\$ 236,393	\$ 1,999,065	\$ -	\$ 2,235,458
Assessments - prepayments	-	24,012	-	24,012
Intergovernmental	17,099	-	-	17,099
Investment and miscellaneous income	15,850	10,641	5,441	31,932
Total revenues	<u>269,342</u>	<u>2,033,718</u>	<u>5,441</u>	<u>2,308,501</u>
Expenditures				
Current				
General government	173,375	-	-	173,375
Maintenance and operations	133,066	-	-	133,066
Debt Service:				
Interest	-	1,386,035	-	1,386,035
Principal	-	595,000	-	595,000
Capital outlay	-	-	420,839	420,839
Total expenditures	<u>306,441</u>	<u>1,981,035</u>	<u>420,839</u>	<u>2,708,315</u>
Excess (Deficit) of Revenues Over Expenditures	<u>(37,099)</u>	<u>52,683</u>	<u>(415,398)</u>	<u>(399,814)</u>
Other Financing Sources (Uses)				
Transfers in	-	-	51,360	51,360
Transfers out	-	(51,360)	-	(51,360)
Total other financing sources (uses)	<u>-</u>	<u>(51,360)</u>	<u>51,360</u>	<u>-</u>
Net change in fund balances	<u>(37,099)</u>	<u>1,323</u>	<u>(364,038)</u>	<u>(399,814)</u>
Fund balances, beginning of year	<u>142,521</u>	<u>2,456,452</u>	<u>1,297,762</u>	<u>3,896,735</u>
Fund balances, end of year	<u>\$ 105,422</u>	<u>\$ 2,457,775</u>	<u>\$ 933,724</u>	<u>\$ 3,496,921</u>

Beach Road Golf Estates Community Development District
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of
 Governmental Funds to the Statement of Activities**
 Year Ended September 30, 2022

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Net Change in Fund Balances - Total Governmental Funds \$ (399,814)

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources; however, in the statement of net position the cost of those assets is recorded as capital assets. Depreciation of capital assets is not recognized in the governmental fund statements but is reported as an expense in the statement of activities.

Capital outlay 420,839

Repayments of long-term liabilities are reported as expenditures in governmental funds, while repayments reduce long-term liabilities in the statement of net position.

Repayment of bonds payable 595,000

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 4,893

Revenue reported in the funds must be eliminated from the statement of activities since revenue was recognized in a prior year. (4,839)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in accrued interest	9,917	
Amortization of bond discount	(4,077)	5,840

Change in net position of governmental activities		\$ 621,919
		621,919

Beach Road Golf Estates Community Development District
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Special assessment revenue	\$ 233,809	\$ 233,809	\$ 236,393	\$ 2,584
Intergovernmental	78,840	78,840	17,099	(61,741)
Investment and miscellaneous income	-	-	15,850	15,850
Total revenues	312,649	312,649	269,342	(43,307)
Expenditures				
Current				
General government	104,648	104,648	173,375	(68,727)
Maintenance and operations	238,000	238,000	133,066	104,934
Total expenditures	342,648	342,648	306,441	36,207
Excess (deficit) of revenues over expenditures	(29,999)	(29,999)	(37,099)	(79,514)
Fund balance, beginning	142,521	142,521	142,521	-
Fund balance, ending	\$ 112,522	\$ 112,522	\$ 105,422	\$ (79,514)

NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Beach Road Golf Estates Community Development District, (the “District”) was established on February 20, 2008 by the City of Bonita Springs, Florida, Ordinance 08-03 pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes. The Act provides, among other things, the power to manage basic services for community development, the power to borrow money and issue bonds, and the power to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure. The District was established for the purpose of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District.

The District is governed by the Board of Supervisors (the “Board”), which is composed of five members. 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 190, Florida Statutes. Two members are qualified electors living within the District and three are landowner elected and are affiliated with the Developer.

The Board has final responsibility for:

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

The financial statements were prepared in accordance with Governmental Accounting Standards Board (“GASB”) Statements 14, 39, and 61. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the District Board of Supervisors is considered to be financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

Government-Wide and Fund Financial Statements

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

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

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, 2) grants, contributions and investment earnings that are restricted to meeting the operational or capital requirements of a particular function or segment and 3) operating-type special assessments that are treated as charges for services (including assessments for maintenance and debt service). Other items not included among program revenues are reported instead as *general revenues*.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Assessments, including debt service assessments and operation and maintenance assessments, are non-ad valorem assessments imposed on all lands located within the District and benefited by the District's activities. Operation and maintenance special assessments are levied by the District prior to the start of the fiscal year which begins October 1st and ends on September 30th. These assessments are imposed upon all benefited lands located in the District. Debt service special assessments are imposed upon certain lots and lands as described in each resolution imposing the special assessment for each series of bonds issued by the District. Certain debt service assessments are collected upon the closing of those lots subject to short term debt and are used to prepay a portion of the bonds outstanding.

Assessments and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

General Fund - Is the District's primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

Debt Service Fund - Accounts for the accumulation of resources for the annual payment of principal and interest on long-term debt.

Capital Project Fund - Accounts for the financial resources to be used for the acquisition or construction of major infrastructure within 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 District's policy to use restricted resources first, then unrestricted resources as they are needed.

Assets, Liabilities Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

Restricted Assets

These assets represent cash and investments set aside pursuant to bond covenants.

Investments

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

Investments of the District are reported at fair value and are categorized within the fair value hierarchy established in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. The District's investments consist of investments authorized in accordance with Section 218.415, Florida Statutes.

Prepaid Costs

Prepaid costs are recorded as expenditures when consumed rather than when purchased in both government-wide and fund financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, sidewalks and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. All asset acquisition and construction is considered infrastructure under construction at September 30, 2022.

Long Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of premiums or discounts. Bond issuance costs are reported as expenses.

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 issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District does not have any item that qualifies for reporting in this category for the year ended September 30, 2022.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has one item that arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental fund balance sheet, these amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Net Position Flow Assumption

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted net position to have been depleted before unrestricted-net position is applied.

Fund Balance Flow Assumptions

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes fund balance amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The Board of Supervisors is the highest level of decision-making authority for the government that can, by adoption of an ordinance or resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance or resolution remains in place until a similar action is taken to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The Board of Supervisors has authorized the District Manager to assign amounts for specific purposes. The Board of Supervisors may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above an additional action is essential to either remove or revise a commitment.

Other Disclosures

Use of Estimates

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

New Accounting Standards Issued

In fiscal year 2022, the District has not implemented any new accounting standards with a material effect on the District's financial statements.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

The District is required to establish a budgetary system and an approved annual budget for the General Fund. Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. All annual appropriations lapse at the fiscal year end. The legal level of budgetary control is at the fund level. Any budget amendments that increase the aggregate budgeted appropriations, at the fund level, must be approved by the Board of Supervisors. There were no budget amendments for the fiscal year ended September 30, 2022.

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

1. Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
2. A public hearing is conducted to obtain comments.
3. Prior to October 1, the budget is legally adopted by the District Board.
4. All budget changes must be approved by the District Board.
5. The budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

NOTE 3 DEPOSITS AND INVESTMENTS

Deposits

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

Investments

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

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

The District has the following recurring fair value measurements as of September 30, 2022:

- Wells Fargo Advantage Government MM Funds of \$3,697,701 are valued using Level 2 inputs.

