SHERWOOD MANOR
COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2023

SHERWOOD MANOR COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Sherwood Manor Community Development District
Hillsborough County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Sherwood Manor Community Development District, Hillsborough County, Florida ("District") as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of September 30, 2023, and the respective changes in financial position thereof for the fiscal 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 relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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 Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with 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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information 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 Information Included in the Financial Report

Management is responsible for the other information included in the financial report. The other information comprises the information for compliance with FL Statute 218.39 (3) (c), but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Grau & Associates

December 20, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Sherwood Manor Community Development District, Hillsborough County, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2023. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The liabilities of the District exceeded its assets at the close of the most recent fiscal year resulting in a net position deficit balance of ($3,960,924).
- The change in the District's total net position in comparison with the prior fiscal year was ($581,690), a decrease. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2023, the District's governmental funds reported combined ending fund balance of $4,822,036, an increase of $4,852,583 in comparison with the prior fiscal year. A portion of the fund balance is non-spendable for deposits, restricted for debt service and capital projects, and the remainder is deficit unassigned fund balance in the general fund.

OVERVIEW OF FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

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

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

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

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

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

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 outflow of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

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

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

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

Notes to the Financial Statements

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

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

NET POSITION
SEPTEMBER 30,

	2023	2022
Assets, excluding capital assets	$ 5,459,637	$ 835,870
Capital assets, net of depreciation	9,993,392	6,017,631
Total assets	15,453,029	6,853,501
Current liabilities	1,042,518	1,023,809
Long-term liabilities	18,371,435	9,208,926
Total liabilities	19,413,953	10,232,735
Net Position		
Net investment in capital assets	(8,378,043)	(3,950,014)
Restricted	4,457,323	570,685
Unrestricted	(40,204)	95
Total net position	$ (3,960,924)	$ (3,379,234)

The District's net position reflects its investment in capital assets (e.g. land, land improvements, and infrastructure) less any related debt used to acquire those assets that is still outstanding. These assets are used to provide services to residents; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The restricted portion of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the District's other obligations.

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

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

CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30,

	2023	2022
Revenues:		
Program revenues		
Charges for services	$ 929,442	$ 717,007
Operating grants and contributions	35,428	345,223
Capital grants and contributions	122,486	4,426,081
General revenues	12,306	-
Total revenues	1,099,662	5,488,311
Expenses:		
General government	94,037	86,385
Maintenance and operations	418,624	371,034
Parks and recreation	58,737	58,737
Conveyance of capital assets	-	7,424,327
Bond issuance costs	378,800	-
Interest	731,154	467,681
Total expenses	1,681,352	8,408,164
Change in net position	(581,690)	(2,919,853)
Net position - beginning	(3,379,234)	(459,381)
Net position - ending	$ (3,960,924)	$ (3,379,234)

As noted above and in the statement of activities, the cost of all governmental activities for the fiscal year ended September 30, 2023 was $1,681,352. The costs of the District's activities were funded by program revenues. Program revenues were comprised primarily of assessments and Developer contributions in both the current and prior fiscal years. Program revenue decreased in current fiscal year primarily due to decrease in contributions received from Developer. The decrease in current fiscal year expenses is primarily the result of a decrease of conveyance of infrastructure improvement which occurred in prior fiscal year and not current fiscal year.

GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2023.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2023, the District had $10,417,428 invested in capital assets for its governmental activities. In the government-wide financial statements depreciation of $424,036 has been taken, which resulted in a net book value of $9,993,392. More detailed information about the District's capital assets is presented in the notes of the financial statements.

CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

Capital Debt

At September 30, 2023, the District had $18,465,000 in Bonds outstanding for its governmental activities. More detailed information about the District's capital debt is presented in the notes of the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

It is anticipated that the general operations of the District will increase as the District is being built out.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, land owners, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact Sherwood Manor Community Development District's Finance Department at 2005 Pan Am Circle, Suite 300, Tampa, FL 33607.

