Storey Creek
Community Development District

ANNUAL FINANCIAL REPORT

September 30, 2021

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REPORT OF INDEPENDENT AUDITOR'S

To the Board of Supervisors
Storey Creek Community Development District
Osceola County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of Storey Creek Community Development District as of and for the year ended September 30, 2021, and related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Berger, Toombs, Elam,
Gaines & Frank
Certified Public Accountants PL

To the Board of Supervisors
Storey Creek Community Development District

Opinion

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, and each major fund of Storey Creek Community Development District as of September 30, 2021, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Management's Discussion and Analysis

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economical 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 principally 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 the 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 24, 2022 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts.

The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Storey Creek Community Development District's internal control over financial reporting and compliance.

Berger Toombs Elam Gaines & Frank

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

June 24, 2022

Storey Creek Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021

Management's discussion and analysis of Storey Creek Community Development District's (the "District") financial performance provides an objective and easily readable analysis of the District's financial activities. The analysis provides summary financial information for the District and should be read in conjunction with the District's financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

The District's basic financial statements comprise three components; 1) *Government-wide financial statements,* 2) *Fund financial statements,* and 3) *Notes to financial statements.* The *Government-wide financial statements* present an overall picture of the District's financial position and results of operations. The *Fund financial statements* present financial information for the District's major funds. The *Notes to financial statements* provide additional information concerning the District's finances.

The *Government-wide financial statements* are the **statement of net position** and the **statement of activities**. These statements use accounting methods similar to those used by private-sector companies. Emphasis is placed on the net position of governmental activities and the change in net position. Governmental activities are primarily supported by special assessments.

The **statement of net position** presents information on all assets and liabilities of the District, with the difference between assets and liabilities reported as net position. Net position is reported in three categories; 1) net investment in capital assets, 2) restricted, and 3) unrestricted. Assets, liabilities, and net position are reported for all Governmental activities.

The **statement of activities** presents information on all revenues and expenses of the District and the change in net position. Expenses are reported by major function and program revenues relating to those functions are reported, providing the net cost of all functions provided by the District. To assist in understanding the District's operations, expenses have been reported as governmental activities. Governmental activities financed by the District include general government, physical environment and debt service.

Fund financial statements present financial information for governmental funds. These statements provide financial information for the major funds of the District. Governmental fund financial statements provide information on the current assets and liabilities of the funds, changes in current financial resources (revenues and expenditures), and current available resources.

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Fund financial statements include a **balance sheet** and a **statement of revenues, expenditures and changes in fund balances** for all governmental funds. A **statement of revenues, expenditures, and changes in fund balances – budget and actual** is provided for the District's General Fund. *Fund financial statements* provide more detailed information about the District's activities. Individual funds are established by the District to track revenues that are restricted to certain uses or to comply with legal requirements.

The *government-wide financial statements* and the *fund financial statements* provide different pictures of the District. The *government-wide financial statements* provide an overall picture of the District's financial standing. These statements are comparable to private-sector companies and give a good understanding of the District's overall financial health and how the District paid for the various activities, or functions, provided by the District. All assets of the District are reported in the **statement of net position**. All liabilities, including principal outstanding on bonds are included. The **statement of activities** includes depreciation on all long lived assets of the District, but transactions between the different functions of the District have been eliminated in order to avoid "doubling up" the revenues and expenses. The *fund financial statements* provide a picture of the major funds of the District. In the case of governmental activities, outlays for long lived assets are reported as expenditures and long-term liabilities, such as general obligation bonds, are not included in the fund financial statements. To provide a link from the *fund financial statements* to the *government-wide financial statements*, reconciliations are provided from the *fund financial statements* to the *government-wide financial statements.*

Notes to financial statements provide additional detail concerning the financial activities and financial balances of the District. Additional information about the accounting practices of the District, investments of the District, capital assets and long-term debt are some of the items included in the *notes to financial statements.*

Financial Highlights

The following are the highlights of financial activity for the year ended September 30, 2021.

- The District's assets exceeded liabilities by $466,743 (net position). Net investment in capital assets was $98,459. Restricted net position was $243,895 and unrestricted net position was $124,389.

- Governmental activities revenues totaled $1,118,622, while governmental activities expenses totaled $514,793.