Instead of establishing a written investment policy, the District elected to limit investments to those approved by Florida Statutes and the District Trust Indenture. Authorized District investments include:

1. The Local Government Surplus Funds Trust Fund (SBA);
2. Securities and Exchange Commission Registered Money Market Funds with the highest credit quality rating from a nationally recognized rating agency;
3. Interest-bearing time deposits or savings accounts in qualified public depositories;
4. Direct obligations of the U.S. Treasury.

Investments made by the District at September 30, 2022 are summarized below. In accordance with GASB 31, investments are reported at fair value.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Weighted Average Maturity</u>
Wells Fargo Advantage Government MM Fund - Institutional Class	\$ 3,697,701	AAAm	10 Days

Credit Risk:

The District limits credit risk by authorized investments to those described. Investments in U.S. Government securities and agencies must be backed by the full faith and credit of the United States Government. Short term bond funds shall be rated by a nationally recognized ratings agency and shall maintain the highest credit quality rating. Investment ratings by investment type are included in the preceding summary of investments.

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk:

In the case of deposits, this is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District requires that bank deposits be secured as provided by Chapter 280, Florida Statutes. This law requires local governments to deposit funds only in financial institutions designated as qualified public depositories by the Chief Financial Officer of the State of Florida, and creates the Public Deposits Trust Fund, a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a default or insolvency has occurred. At September 30, 2022, all of the District's bank deposits were in qualified public depositories.

For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At September 30, 2022, none of the investments listed are exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

Concentration of Credit Risk:

The District places no limit on the amount the District may invest in any one issuer.

Interest Rate Risk:

The District does not have a formal policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates. The District manages its exposure to declines in fair values by investing primarily in pooled investments that have a weighted average maturity of less than three months.

NOTE 4 CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Governmental Activities				
Capital Assets Not Being Depreciated:				
Construction in progress	\$ 25,384,892	\$ 420,839	\$ -	\$ 25,805,731
Total capital assets not being depreciated	<u>25,384,892</u>	<u>420,839</u>	<u>-</u>	<u>25,805,731</u>
Governmental activities capital assets, net	<u>\$ 25,384,892</u>	<u>\$ 420,839</u>	<u>\$ -</u>	<u>\$ 25,805,731</u>

NOTE 5 LONG-TERM LIABILITIES

Series 2015 Special Assessment Bonds – Public Offering

In January 2015, the District issued \$30,980,000 of Special Assessment Revenue Bonds, Series 2015. The Bonds consist of \$2,185,000 Term Bonds due on November 1, 2020 with a fixed interest rate of 3.5%; \$3,225,000 Term Bonds due on November 1, 2025 with a fixed interest rate of 4%; \$3,105,000 Term Bonds due on November 1, 2029 with a fixed interest rate of 4.7%; \$7,080,000 Term Bonds due on November 1, 2036 with a fixed interest rate of 5% and \$15,385,000 Term Bonds due on November 1, 2046 with a fixed interest rate of 5.05%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the property within the District. Interest is paid semiannually on each May 1 and November 1. Principal on the Bonds is to be paid serially commencing November 1, 2017 through November 1, 2046.

The Series 2015 Bonds are subject to redemption at the option of the District prior to maturity at a redemption price as set forth in the Bond Indenture. The Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Indenture. In the event of default, all principal and interest of the Bonds will become immediately due and payable.

The Bond Indenture requires that the District maintain adequate funds in a reserve account to meet the debt service reserve requirements as defined in the Indenture. The requirement has been met at September 30, 2022.

The Bond Indenture has certain restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agreed to levy special assessments in annual amounts adequate to provide payment of debt service. Payment of principal and interest on the 2015 Bonds is secured by a pledge of and a first lien upon the pledged special assessment revenue. The District is in compliance with the requirements of the Bond Indenture.

As of September 30, 2022, total principal and interest remaining on the Series 2015 Special Assessment Revenue Bonds was \$49,120,603. Principal and interest paid in the current year was \$1,981,035. Special assessment revenue pledged for the current year was \$2,023,077.

Long-term liability activity for the year ended September 30, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities					
Bonds Payable:					
Series 2015	\$ 28,790,000	\$ -	\$ (595,000)	\$ 28,195,000	\$ 620,000
Less: discount	(94,791)	-	4,077	(90,714)	-
Governmental activity long-term liabilities	<u>\$ 28,695,209</u>	<u>\$ -</u>	<u>\$ (590,923)</u>	<u>\$ 28,104,286</u>	<u>\$ 620,000</u>

NOTE 5 LONG-TERM LIABILITIES (CONTINUED)

At September 30, 2022, the scheduled debt service requirements on the bonds payable were as follows:

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 620,000	\$ 1,361,735
2024	645,000	1,336,435
2025	670,000	1,310,135
2026	695,000	1,282,835
2027	725,000	1,251,898
2028-2032	4,165,000	5,698,190
2033-2037	5,295,000	4,532,625
2038-2042	6,760,000	3,032,500
2043-2047	8,620,000	1,119,250
	<u>\$ 28,195,000</u>	<u>\$ 20,925,603</u>

NOTE 6 MANAGEMENT COMPANY

The District has contracted with a management company to perform management services, which include financial and accounting services as well as clubhouse management services. Certain employees of the management company also serve as officers (Board appointed non-voting positions) of the District. Under the agreements, the District compensates the management company for management, accounting, financial reporting and other administrative costs.

NOTE 7 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. These risks are covered by commercial insurance from independent third parties. The District has not filed any claims under this commercial coverage during the last three years.

COMPLIANCE SECTION

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

To the Board of Supervisors
Beach Road Golf Estates Community Development District

We have audited, 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, the financial statements of the governmental activities and each major fund of *Beach Road Golf Estates Community Development District* (the "District") as of and for the year ended September 30, 2022 and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated June 13, 2023.

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 procedures that are appropriate in the circumstances for the purpose of expressing opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

McDermitt Davis

Orlando, Florida
June 13, 2023

MANAGEMENT LETTER

Board of Supervisors
Beach Road Golf Estates Community Development District

Report on the Financial Statements

We have audited the financial statements of *Beach Road Golf Estates Community Development District*, (the “District”) as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated June 13, 2023.

Auditor’s Responsibility

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

Other 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 Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant’s Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 13, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i).1., Rules of the Auditor General, require 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 such findings in the preceding annual 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. This information has been disclosed in the notes to the financial statements.

Financial Condition and Management

Section 10.554(1)(i).5.a. and 10.556(7), Rules of the Auditor General, requires 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 address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Specific Information (Unaudited)

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i).6, 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 0.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district’s fiscal year as 4.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as 0.

- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$75,920.
- e. The District did not have any 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, 2021.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final budget under Section 189.016(6), Florida Statutes, this information is included in the general fund budget statement.

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 rate or rates of non-ad valorem special assessments imposed by the district as.

<u>Unit Type</u>	<u>Operation and Maintenance</u>	<u>Debt Service</u>
SF Executive	\$ 166.93	\$ 1,756.37
52'	166.93	1,792.91
53'	166.93	1,811.18
SF Manor	166.93	1,829.45
63'	166.93	1,920.79
SF Estate	166.93	1,957.33
Coach Home	166.93	1,171.78
Veranda Condo	166.93	1,062.17
Terrace Condo	166.93	1,025.64

- b. The total amount of special assessments collected by or on behalf of the district as \$2,259,470.
- c. The total amount of outstanding bonds issued by the district and the terms of such bonds is disclosed in the notes.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but 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, the Board of Supervisors, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

McDiarmid Davis

Orlando, Florida
June 13, 2023



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**INDEPENDENT ACCOUNTANT’S REPORT ON COMPLIANCE WITH
THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES**

To the Board of Supervisors
Beach Road Golf Estates Community Development District

We have examined *Beach Road Golf Estates Community Development District’s* (the “District”) compliance with the requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2022. Management is responsible for the District’s compliance with those requirements. Our responsibility is to express an opinion on District’s compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants *and the standards applicable to attestation engagements contained in Government Auditing Standards* issued by the *Comptroller General of the United States*, and, accordingly, included examining, on a test basis, evidence about the District’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the District’s compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2022.

McDermitt Davis

Orlando, Florida
June 13, 2023

**BEACH ROAD GOLF ESTATES
COMMUNITY DEVELOPMENT DISTRICT**

5

RESOLUTION 2023-05

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE BEACH ROAD GOLF ESTATES COMMUNITY DEVELOPMENT DISTRICT HEREBY ACCEPTING THE AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

WHEREAS, the District’s Auditor, McDirmit Davis, has heretofore prepared and submitted to the Board, for accepting, the District’s Audited Financial Statements for Fiscal Year 2022;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE BEACH ROAD GOLF ESTATES COMMUNITY DEVELOPMENT DISTRICT;

1. The Audited Financial Statements for Fiscal Year 2022, heretofore submitted to the Board, is hereby accepted for Fiscal Year 2022, for the period ending September 30, 2022; and

2. A verified copy of said Audited Financial Statements for Fiscal Year 2022 shall be attached hereto as an exhibit to this Resolution, in the District’s “Official Record of Proceedings”.

PASSED AND ADOPTED this 17th day of July, 2023.

ATTEST:

BEACH ROAD GOLF ESTATES COMMUNITY DEVELOPMENT DISTRICT

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

**BEACH ROAD GOLF ESTATES
COMMUNITY DEVELOPMENT DISTRICT**

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**BEACH ROAD GOLF ESTATES
COMMUNITY DEVELOPMENT DISTRICT
FISCAL YEAR 2024
PROPOSED BUDGET**

**BEACH ROAD GOLF ESTATES
COMMUNITY DEVELOPMENT DISTRICT
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**BEACH ROAD GOLF ESTATES
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND BUDGET
FISCAL YEAR 2024**

	Fiscal Year 2023			Total Actual & Projected	Proposed Budget FY 2024
	Adopted Budget FY 2023	Actual through 2/28/2023	Projected through 9/30/2023		
REVENUES					
Assessment levy: on-roll - gross	\$ 278,961				\$ 303,005
Allowable discounts (4%)	(11,158)				(12,120)
Assessment levy: on-roll - net	267,803	\$ 224,595	\$ 43,208	\$ 267,803	290,885
Intergovernmental: Shared Costs Revenue	68,040	12,210	55,830	68,040	68,040
Interest	-	14	-	14	-
Total revenues	<u>335,843</u>	<u>236,819</u>	<u>99,038</u>	<u>335,857</u>	<u>358,925</u>
EXPENDITURES					
Professional & administrative fees					
Supervisors	10,334	3,875	6,459	10,334	10,334
Management advisory services	40,000	16,668	23,332	40,000	40,000
Financial accounting services	15,500	6,458	9,042	15,500	15,500
Audit	4,500	-	4,500	4,500	4,500
Dissemination agent	5,000	2,083	2,917	5,000	5,000
Arbitrage Rebate Calculation	500	500	-	500	500
Trustee fees	10,850	9,651	1,199	10,850	10,850
Legal	10,000	1,575	8,425	10,000	10,000
Engineering	5,000	780	4,220	5,000	5,000
Postage	750	499	251	750	750
Insurance	7,100	6,784	316	7,100	7,100
Printing & reproduction	1,000	418	582	1,000	1,000
Legal advertising	1,000	275	725	1,000	1,000
Other current charges	650	126	524	650	650
Annual district filing fee	175	175	-	175	175
ADA website maintenance	210	210	-	210	210
Website	705	705	-	705	705
Total professional & admin	<u>113,274</u>	<u>50,782</u>	<u>62,492</u>	<u>113,274</u>	<u>113,274</u>
Operations					
Shared costs maintenance	126,000	31,417	50,000	81,417	126,000
On-site other contractual services	92,908	16,795	55,000	71,795	116,000
Total operations	<u>218,908</u>	<u>48,212</u>	<u>105,000</u>	<u>153,212</u>	<u>242,000</u>
Other fees and charges					
Property appraiser	1,459	1,459	-	1,459	1,459
Tax collector	2,189	2,116	73	2,189	2,189
Total other fees and charges	<u>3,648</u>	<u>3,575</u>	<u>73</u>	<u>3,648</u>	<u>3,648</u>
Total expenditures	<u>335,830</u>	<u>102,569</u>	<u>167,565</u>	<u>270,134</u>	<u>358,922</u>
Net increase/(decrease) of fund balance	13	134,250	(68,527)	65,723	3
Fund balance - beginning (unaudited)	164,644	105,420	239,670	105,420	171,143
Assigned					
Lake bank erosion repair ¹	150,000	150,000	150,000	150,000	150,000
Unassigned	14,657	89,670	21,143	21,143	21,146
Fund balance - ending (projected)	<u>\$ 164,657</u>	<u>\$ 239,670</u>	<u>\$ 171,143</u>	<u>\$ 171,143</u>	<u>\$ 171,146</u>

¹Intended to fund long term lake bank erosion repairs in District owned ponds.