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District

The following schedule provides a summary of the assets, liabilities and net position of the District and is presented by category for comparison purposes.

Net Position

	Governmental Activities	
	2021	**2020**
Current assets	$ 134,267	$ 30,087
Restricted assets	582,077	252,239
Capital assets	8,091,345	8,091,345
Total Assets	8,807,689	8,373,671
Current liabilities	267,373	273,830
Non-current liabilities	8,073,573	8,236,927
Total Liabilities	8,340,946	8,510,757
Net Position		
Net investment in capital assets	98,459	-
Restricted net position	243,895	-
Unrestricted	124,389	(137,086)
Net Position	$ 466,743	$ (137,086)

The increase in current assets is related to the increase in cash in the current year.

The increase in restricted assets is related to revenues exceeding expenditures in the Debt Service Fund in the current year.

The decrease in non-current liabilities is related to the principal payment in the current year.

The increase in net position is related to revenues exceeding expenses in the current year.

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District (Continued)

The following schedule provides a summary of the changes in net position of the District and is presented by category for comparison purposes.

Change In Net Position

	Governmental Activities	
	2021	2020
Program Revenues		
Special assessments	$ 1,080,252	$ 163,990
Operating contributions	38,344	112,153
Capital contributions	-	312,570
Investment income	26	1,505
Total Revenues	1,118,622	590,218
Expenses		
General government	81,195	63,978
Physical environment	106,097	43,176
Interest and other charges	327,501	627,603
Total Expenses	514,793	734,757
Change in Net Position	603,829	(144,539)
Net Position - Beginning of Period	(137,086)	7,453
Net Position - End of Period	$ 466,743	$ (137,086)

The increase in special assessments is related to the increase in assessments in the current year.

The increase in general government is the result of the current year being the first year for assessment administration, audit and trustee fee expenditures.

The increase in physical environment expenses is related to the increase in streetlight and landscape maintenance expenditures in the current year.

The decrease in interest and other charges is related to the cost of issuance of the long-term debt issued in the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Capital Assets Activity

The following schedule provides a summary of the District's capital assets as of September 30, 2021 and 2020.

	Governmental Activities	
Description	**2021**	**2020**
Construction in progress	$ 8,091,345	$ 8,091,345

General Fund Budgetary Highlights

Actual expenditures were less than the final budget because there were lower landscape maintenance and streetlight expenditures than anticipated.

The September 30, 2021 budget was not amended.

Debt Management

Governmental Activities debt includes the following:

- In December 2019, the District issued $8,445,000 Series 2019 Special Assessment Bonds. These bonds were issued to finance a portion of the cost of acquiring and/or constructing a portion of the Assessment Area One Project. The balance outstanding on the Series 2019 Bonds at September 30, 2021 was $8,285,000.

Economic Factors and Next Year's Budget

Storey Creek Community Development District does not anticipate any economic factors to have a significant affect operations for the year ended September 30, 2022.

Request for Information

The financial report is designed to provide a general overview of Storey Creek Community Development District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Storey Creek Community Development District, Governmental Management Services – CF, LLC, 219 East Livingston Street, Orlando, Florida 32801.

Storey Creek Community Development District
STATEMENT OF NET POSITION
September 30, 2021

	Governmental Activities
ASSETS	
Current Assets	
Cash	$ 109,582
Assessments receivable	3,425
Due from developer	3,418
Prepaid expenses	12,827
Deposits	5,015
Total Current Assets	134,267
Non-current Assets	
Restricted assets	
Investments	582,077
Capital Assets, not being depreciated	
Construction in progress	8,091,345
Total Non-current Assets	8,673,422
Total Assets	8,807,689
LIABILITIES	
Current Liabilities	
Accounts payable and accrued expenses	6,896
Due to developer	740
Bonds payable	165,000
Accrued interest	94,737
Total Current Liabilities	267,373
Non-current Liabilities	
Bonds payable, net	8,073,573
Total Liabilities	8,340,946
NET POSITION	
Net investment in capital assets	98,459
Restricted for debt service	243,895
Unrestricted	124,389
Total Net Position	$ 466,743

See accompanying notes to financial statements.