**BEACH ROAD GOLF ESTATES
COMMUNITY DEVELOPMENT DISTRICT
DEFINITIONS OF GENERAL FUND EXPENDITURES**

EXPENDITURES

Supervisors	\$ 10,334
<p>Statutorily set at \$200 (plus applicable taxes) for each meeting of the Board of Supervisors not to exceed \$4,800 for each fiscal year.</p>	
Management advisory services	40,000
<p>Wrathell, Hunt and Associates, LLC, specializes in managing community development districts in the State of Florida by combining the knowledge, skills and experience of a team of professionals to ensure compliance with all governmental requirements of the District, develop financing programs, oversee the issuance of tax exempt bonds, and operate and maintain the assets of the community. The \$40,000 annual fee is inclusive of district management and recording services.</p>	
Financial accounting services	15,500
<p>Preparation of all of the District's financial items, including monthly financial statement preparation and the annual budget, are provided by Wrathell, Hunt & Associates, LLC. The annual fee for this service is \$8,000 for the general fund, \$7,500 per capital projects fund and \$4,500 per debt service fund.</p>	
Audit	4,500
<p>The District is required to complete annual, independent examinations of its accounting records and procedures. This audit is conducted pursuant to Florida Law and the Rules of the Auditor General.</p>	
Dissemination agent	5,000
<p>The District must annually disseminate financial information in order to comply with the requirements of Rule 15c2-12 under the Securities Exchange Act of 1934.</p>	
Trustee fees	10,850
<p>Annual fees paid for services provided as trustee, paying agent and registrar.</p>	
Legal	10,000
<p>Fees for on-going general counsel and legal representation on behalf of the District. Coleman, Yovanovich and Koester, PA, serves as the District's general counsel.</p>	
Engineering	5,000
<p>Banks Engineering will provide engineering and consulting services to the District in addition to advice on bids for yearly contracts and operating policy.</p>	
Postage	750
<p>Mailing of agenda packages, overnight deliveries, correspondence, etc.</p>	
Insurance	7,100
Printing & reproduction	1,000
<p>Letterhead, envelopes, copies, etc.</p>	
Legal advertising	1,000
<p>The District will advertise in The Fort Myers News-Press for monthly meetings, special meetings, public hearings, bidding, etc.</p>	
Other current charges	650
<p>Bank charges and other miscellaneous expenses incurred throughout the year.</p>	
Annual district filing fee	175
<p>Annual fee paid to the Florida Department of Economic Opportunity.</p>	
ADA website maintenance	210
Website	705

**BEACH ROAD GOLF ESTATES
COMMUNITY DEVELOPMENT DISTRICT
DEFINITIONS OF GENERAL FUND EXPENDITURES**

EXPENDITURES (CONTINUED)

Operations

Shared costs maintenance 126,000

Starting in fiscal year 2017, the District became responsible for the maintenance and monitoring of the panther mitigation property in Labelle. The establishment and perpetual responsibility to maintain the property and provide a five year monitoring and reporting program (which ended in 2020) is a development order requirement for not only this District but also for 3 other neighboring communities. Additionally, in fiscal year 2018, the District became responsible for the costs of maintaining the common infrastructure along Bonita Beach Road serving the same communities, including landscaping, roadway and storm water maintenance. All of the costs are shared with the other communities by interlocal agreement and based upon previously agreed upon percentages. In fiscal year 2023, the District elected to abandon the LED streetlighting on both sides of the roadway as a part of a lease, power and maintenance agreement with FPL. The District and it's the three other communities will be working towards a sidewalk lighting plan for the sidewalk along the south side of Bonita Beach Road only and potentially some landscape uplighting in the center median to provide a softer lighting effect for the roadway and to reduce impacts to the neighboring communities. The sidewalk lighting is anticipated to be a lease, power maintenance agreement with FPL.

Panther mitigation and monitoring	20,000
Streetlighting	26,000
Common infrastructure maintenance	<u>80,000</u>
Total	126,000

On-site other contractual services 116,000

Starting in fiscal year 2022 the District assumed the on-site lake and conservation area maintenance previously provided by the master association pursuant to the facilities maintenance assignment agreement. Additionally, in fiscal year 2023 the District added aeration systems to all of it's lakes.

Lake maintenance contract	61,000
Conservation area maintenance	20,000
Aeration maintenance	25,000
Littoral plantings	<u>10,000</u>
	116,000

Property appraiser

The property appraiser's fee is \$1.00 per parcel. 1,459

Tax collector

The tax collector's fee is \$1.50 per parcel. 2,189

Total expenditures \$ 358,922

**BEACH ROAD GOLF ESTATES
COMMUNITY DEVELOPMENT DISTRICT
DEBT SERVICE FUND - SERIES 2015 BONDS
FISCAL YEAR 2024**

	Fiscal Year 2023				Proposed Budget FY 2024
	Adopted Budget FY 2023	Actual through 2/28/2023	Projected through 9/30/2023	Total Actual & Projected	
REVENUES					
Assessment levy: on-roll - gross	\$2,078,156				\$2,078,156
Allowable discounts (4%)	(83,126)				(83,126)
Assessment levy: on-roll - net	1,995,030	\$ 1,896,374	\$ 98,656	\$ 1,995,030	1,995,030
Interest	-	24,147	-	24,147	-
Total revenues	1,995,030	1,920,521	98,656	2,019,177	1,995,030
EXPENDITURES					
Debt service					
Principal	620,000	620,000	-	620,000	645,000
Principal prepayment	25,000	-	25,000	25,000	-
Interest	1,361,118	687,067	674,051	1,361,118	1,335,200
Total expenditures	2,006,118	1,307,067	699,051	2,006,118	1,980,200
Excess/(deficiency) of revenues over/(under) expenditures	(11,088)	613,454	(600,395)	13,059	14,830
OTHER FINANCING SOURCES/(USES)					
Transfer out	-	(4,274)	-	(4,274)	-
Total other financing sources/(uses)	-	(4,274)	-	(4,274)	-
Fund balance:					
Net increase/(decrease) in fund balance	(11,088)	609,180	(600,395)	8,785	14,830
Beginning fund balance (unaudited)	2,496,315	2,457,776	3,066,956	2,457,776	2,466,561
Ending fund balance (projected)	\$ 2,485,227	\$ 3,066,956	\$ 2,466,561	\$ 2,466,561	2,481,391
Use of fund balance					
Debt service reserve account balance (required)					(997,500)
Principal & Interest expense - November 1, 2024					(1,331,150)
Projected fund balance surplus/(deficit) as of September 30, 2024					<u>\$ 152,741</u>

BEACH ROAD GOLF ESTATES

Community Development District

Series 2015

\$30,980,000

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+i
11/01/2023	645,000.00	4.000%	674,050.00	1,319,050.00
05/01/2024			661,150.00	661,150.00
11/01/2024	670,000.00	4.000%	661,150.00	1,331,150.00
05/01/2025			647,750.00	647,750.00
11/01/2025	695,000.00	4.000%	647,750.00	1,342,750.00
05/01/2026			633,850.00	633,850.00
11/01/2026	725,000.00	4.700%	633,850.00	1,358,850.00
05/01/2027			616,812.50	616,812.50
11/01/2027	755,000.00	4.700%	616,812.50	1,371,812.50
05/01/2028			599,070.00	599,070.00
11/01/2028	790,000.00	4.700%	599,070.00	1,389,070.00
05/01/2029			580,505.00	580,505.00
11/01/2029	830,000.00	4.700%	580,505.00	1,410,505.00
05/01/2030			561,000.00	561,000.00
11/01/2030	870,000.00	5.000%	561,000.00	1,431,000.00
05/01/2031			539,250.00	539,250.00
11/01/2031	910,000.00	5.000%	539,250.00	1,449,250.00
05/01/2032			516,500.00	516,500.00
11/01/2032	955,000.00	5.000%	516,500.00	1,471,500.00
05/01/2033			492,625.00	492,625.00
11/01/2033	1,005,000.00	5.000%	492,625.00	1,497,625.00
05/01/2034			467,500.00	467,500.00
11/01/2034	1,055,000.00	5.000%	467,500.00	1,522,500.00
05/01/2035			441,125.00	441,125.00
11/01/2035	1,110,000.00	5.000%	441,125.00	1,551,125.00
05/01/2036			413,375.00	413,375.00

BEACH ROAD GOLF ESTATES

Community Development District

Series 2015

\$30,980,000

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
11/01/2036	1,165,000.00	5.000%	413,375.00	1,578,375.00
05/01/2037			384,250.00	384,250.00
11/01/2037	1,220,000.00	5.000%	384,250.00	1,604,250.00
05/01/2038			353,750.00	353,750.00
11/01/2038	1,285,000.00	5.000%	353,750.00	1,638,750.00
05/01/2039			321,625.00	321,625.00
11/01/2039	1,345,000.00	5.000%	321,625.00	1,666,625.00
05/01/2040			288,000.00	288,000.00
11/01/2040	1,415,000.00	5.000%	288,000.00	1,703,000.00
05/01/2041			252,625.00	252,625.00
11/01/2041	1,485,000.00	5.000%	252,625.00	1,737,625.00
05/01/2042			215,500.00	215,500.00
11/01/2042	1,560,000.00	5.000%	215,500.00	1,775,500.00
05/01/2043			176,500.00	176,500.00
11/01/2043	1,640,000.00	5.000%	176,500.00	1,816,500.00
05/01/2045			92,500.00	92,500.00
11/01/2045	1,805,000.00	5.000%	92,500.00	1,897,500.00
05/01/2046			47,375.00	47,375.00
11/01/2046	1,895,000.00	5.000%	47,375.00	1,942,375.00
Total	\$27,550,000.00		\$19,550,325.00	\$47,100,325.00

**BEACH ROAD GOLF ESTATES
COMMUNITY DEVELOPMENT DISTRICT
PROJECTED ASSESSMENTS
GENERAL FUND AND DEBT SERVICE FUND
FISCAL YEAR 2024**

On-Roll Payment

Number of Units		Projected Fiscal Year 2024			FY 23 Assessment
		GF	DSF	GF & DSF	
	<u>Single-Family Units</u>				
165	SF Executive	\$ 207.68	\$1,756.37	\$1,964.05	\$ 1,947.57
37	52'	207.68	1,792.91	2,000.59	1,984.11
173	53'	207.68	1,811.18	2,018.86	2,002.38
72	SF Manor	207.68	1,829.45	2,037.13	2,020.65
82	63'	207.68	1,920.79	2,128.47	2,111.99
128	SF Estate	207.68	1,957.33	2,165.01	2,148.53
	<u>Multi-Family Units</u>				
280	Coach Home	207.68	1,171.78	1,379.46	1,362.98
252	Veranda Condo	207.68	1,062.17	1,269.85	1,253.37
270	Terrace Condo	207.68	1,025.64	1,233.32	1,216.84
1,459					

**BEACH ROAD GOLF ESTATES
COMMUNITY DEVELOPMENT DISTRICT**

**UNAUDITED
FINANCIAL
STATEMENTS**

**BEACH ROAD GOLF ESTATES
COMMUNITY DEVELOPMENT DISTRICT
FINANCIAL STATEMENTS
UNAUDITED
MAY 31, 2023**

**BEACH ROAD GOLF ESTATES
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND
BALANCE SHEET
MAY 31, 2023**

	General Fund	Debt Service Fund Series 2015	Capital Projects Fund Series 2015	Total Governmental Funds
ASSETS				
Cash	\$ 223,450	\$ -	\$ -	\$ 223,450
Investments				
Revenue	-	1,470,443	-	1,470,443
Reserve	-	1,005,146	-	1,005,146
Sinking	-	199	-	199
Interest	-	345	-	345
Prepayment	-	14	-	14
Construction	-	-	667,892	667,892
Due from general fund	-	11,883	-	11,883
Due from capital projects fund	4,429	-	-	4,429
Due from other governments	12,768	-	-	12,768
Utility deposit	282	-	-	282
Total assets	<u>\$ 240,929</u>	<u>\$ 2,488,030</u>	<u>\$ 667,892</u>	<u>\$ 3,396,851</u>
LIABILITIES				
Liabilities				
Accounts payable	\$ 9,086	\$ -	\$ -	\$ 9,086
Developer advance	1,983	-	-	1,983
Accrued taxes payable	122	-	-	122
Due to debt service	11,883	-	-	11,883
Due to general fund	-	-	4,429	4,429
Total liabilities	<u>23,074</u>	<u>-</u>	<u>4,429</u>	<u>27,503</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred receipts	12,768	-	-	12,768
Total deferred inflows of resources	<u>12,768</u>	<u>-</u>	<u>-</u>	<u>12,768</u>
FUND BALANCES				
Restricted for:				
Debt service	-	2,488,030	-	2,488,030
Capital projects	-	-	663,463	663,463
Assigned				
Lake bank erosion repair	150,000	-	-	150,000
Unassigned	55,087	-	-	55,087
Total fund balances	<u>205,087</u>	<u>2,488,030</u>	<u>663,463</u>	<u>3,356,580</u>
Total liabilities and fund balances	<u>\$ 240,929</u>	<u>\$ 2,488,030</u>	<u>\$ 667,892</u>	<u>\$ 3,396,851</u>

**BEACH ROAD GOLF ESTATES
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GENERAL FUND
FOR THE PERIOD ENDED MAY 31, 2023**

	Current Month	Year to Date	Budget	% of Budget
REVENUES				
Assessment levy: on-roll	\$ 1,394	\$ 234,034	267,803	87%
Intergovernmental: shared costs revenue	-	12,210	68,040	18%
Interest	2	20	-	N/A
Total revenues	<u>1,396</u>	<u>246,264</u>	<u>335,843</u>	73%
EXPENDITURES				
Supervisors	861	6,459	10,334	63%
Management/recording	3,333	26,667	40,000	67%
Financial accounting services	1,292	10,333	15,500	67%
Audit	-	-	4,500	0%
Dissemination agent	417	3,333	5,000	67%
Arbitrage rebate	-	500	500	100%
Trustee fees	-	9,651	10,850	89%
Legal	2,478	5,353	10,000	54%
Engineering	-	780	5,000	16%
Postage	264	1,084	750	145%
Printing & reproduction	83	667	1,000	67%
Legal advertising	-	275	1,000	28%
Annual district filing fee	-	175	175	100%
Insurance	-	6,784	7,100	96%
Other current charges	102	281	650	43%
ADA website maintenance	-	210	210	100%
Website	-	705	705	100%
Total professional & admin	<u>8,830</u>	<u>73,257</u>	<u>113,274</u>	65%
Operations				
Shared costs maintenance/monitoring	2,822	42,753	126,000	34%
On-site other contractual services	7,617	27,012	92,908	29%
Total operations	<u>10,439</u>	<u>69,765</u>	<u>218,908</u>	32%
Other fees and charges				
Property appraiser	-	1,459	1,459	100%
Tax collector	-	2,116	2,189	97%
Total other fees and charges	<u>-</u>	<u>3,575</u>	<u>3,648</u>	98%
Total expenditures	<u>19,269</u>	<u>146,597</u>	<u>335,830</u>	44%
Excess/(deficiency) of revenues over/(under) expenditures	(17,873)	99,667	13	
Fund balance - beginning	222,960	105,420	164,644	
Assigned				
Lake bank erosion repair ¹	150,000	150,000	150,000	
Unassigned	55,087	55,087	14,657	
Fund balance - ending	<u>\$ 205,087</u>	<u>\$ 205,087</u>	<u>\$ 164,657</u>	

¹Intended to fund long term lake bank erosion repairs in District owned ponds.