Storey Creek Community Development District
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2021

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Contributions	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities
Governmental Activities				
General government	$ (81,195)	$ 113,099	$ 16,623	$ 48,527
Physical environment	(106,097)	147,786	21,721	63,410
Interest and other charges	(327,501)	819,367	-	491,866
Total Governmental Activities	$ (514,793)	$ 1,080,252	$ 38,344	603,803
General Revenues				
Investment income				26
Change in Net Position				603,829
Net Position - October 1, 2020				(137,086)
Net Position - September 30, 2021				$ 466,743

See accompanying notes to financial statements.

Storey Creek Community Development District
BALANCE SHEET –
GOVERNMENTAL FUNDS
September 30, 2021

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash	$ 109,582	$ -	$ -	$ 109,582
Assessments receivable	1,183	2,242	-	3,425
Due from developer	3,418	-	-	3,418
Prepaid expenses	12,827	-	-	12,827
Deposits	5,015	-	-	5,015
Resticted assets				
Investments, at fair value	-	582,056	21	582,077
Total Assets	$ 132,025	$ 584,298	$ 21	$ 716,344
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable and accrued expenses	$ 6,896	$ -	$ -	$ 6,896
Due to developer	740	-	-	740
Total Liabilities	7,636	-	-	7,636
FUND BALANCES				
Nonspendable-deposits/prepaids	17,842	-	-	17,842
Restricted for debt service	-	584,298	-	584,298
Restricted for capital projects	-	-	21	21
Unassigned	106,547	-	-	106,547
Total Fund Balances	124,389	584,298	21	708,708
Total Liabilities and Fund Balances	$ 132,025	$ 584,298	$ 21	$ 716,344

See accompanying notes to financial statements.

Storey Creek Community Development District
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2021

Total Governmental Fund Balances	$	708,708
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets, construction in progress, used in governmental activities are not current financial resources and therefore, are not reported at the fund level.		8,091,345
Long-term liabilities, including bonds payable, $(8,285,000), net of bond discount, $46,427, are not due and payable in the current period and therefore, are not reported at the fund level.		(8,238,573)
Accrued interest expense for long-term debt is not a current financial use and therefore, is not reported at the governmental fund level.		(94,737)
Net Position of Governmental Activities	$	466,743

See accompanying notes to financial statements.

Storey Creek Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
For the Year Ended September 30, 2021

	General	Debt Service	Capital Projects	Total Governmental Funds
Revenues				
Special assessments	$ 260,885	$ 819,367	$ -	$ 1,080,252
Developer contributions	43,297	-	-	43,297
Investment income	-	26	-	26
Total Revenues	304,182	819,393	-	1,123,575
Expenditures				
Current				
General government	81,195	-	-	81,195
Physical environment	106,097	-	-	106,097
Debt Service				
Principal	-	160,000	-	160,000
Interest	-	327,313	-	327,313
Total Expenditures	187,292	487,313	-	674,605
Excess of revenues over/(under) expenditures	116,890	332,080	-	448,970
Other Financing Sources/(Uses)				
Transfers in	-	-	12	12
Transfers out	-	(12)	-	(12)
Total Other Financing Sources/(Uses)	-	(12)	12	-
Net change in fund balances	116,890	332,068	12	448,970
Fund Balances - October 1, 2020	7,499	252,230	9	259,738
Fund Balances - September 30, 2021	$ 124,389	$ 584,298	$ 21	$ 708,708

See accompanying notes to financial statements.

Storey Creek Community Development District
RECONCILIATION OF THE STATEMENT
OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2021

Net Change in Fund Balances - Total Governmental Funds	$	448,970
Amounts reported for governmental activities in the Statement of Activities are different because:		
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		160,000
In the Statement of Activities, interest is accrued on outstanding bonds; whereas in governmental funds, interest expenditures are reported when due. This is the net change in accrued interest in the current period.		1,458
Governmental funds report bond discounts as an other financing use. However, at the government-wide level, the cost is amortized over the life of the bonds as interest expense.		(1,646)
At the fund level, revenues are recognized when they become available, however, revenues are recognized when they are earned at the government-wide level. This is the amount of the change in earned revenue that was not available.		(4,953)
Change in Net Position of Governmental Activities	$	603,829

See accompanying notes to financial statements.