**BEACH ROAD GOLF ESTATES
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND SERIES 2015
FOR THE PERIOD ENDED MAY 31, 2023**

	<u>Current Month</u>	<u>Year to Date</u>	<u>Budget</u>	<u>% of Budget</u>
REVENUES				
Assessment levy: on-roll	\$ 11,883	\$ 1,976,828	\$ 1,995,030	99%
Interest	11,881	56,635	-	N/A
Total revenues	<u>23,764</u>	<u>2,033,463</u>	<u>1,995,030</u>	102%
EXPENDITURES				
Principal	-	620,000	620,000	100%
Principal prepayment	-	-	25,000	0%
Interest	674,667	1,361,735	1,361,118	100%
Total expenditures	<u>674,667</u>	<u>1,981,735</u>	<u>2,006,118</u>	99%
Excess/(deficiency) of revenues over/(under) expenditures	(650,903)	51,728	(11,088)	
OTHER FINANCING SOURCES/(USES)				
Transfers out	-	(21,474)	-	N/A
Total other financing sources/(uses)	<u>-</u>	<u>(21,474)</u>	<u>-</u>	N/A
Net change in fund balances	(650,903)	30,254	(11,088)	
Fund balance - beginning	3,138,933	2,457,776	2,496,315	
Fund balance - ending	<u>\$ 2,488,030</u>	<u>\$ 2,488,030</u>	<u>\$ 2,485,227</u>	

**BEACH ROAD GOLF ESTATES
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUND SERIES 2015
FOR THE PERIOD ENDED MAY 31, 2023**

	Current Month	Year to Date
REVENUES		
Interest	\$ 2,552	\$ 22,799
Total revenues	2,552	22,799
EXPENDITURES		
Capital outlay	-	314,535
Total expenditures	-	314,535
OTHER FINANCING SOURCES/(USES)		
Transfers in	-	21,474
Total other financing sources/(uses)	-	21,474
Net increase/(decrease), fund balance	2,552	(270,262)
Beginning fund balance	660,911	933,725
Ending fund balance	\$ 663,463	\$ 663,463

**BEACH ROAD GOLF ESTATES
COMMUNITY DEVELOPMENT DISTRICT**

MINUTES

DRAFT

**MINUTES OF MEETING
BEACH ROAD GOLF ESTATES
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Beach Road Golf Estates Community Development District held a Regular Meeting on June 19, 2023 at 1:00 p.m., at the Bonita National Golf and Country Club, 2nd Floor of the Clubhouse, 17671 Bonita National Blvd., Bonita Springs, Florida 34135 and via Zoom at <https://zoom.us/j/94341134325> and telephonically at 1-305-224-1968, Meeting ID 943 4113 4325, for both.

Present at the meeting were:

Barry Kove	Chair
Daniel DiTommaso	Vice Chair
Joseph Grillo	Assistant Secretary
Timothy Vanderhyden	Assistant Secretary
Denise Kempf	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Shane Willis	Operations Manager
Greg Urbancic (via phone/Zoom)	District Counsel
Dave Underhill	District Engineer
Wendy Weber	Bonita National/Troon HOA Manager
Nancy Dagher	Bonita National/Troon Membership & Lifestyle Director
Jim Werbeck	Resident
Mile Ciberey	Resident
Stu Fuhrmann	Resident/Valencia Liaison
John Worton	Resident
Jeff Cutler	Resident
Steve Lewinski	Resident
Cheri Minor (via phone/Zoom)	Resident
Joel Koenig (via phone/Zoom)	Resident
Other residents	

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Willis called the meeting to order at 1:00 p.m. All Supervisors were present.

42 Mr. Willis instructed the Zoom participants to use their phone when speaking, not the
43 speaker.

44

45 **SECOND ORDER OF BUSINESS**

Chairman's Opening Comments

46

47 Mr. Kove greeted everyone and introduced District Engineer Mr. Underhill and stated he
48 will start the meeting with opening comments, updates, take questions and then the Board
49 Members will discuss the usage of the construction fund with Mr. Underhill for clarity and
50 resolution.

51 The following topics were discussed:

52 ➤ Mr. Willis was complimented on his weekly project update list. He was asked to convert
53 it to an excel spreadsheet, which should eliminate questioning the status of a project.

54 ➤ Pedestrian Gate Project: Ms. Wendy Weber, of Troon, stated the electrician is on site
55 today. Mr. Willis will advise the Ramco technician installing the software after the meeting to
56 activate the white cards and notify Troon when completed so Troon can notify residents to use
57 their white card to activate the gate.

58 ➤ The Americans with Disabilities Act (ADA) black mats, speed hump signage and the
59 damaged front gate Season's sign are on back order; delays are due to increase in demand.

60 Mr. Grillo asked if bicyclists using the exit as an access point is still an issue and if it will
61 worsen once the gate is closed. Ms. Weber hoped not and discussed two recent incidents. She
62 was asked for her weekly report to include the number of injuries due people violating the rules
63 and reason certain measures are being taken.

64 ➤ Mr. Kove discussed the June 7, 2023 Facilities and Grounds Committee meeting at which
65 they discussed installing additional speed humps and stop signs. Speed humps between Holes
66 #1 and #2, Lisburn Court and Bonita National Boulevard and Wicklow Court, in front of the
67 maintenance facilities, are being considered. Mr. Werbeck stated the HOA will review the speed
68 hump proposal at its June 27, 2023 meeting. He deferred including discussion of stop signs.

69 Mr. Grillo voiced his opinion that speed humps do not deter speeders and that the root
70 cause should be the focus; he believes the straightaways are the issue. He suggested installing

71 cameras, implementing speed limits and penalizing speeders. The CDD mentioned this to the
72 HOA since this is not a CDD matter.

73 Mr. Kove asked Mr. Werbeck to advise the HOA that residents are requesting a stop sign
74 at the corner of Bonita National and Wicklow Court, exiting the community, since the speed
75 hump has not deterred speeding.

76 Discussion ensued regarding the CDD and HOA coordinating installation of speed humps
77 and stop signs and effectiveness of traffic hawks.

78 ➤ Aeration Systems/Wicklow and Hole #13: Mr. Willis noted that removing invasive weeds
79 from Hole #13 and Wicklow is underway; it is a time-consuming process. Weeds are being
80 treated monthly to prevent the water and soil from becoming toxic. Superior is asking the Golf
81 Course Superintendent to redirect sprinkler heads to avoid further ground fault circuit
82 interrupter issues.

83 Mr. Willis recommended residents report construction debris issues to the City Code
84 Enforcement Department. Builders should be installing silt/construction fencing to prevent
85 debris from reaching the lakes.

86 Mr. Kove asked Mr. Willis to have Superior address the noise levels of the compressor
87 boxes on Galway and Wicklow and adjust them at an angle.

88

89 **THIRD ORDER OF BUSINESS**

Public Comments (3 minutes per speaker)

90

91 Mr. Willis stated that there are 12 participants on Zoom.

92 Resident Cheri Minor reported difficulty hearing what is being said in the meeting. She
93 asked if the weeds in front of her home on Wicklow Court and Galway Run will be treated.

94 Mr. Willis stated that anything under 24” inches is in compliance with the South Florida
95 Water Management District (SFWMD) standards; it is just more noticeable in the dry season.
96 The lakes are inspected monthly and treated, as needed. He will notify Superior.

97

98 **FOURTH ORDER OF BUSINESS**

**Continued Discussion/Update: Beach Road
Lighting/Sidewalk Lighting Projects**

99

100

101 Mr. Kove stated that Mr. Underhill will provide the Board with clarity and the reasons
102 for the denial of the CDD's ability to use \$130,000 from the construction fund for the Bonita
103 Beach Road lighting project. He stated the Board's previous decisions were made based on
104 direction that the construction funds would be available to address this and the meeting
105 minutes reflect that. He asked Mr. Underhill to expand on the reason that use of those
106 construction funds was denied when the Board followed all the protocols.

107 Mr. Underhill pointed out the following:

108 ➤ The CDD's Agreement with Florida Power & Light (FPL) was originally a lease Agreement,
109 in which the cost would be shared with the other communities; use of construction funds was
110 never discussed.

111 ➤ The CDD must acquire improvements that are tangible, such as speed humps, in order
112 to use construction funds.

113 Mr. Grillo discussed Lennar installing the lights in 2015 and residents complained about
114 the level of brightness. In his opinion, the CDD's removal of the lights should be considered a
115 construction project.

116 Mr. Urbancic clarified Mr. Underhill's role in certifying the projects defined when the
117 bonds are issued and stated that this expenditure is not part of the original project.

118 Resident Mike Ciberey asked Mr. Underhill if his opinion would change if there was a
119 monetary buyout at the end of the lease option. Mr. Underhill stated he does not see a benefit
120 to the CDD to justify payment from the construction fund.

121 Mr. DiTommaso asked Mr. Underhill if he would support payment for the sidewalk
122 lighting project. Mr. Underhill stated that he must review the CDD's FPL Agreement with Mr.
123 Urbancic before he can make a determination.

124 Ms. Kempf asked Mr. Underhill why he was not at a CDD meeting to properly advise the
125 Board on this matter. Mr. Underhill stated that he was not aware that he was needed at the
126 meeting; the last meeting he attended was two to three years ago.

127 Mr. Kove asked Mr. Underhill if Mr. Adams advised him of the lighting system plan and
128 expenditures over the last two years. Mr. Underhill replied that he has been trying to obtain a

129 permit from the City and the first time he was aware of the question of paying for the project
130 out of the construction fund was when he received the requisition from Mr. Adams.

131 Mr. Grillo read and asked Mr. Underhill to clarify language in Florida Statute 190.007,
132 Section 2, about who can disperse funds. Mr. Underhill stated that the CDD must adhere to the
133 provisions in the Master and Supplemental Trust Indentures. He suggested asking Bond Counsel
134 for an opinion or guidance on this matter.

135 Mr. Vanderhyden expressed his disappointment about the situation, given his belief that
136 District Counsel and the District Manager discussed this for quite some time.

137 Board Members posed questions to Mr. Adams and Mr. Underhill. It was noted that,
138 overall, FPL and the Electrical Engineer started work on the original project and did not obtain a
139 permit from the City. It is unknown if FPL is exempt from needing a permit to install its own
140 equipment that it is leasing to an entity.

141 Mr. Urbancic suggested having Bond Counsel explain the issue. Mr. Kove agreed.

142 Resident Stu Fuhrmann expressed his belief that, if FPL keeps the title, the lights are not
143 a capital expenditure. Mr. Urbancic stated that he must review the Trust Indentures and speak
144 to Bond Counsel.

145 Mr. Adams discussed the benefits of leasing the FPL equipment and disadvantages of
146 the CDD taking on the capital expense.

147 Once everything is resolved, Mr. Di Tommaso wants District Staff to ensure that the CDD
148 has written confirmation that the FPL contract is terminated.

149 Mr. Urbancic will schedule a conference call with Bond Counsel that includes Mr. Adams
150 and Mr. Underhill.

151 Mr. DiTommaso asked if a third-party audit is done on the construction fund. Mr. Adams
152 stated it is part of the CDD's regular annual audit that is conducted by the third-party auditor.

153 Mr. Kove opened public comments.

154 Resident John Worton asked how the lease is still valid if the CDD has not paid on it over
155 the years. It was noted that there is no deadline to construct the facilities.

156 Resident Steve Lewinski asked how the CDD's approved meeting minutes are distributed
157 and if the \$130,000 can be incorporated into the new lease agreement. He was advised that the

158 approved meeting minutes are posted on the CDD website. Mr. Adams previously mentioned
159 this to Mr. Cullens. Regarding whether the CDD can claim the costs through its insurance, Mr.
160 Urbancic did not think it would be a fruitful endeavor.

161 Resident Joel Koenig asked if the Engineer who designed the lighting has an obligation
162 to provide the CDD with a design that meets a permittable criteria. Mr. Adams did not think
163 the design is not permittable; rather, the City chose not to issue the Limited Development
164 Order (LDO) because of the resident uproar.

165 Mr. Kove listed the recent roundtable meeting attendees and stated that the group
166 agreed to proceed with sidewalk lights on one side of the south side of Bonita National and
167 they selected the lights, poles and distance between the poles.

168 Mr. Adams presented the \$13,000 proposal from Johnson Engineering’s Electrical
169 Engineer, Mr. Wright, for service level expectation services, which includes the photometric
170 survey, a few other minor expenses and filing for the permit from the City. The light is the same
171 one as at the entrance of Valencia.

172 Mr. Kove deferred approval of this item until the other outstanding discussion items are
173 addressed.

174

175 **FIFTH ORDER OF BUSINESS**

**Continued Review/Discussion: Fiscal Year
2023/2024 Budget**

176

177

178 Mr. Adams stated that he anticipates assessment levels to increase primarily due to the
179 CDD adding aeration systems to all its lakes but this is dependent on Bond Counsel’s direction.
180 The final budget will be set at the next meeting and adopted at the public hearing in August.

181 Mr. DiTommaso suggested reassigning the “Lake bank erosion repair” funds to offset all
182 or a portion of the assessment increase. Mr. Adams discussed the prior Board’s decision to
183 purposely reassign surplus construction funds to cover future lake bank erosion repairs and
184 other projects, instead of the CDD having to use its operating funds.

185 Asked if the CDD is still obligated to maintain and monitor the panther mitigation
186 property in Labelle, Mr. Adams replied affirmatively but at a significantly reduced cost. He sent
187 the final Report to the three other neighboring CDDs/communities.

188 Mr. Adams stated a realtor advised him of a cattle baron’s interest in purchasing the 640
189 acres encumbered by a conservation easement. He is researching whether construction funds
190 were used to purchase the property and, if so, any sales proceeds would be applied to reduce
191 the principal amount on the bonds.

192

193 **SIXTH ORDER OF BUSINESS**

Discussion: Littoral Plantings

194

195 Mr. Willis stated that EarthBalance scheduled the littoral plantings for the second week
196 in July and is monitoring conditions to ensure the plants will survive. Regarding selection, Mr.
197 Adams stated the emphasis is to choose plantings with colorful flowers.