Storey Creek Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND
For the Year Ended September 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Special assessments	$ 259,188	$ 259,188	$ 260,885	$ 1,697
Developer contributions	51,649	51,649	43,297	(8,352)
Total Revenues	310,837	310,837	304,182	(6,655)
Expenditures				
Current				
General government	104,750	104,750	81,195	23,555
Physical environment	206,087	206,087	106,097	99,990
Total Expenditures	310,837	310,837	187,292	123,545
Net Change in Fund Balances	-	-	116,890	116,890
Fund Balances - October 1, 2020	-	-	7,499	7,499
Fund Balances - September 30, 2021	$ -	$ -	$ 124,389	$ 124,389

See accompanying notes to financial statements.

Storey Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District's more significant accounting policies are described below.

1. Reporting Entity

The District was established on June 19, 2019, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, (the "Act"), by Ordinance No. 19-56 of the Board of County Commissioners of Osceola County adopted on June 17, 2019, as a Community Development District. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of the infrastructure necessary for community development within its jurisdiction. The District is authorized to issue bonds for the purpose, among others, of financing, funding, planning, establishing, acquiring, constructing district roads, landscaping, and other basic infrastructure projects within or outside the boundaries of the Storey Creek Community Development District. The District is governed by a five member Board of Supervisors. All Supervisors are employed by the Developer. The District operates within the criteria established by Chapter 190, Florida Statutes.

As required by GAAP, these financial statements present the Storey Creek Community Development District (the primary government) as a stand-alone government. The reporting entity for the District includes all functions of government in which the District's Board exercises oversight responsibility including, but not limited to, financial interdependency, selection of governing authority, designation of management, significant ability to influence operations and accountability for fiscal matters.

Based upon the application of the above-mentioned criteria as set forth in Governmental Accounting Standards, the District has identified no component units.

2. Measurement Focus and Basis of Accounting

The basic financial statements of the District are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to financial statements

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

a. Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Government-wide financial statements report all non-fiduciary information about the reporting government as a whole. These statements include all the governmental activities of the primary government. The effect of interfund activity has been removed from these statements.

Governmental activities are supported by special assessments. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets, rather than reported as an expenditure. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as an other financing source.

Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

b. Fund Financial Statements

The underlying accounting system of the District is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental funds are presented after the government-wide financial statements. These statements display information about major funds individually.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds

The District reports fund balance according to Governmental Accounting Standards Board Statement 54 – Fund Balance Reporting and Governmental Fund Type Definitions. The Statement requires the fund balance for governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

The District has various policies governing the fund balance classifications.

Nonspendable Fund Balance – This classification consists of amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

Restricted Fund Balance – This classification includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Assigned Fund Balance – This classification consists of the Board of Supervisors' intent to be used for specific purposes, but are neither restricted nor committed. The assigned fund balances can also be assigned by the District's management company.

Unassigned Fund Balance – This classification is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. Unassigned fund balance is considered to be utilized first when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Fund Balance Spending Hierarchy – For all governmental funds except special revenue funds, when restricted, committed, assigned, and unassigned fund balances are combined in a fund, qualified expenditures are paid first from restricted or committed fund balance, as appropriate, then assigned and finally unassigned fund balances.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collected within the current period or soon 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.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Interest associated with the current fiscal period is considered to be an accrual item and so has been recognized as revenue of the current fiscal period.

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of "available spendable resources".

Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources are expended, rather than as fund assets. The proceeds of long-term debt are recorded as an other financing source rather than as a fund liability.

Debt service expenditures are recorded only when payment is due.

3. Basis of Presentation

a. Governmental Major Funds

General Fund – The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Basis of Presentation (Continued)

a. Governmental Major Funds (Continued)

Debt Service Fund – The Debt Service Fund accounts for debt service requirements to retire Special Assessment Bonds, which were used to finance the construction of certain improvements within the District.

Capital Projects Fund – The Capital Projects Fund accounts for construction of infrastructure improvements within the boundaries of the District.

b. Non-current Governmental Assets/Liabilities

GASB Statement 34 requires that non-current governmental assets, such as infrastructure, and non-current governmental liabilities, such as general obligation bonds be reported in the governmental activities column in the government-wide Statement of Net Position.