198 This topic will remain an ongoing discussion item on the next agenda.

199

200 **SEVENTH ORDER OF BUSINESS**

**Consideration of Resolution 2023-04,
Designating Dates, Times and Locations for
Regular Meetings of the Board of
Supervisors of the District for Fiscal Year
2023/2024 and Providing for an Effective
Date**

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**On MOTION by Mr. Grillo and seconded by Mr. Vanderhyden, with all in favor,
Resolution 2023-04, Designating Dates, Times and Locations for Regular
Meetings of the Board of Supervisors of the District for Fiscal Year 2023/2024
and Providing for an Effective Date, was adopted.**

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214 **EIGHTH ORDER OF BUSINESS**

**Acceptance of Unaudited Financial
Statements as of April 30, 2023**

215

216

217 Mr. Adams presented the Unaudited Financial Statements as of April 30, 2023. Two
218 requisitions totaling about \$30,000 were processed from the construction fund. The Capital
219 Projects Fund will fund the erosion repair project on Foxrock Court and a few other locations.

220 Mr. DiTommaso asked if Lennar submitted all its outstanding invoices to the CDD. He
221 wants Lennar to provide written confirmation that there are no other invoices to apply against
222 the construction fund. Mr. Underhill stated that he is not aware of any pending invoices. Mr.

223 Adams stated that this process is part of Mr. Underhill certifying the project complete but, in
224 the meantime, he will email Scott and Construction Manager Tommy Dean about this.

225 The financials were accepted.

226

227 **NINTH ORDER OF BUSINESS**

Approval of May 15, 2023 Regular Meeting Minutes

228

229

230 Mr. Willis presented the May 15, 2023 Regular Meeting Minutes.

231 In response to residents commenting that the meeting minutes do not match the
232 discussion, Mr. Willis explained that these are summary minutes transcribed from the
233 recording. The recordings are available.

234 The following changes were made:

235 Line 27: Delete "HOA President/"

236 Lines 28, 42 & 61: Change "Christy ____" to "Kristi Wadhams"

237 Lines 31 & 105: Change "Resident" to "HOA Secretary"

238 Line 59: Change "West Mead" to "Westmeath Court" and "Eddie" to "Collier Paving"

239 Line 63: Change "Cherry Street" to "Cherrywood"

240 Line 102: Delete "and HOA President"

241

242 **On MOTION by Mr. Grillo and seconded by Mr. Kove, with all in favor, the May**
243 **15, 2023 Regular Meeting Minutes, as amended, were approved.**

244

245

246 **TENTH ORDER OF BUSINESS**

Staff Reports

247

248 **A. District Counsel: Coleman, Yovanovich & Koester, P.A.**

249 Mr. Urbancic stated that, beginning January 1, 2024, Board Members will be required to
250 complete a four-hour ethics training course. He will provide more details once available.

251 **B. District Engineer: Banks Engineering, Inc.**

252 There was no report.

253 **C. District Manager: Wrathell, Hunt and Associates, LLC**

- 254 • **NEXT MEETING DATE: July 17, 2023 at 1:00 PM**

255 ○ **QUORUM CHECK**

256 Supervisors Grillo, Kove, DiTommaso and Kempf confirmed their attendance at the July
257 17, 2023. Mr. Vanderhyden will not attend.

258 **D. Field Operations: Wrathell, Hunt and Associates, LLC**

259 The Field Operations Report was included for informational purposes.

260 Mr. Kove commended Bonita National on the finished topdressing on all the fairways.
261 He asked to be informed if any residual sand in the parking lot or sewer areas is observed.

262 Mr. Willis stated that he will include the schedule of the MRI pipe cleaning and repair
263 project in his Report, upon receipt.

264

265 **ELEVENTH ORDER OF BUSINESS**

**Audience
Requests**

Comments/Supervisors'

266

267

268 Mr. Willis advised there are six Zoom participants.

269 A resident asked for an update on the Foxrock Court erosion repair project, as residents
270 have not been notified. Mr. Willis stated the project is underway.

271 It was noted that information about the project was part of a lengthy HOA email. The
272 HOA is allotted only a certain number of emails, which prevents sending separate emails for
273 CDD-related items.

274 Ms. Dagher will include CDD items in the beginning of the email going out this week.

275

276 **TWELFTH ORDER OF BUSINESS**

Adjournment

277

278

279 **On MOTION by Mr. Grillo and seconded by Mr. Kove, with all in favor, the**
280 **meeting adjourned at 2:59 p.m.**

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[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

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Secretary/Assistant Secretary

Chair/Vice Chair

**BEACH ROAD GOLF ESTATES
COMMUNITY DEVELOPMENT DISTRICT**

**STAFF
REPORTS
C**

BEACH ROAD GOLF ESTATES COMMUNITY DEVELOPMENT DISTRICT		
BOARD OF SUPERVISORS FISCAL YEAR 2022/2023 MEETING SCHEDULE		
LOCATION		
<i>Bonita National Golf and Country Club, 2nd Floor of the Clubhouse, 17671 Bonita National Blvd., Bonita Springs, Florida 34135</i>		
DATE	POTENTIAL DISCUSSION/FOCUS	TIME
October 17, 2022	Regular Meeting	1:00 PM
November 14, 2022*	Regular Meeting	1:00 PM
December 19, 2022	Regular Meeting	1:00 PM
January 9, 2023*	Regular Meeting	1:00 PM
February 20, 2023	Regular Meeting	1:00 PM
March 20, 2023	Regular Meeting	1:00 PM
April 17, 2023	Regular Meeting	1:00 PM
May 15, 2023	Regular Meeting	1:00 PM
June 19, 2023	Regular Meeting	1:00 PM
July 17, 2023	Regular Meeting	1:00 PM
August 21, 2023	Public Hearing & Regular Meeting	1:00 PM
September 18, 2023	Regular Meeting	1:00 PM

Exceptions*

November meeting date is one week earlier.

January meeting date is one week earlier to accommodate Martin Luther King Jr. Holiday

**BEACH ROAD GOLF ESTATES
COMMUNITY DEVELOPMENT DISTRICT**

**STAFF
REPORTS
D**



Wrathell, Hunt and Associates, LLC

TO: Beach Road Golf Estates CDD Board of Supervisors
FROM: Shane Willis – Operations Manager
DATE: July 17, 2023
SUBJECT: Status Report – Field Operations

Road Markings/Fire Hydrant: This will be a part of the final lift.

Landscape Activities:

- Mowed 4 times this month
- Treated for weeds 2 time this month
- Irrigation wet checks conducted
- Palm frond clean up twice a week
- Fertilized shrubs & sod along Bonita Beach Rd

Aquatics & Wetlands/Conservation Areas:

- EarthBalance is under contract agreement, installation to begin once the rains set in.
- Anchor Marine began on 6/13/23 and completed on 6/30/23
- MRI pipe cleaning & repair contract being processed and work scheduled.
- Pedestrian gate project completed 6/29/23.

Damaged Street BBR Sign:

- Sign is expected to be removed for repairs around 6/15/23 and reinstalled a few weeks later after painting