4. Assets, Liabilities, Deferred Inflows of Resources, and Net Position

a. Cash and Investments

Florida Statutes require state and local governmental units to deposit monies with financial institutions classified as "Qualified Public Depositories," a multiple financial institution pool whereby groups of securities pledged by the various financial institutions provide common collateral from their deposits of public funds. This pool is provided as additional insurance to the federal depository insurance and allows for additional assessments against the member institutions, providing full insurance for public deposits.

The District is authorized to invest in those financial instruments as established by Section 218.415, Florida Statutes. The authorized investments consist of:

1. Direct obligations of the United States Treasury;

2. The Local Government Surplus Funds Trust or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperative Act of 1969;

3. Interest-bearing time deposits or savings accounts in authorized qualified public depositories;

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Assets, Liabilities, Deferred Inflows of Resources, and Net Position (Continued)

a. Cash and Investments (Continued)

4. Securities and Exchange Commission, registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

Cash and cash equivalents include time deposits, certificates of deposit, money market funds, and all highly liquid debt instruments with original maturities of three months or less.

b. Restricted Assets

Certain net position of the District are classified as restricted assets on the Statement of Net Position because their use is limited either by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors. In a fund with both restricted and unrestricted net position, qualified expenses are considered to be paid first from restricted net position and then from unrestricted net position.

c. Capital Assets

Capital assets, which includes construction in progress, are reported in the governmental activities column.

The District defines capital assets as assets with an initial, individual cost of $5,000 or more and an estimated useful life in excess of one year. The valuation basis for all assets is historical cost.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

d. Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position that applies to a future reporting period(s) and so will not be recognized as an inflow of resources (revenue) until then. The District only has one item that qualifies for reporting in this category. Deferred gain on refunding is reported only in the government-wide level. This amount is deferred and recognized as an inflow of resources in the period that amounts become available.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Assets, Liabilities, Deferred Inflows of Resources, and Net Position (Continued)

e. Bond Discounts

Bond discounts associated with the issuance of bonds are amortized over the life of the bonds using the straight-line method of accounting.

f. Budgets

Budgets are prepared and adopted after public hearings for the governmental funds, pursuant to Chapter 190, Florida Statutes. The District utilizes the same basis of accounting for budgets as it does for revenues and expenditures in its various funds. The legal level of budgetary control is at the fund level. All budgeted appropriations lapse at year end. Formal budgets are adopted for the general and debt service funds. As a result, deficits in the budget columns of the accompanying financial statements may occur.

NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

"Total fund balances" of the District's governmental funds, $708,708, differs from "net position" of governmental activities, $466,743, reported in the Statement of Net Position. This difference primarily results from the long-term economic focus of the Statement of Net Position versus the current financial resources focus of the governmental fund balance sheet. The effect of the differences is illustrated below:

Capital related items

When capital assets (land, buildings and improvements, infrastructure and equipment that are to be used in governmental activities) are purchased or constructed, the cost of those assets is reported as expenditures in governmental funds. However, the Statement of Net Position included those capital assets among the assets of the District as a whole.

Construction in progress	$ 8,091,345

NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

1. Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position (Continued)

Long-term debt transactions

Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the Statement of Net Position. Balances at September 30, 2021 were:

Bonds payable	$ (8,285,000)
Bond discount	46,427
Total	$ (8,238,573)

Accrued interest

Accrued liabilities in the Statement of Net Position differ from the amount reported in governmental funds due to the accrued interest on bonds.

Accrued interest	$ (94,737)

2. Explanation of Differences Between the Governmental Fund Operating Statements and the Statement of Activities

The "net change in fund balances" for government funds, $448,970, differs from the "change in net position" for governmental activities, $603,829, reported in the Statement of Activities. The differences arise primarily from the long-term economic focus of the Statement of Activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below:

Long-term debt transactions

When long-term debt is issued for governmental activities, the resources obtained are recognized as an other financing source at the fund level. At the government-wide level, however, the new debt increases non-current liabilities. Also, interest is recognized when due at the fund level, but is accrued at the government-wide level.

Principal payments	$ 160,000
Accrued interest	$ 1,458

Amortization expense of the bond discount does not require the use of current resources and therefore is not reported in the governmental funds.

Amortization of bond discount	$ (1,646)

NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

2. Explanation of Differences Between the Governmental Fund Operating Statements and the Statement of Activities

Deferred inflows of resources

Unavailable revenues are recognized as deferred inflows of resources at the fund level. Revenues are recognized when earned at the government-wide level.

Change in unavailable revenues	$ (4,953)

NOTE C – CASH AND INVESTMENTS

All deposits are held in qualified public depositories and are included on the accompanying balance sheet as cash and investments.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have its own policy for custodial credit risk, however, the District has adopted by Resolution the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2021, the District's bank balance was $113,776 and the carrying value was $109,582. Exposure to custodial credit risk was as follows. The District maintains all deposits in a qualified public depository in accordance with the provisions of Chapter 280, Florida Statutes, which means that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes.

Investments

As of September 30, 2021, the District had the following investments and maturities:

Investment	Maturity Date	Fair Value
US Bank Money Market	N/A	$ 582,077

The District categorizes its fair value measurements within the fair value hierarchy recently 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 price 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 use the best information available under the circumstances, which includes the District’s own data in measuring unobservable inputs.

NOTE C – CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

Based on the criteria in the preceding paragraph, the investments listed above is a Level 1 asset.

The District's investment policy allows management to invest funds in investments permitted under Section 218.415(17) Florida Statutes. Among other investments, the policy allows the District to invest in Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

Interest Rate Risk

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

Credit Risk

The District's investments in US Bank Money Market are limited by state statutory requirements and bond compliance. The District has no investment policy that would further limit its investment choices

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one fund. The investments in US Bank Money Market represents 100% of the District's total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2021 were typical of these items during the fiscal year then ended.

NOTE D – SPECIAL ASSESSMENT REVENUES

Assessments are non-ad valorem assessments on benefitted property within the District. Debt Service Assessments are levied when bonds are issued and collected annually for the term of the bond. The District may collect assessments directly or utilize the uniform method of collection (Chapter 197.3632, Florida Statutes). Directly collected assessments are due as determined by annual assessment resolution adopted by the Board of Supervisors. Assessments collected under the uniform method are mailed by County Tax Collector on November 1 and due on or before March 31 of each year. Property owners may prepay a portion or all of the Debt Service Assessments on their property subject to various provisions in the bond documents.

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 government.

NOTE E – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2021 was as follows:

	Balance 10/1/20	Additions	Deletions	Balance 09/30/21
Governmental Activities:				
Capital assets, not being depreciated:				
Construction in progress	$ 8,091,345	$ -	$ -	$ 8,091,345

NOTE F – LONG-TERM DEBT

Governmental Activities

In December 2019, the District issued $8,445,000 Series 2019 Special Assessment Bonds due in annual principal installments beginning December 15, 2020, maturing December 2049. Interest is due semi-annually on June 15 and December 15, beginning June 15, 2020, at a fixed interest rate ranging from 3.125% to 4.125%. The balance outstanding on the Series 2019 Bonds at September 30, 2021 is $8,285,000.

The following is a summary of activity for long-term debt of the District for the year ended September 30, 2021:

Long-term debt at October 1, 2020	$ 8,445,000
Principal payments	(160,000)
Long-term debt at September 30, 2021	8,285,000
Less bond discount, net	(46,427)
Total long-term debt, September 30, 2021	$ 8,238,573

The annual requirements to amortize the principal and interest of bonded debt outstanding as of

Year Ending September 30,	Principal	Interest	Total
2022	$ 165,000	$ 322,234	$ 487,234
2023	170,000	317,000	487,000
2024	175,000	311,609	486,609
2025	180,000	306,063	486,063
2026	185,000	300,359	485,359
2027-2031	1,030,000	1,396,719	2,426,719
2032-2036	1,250,000	1,179,656	2,429,656
2037-2041	1,510,000	904,053	2,414,053
2042-2046	1,850,000	562,031	2,412,031
2047-2050	1,770,000	149,738	1,919,738
Totals	$ 8,285,000	$ 5,749,462	$ 14,034,462

NOTE F – LONG-TERM DEBT (CONTINUED)

Summary of Significant Bond Resolution Terms and Covenants

The District levies special assessments pursuant to Section 190.022, Florida Statutes and the assessment rolls are approved by resolutions of the District Board. The collections are to be strictly accounted for and applied to the debt service of the bond series for which they were levied. The District covenants to levy special assessments in annual amounts adequate to provide for payment of principal and interest on the bonds. Payment of principal and interest is dependent on the money available in the debt service fund and the District's ability to collect special assessments levied.

The Series 2019 Bonds are subject to redemption at the option of the District prior to their maturity, in whole or in part, at any time after December 15, 2029 at a redemption price equal to the principal amount of the Series 2019 Bonds to be redeemed, plus accrued interest to the date of redemption. The Series 2019 Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Trust Indenture.

The bond indentures provide for Debt Service Reserve Funds, which shall be held by the Trustee separate and apart from all other funds. The following is a schedule of the reserve requirement and balance in the reserve account at September 30, 2021:

	Special Assessment Bonds	
	Reserve Balance	Reserve Requirement
Series 2019	$ 245,666	$ 245,666

NOTE G – 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 for which the government carries commercial insurance. Settled claims from these risks have not exceeded commercial insurance coverage over the past three years.

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INDEPENDENT AUDITORS' 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
Storey Creek Community Development District
Osceola County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Storey Creek Community Development District, as of and for the year ended September 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated June 24, 2022.

Internal Control Over Financial Reporting

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

Berger, Toombs, Elam,
Gaines & Frank
Certified Public Accountants PL

Board of Supervisors
Storey Creek Community Development District

Compliance and Other Matters

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

Purpose of this Report

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

Berger Toombs Elam
Gaines + Frank

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

June 24, 2022

Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

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MANAGEMENT LETTER

To the Board of Supervisors
Storey Creek Community Development District
Osceola County, Florida

Report on the Financial Statements

We have audited the financial statements of the Storey Creek Community Development District as of and for the year ended September 30, 2021, and have issued our report thereon dated June 24, 2022.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and our Independent Auditor's Report on an examination conducted in accordance with AICPA Professionals Standards, AT-C Section 315 regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in that report, which is dated June 24, 2022, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings or recommendations in the preceding financial audit report.

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

To the Board of Supervisors
Storey Creek Community Development District

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial conditions assessment procedures as of September 30, 2021 for the Storey Creek Community Development District. It is management's responsibility to monitor the Storey Creek Community Development District's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same.

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

Specific Information

The information provided below was provided by management and has not been audited; therefore, we do not express an opinion or provide any assurance on the information.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Storey Creek Community Development District reported:

1) The total number of district employees compensated in the last pay period of the District's fiscal year: 3
2) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year: 7
3) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: $2,032
4) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: $206,763
5) Each construction project with a total cost of at least $65,000 approved by the District that is scheduled to begin on or after October 1, 2020, together with the total expenditures for such project: The District had no construction projects.
6) 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 adopted budget under Section 189.016(6), Florida Statutes: The budget was not amended.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)8, Rules of the Auditor General, the Storey Creek Community Development District reported:

7) The rate or rates of non-ad valorem special assessments imposed by the District: The General Fund, $473.68 – $823.08 and the Debt Service Fund, $548.72 - $1,560.00.
8) The amount of special assessments collected by or on behalf of the District: Total Special Assessments collected was $1,080,252.
9) The total amount of outstanding bonds issued by the District and the terms of such bonds: Series 2019 Bonds, $8,285,000 maturing December 2049.

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL

To the Board of Supervisors
Storey Creek Community Development District

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 noted no 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.

Berger Toombs Elam Gaines & Frank

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

June 24, 2022

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INDEPENDENT ACCOUNTANTS' REPORT/COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

To the Board of Supervisors
Storey Creek Community Development District
Osceola County, Florida

We have examined Storey Creek Community Development District's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2021. Management is responsible for Storey Creek Community Development District's compliance with those requirements. Our responsibility is to express an opinion on Storey Creek Community Development District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about Storey Creek Community Development 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 Storey Creek Community Development District's compliance with the specified requirements.

In our opinion, Storey Creek Community Development District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2021.

Berger Toombs Elam Gaines & Frank

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

June 24, 2022