SHERWOOD MANOR COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

	Governmental Activities
ASSETS	
Cash	$ 4,535
Assessments receivable	6,564
Deposits	39
Restricted assets:	
Investments	5,448,499
Capital assets:	
Nondepreciable	4,185,202
Depreciable, net	5,808,190
Total assets	15,453,029
LIABILITIES	
Accounts payable and accrued liabilities	637,601
Accrued interest payable	404,917
Non-current liabilities:	
Due within one year	305,000
Due in more than one year	18,066,435
Total liabilities	19,413,953
NET POSITION	
Net investment in capital assets	(8,378,043)
Restricted for capital projects	3,424,683
Restricted for debt service	1,032,640
Unrestricted	(40,204)
Total net position	$ (3,960,924)

See notes to the financial statements

SHERWOOD MANOR COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Primary government:					
Governmental activities:					
General government	$ 94,037	$ 94,037	$ -	$ -	$ -
Maintenance and operations	418,624	206,759	8,556	122,486	(80,823)
Parks and recreation	58,737	-	-	-	(58,737)
Bond issuance costs	378,800	-	-	-	(378,800)
Interest on long-term debt	731,154	628,646	26,872	-	(75,636)
Total governmental activities	1,681,352	929,442	35,428	122,486	(593,996)
General revenues:					
Unrestricted investment earnings					12,306
Total general revenues					12,306
Change in net position					(581,690)
Net position - beginning					(3,379,234)
Net position - ending					$ (3,960,924)

See notes to the financial statements

SHERWOOD MANOR COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	Major Funds			Total Governmental Funds
	General	Debt Service	Capital Projects	
ASSETS				
Cash	$ 4,535	$ -	$ -	$ 4,535
Investments	-	1,551,506	3,896,993	5,448,499
Assessments receivable	2,413	4,151	-	6,564
Due from other funds	-	4,386	122,486	126,872
Deposits	39	-	-	39
Total assets	$ 6,987	$ 1,560,043	$ 4,019,479	$ 5,586,509
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	$ 42,805	$ -	$ 594,796	$ 637,601
Due to other funds	4,386	122,486	-	126,872
Total liabilities	47,191	122,486	594,796	764,473
Fund balances:				
Nonspendable:				
Deposits	39	-	-	39
Restricted for:				
Debt service	-	1,437,557	-	1,437,557
Capital projects	-	-	3,424,683	3,424,683
Unassigned	(40,243)	-	-	(40,243)
Total fund balances	(40,204)	1,437,557	3,424,683	4,822,036
Total liabilities and fund balances	$ 6,987	$ 1,560,043	$ 4,019,479	$ 5,586,509

See notes to the financial statements

SHERWOOD MANOR COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET –
GOVERMENTAL FUNDS TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

Total fund balances - governmental funds		$ 4,822,036
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 as assets in the governmental funds. The statement of net position includes those capital assets, net of any accumulated depreciation, in the net position of the government as a whole.		
Cost of capital assets	10,417,428	
Accumulated depreciation	(424,036)	9,993,392
Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide financial statements.		
Accrued interest payable	(404,917)	
Original issue discount	93,565	
Bonds payable	(18,465,000)	(18,776,352)
Net position of governmental activities		$(3,960,924)

See notes to the financial statements

SHERWOOD MANOR COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Major Funds			Total Governmental Funds
	General	Debt Service	Capital Projects	
REVENUES				
Assessments	$ 300,796	$ 628,646	$ -	$ 929,442
Developer contributions	45,232	-	-	45,232
Interest income	-	26,872	122,486	149,358
Miscellaneous income	12,306	-	-	12,306
Total revenues	358,334	655,518	122,486	1,136,338
EXPENDITURES				
Current:				
General government	94,037	-	-	94,037
Maintenance and operations	267,920	-	-	267,920
Parks and recreation	-	-	-	-
Debt Service:				
Principal	-	165,000	-	165,000
Interest	-	517,999	-	517,999
Bond cost of issuance	-	-	378,800	378,800
Capital outlay	-	-	4,185,202	4,185,202
Total expenditures	361,957	682,999	4,564,002	5,608,958
Excess (deficiency) of revenues over (under) expenditures	(3,623)	(27,481)	(4,441,516)	(4,472,620)
OTHER FINANCING SOURCES (USES)				
Bond discount	-	-	(54,797)	(54,797)
Bond proceeds	-	700,286	8,679,714	9,380,000
Total other financing sources (uses)	-	700,286	8,624,917	9,325,203
Net change in fund balances	(3,623)	672,805	4,183,401	4,852,583
Fund balances - beginning	(36,581)	764,752	(758,718)	(30,547)
Fund balances - ending	$ (40,204)	$ 1,437,557	$ 3,424,683	$ 4,822,036

See notes to the financial statements

SHERWOOD MANOR COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

Net change in fund balances - total governmental funds	$	4,852,583
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures, however, in the statement of activities, the cost of those assets is eliminated and capitalized in the statement of net position.		4,185,202
Repayment of long-term liabilities are reported as expenditures in the governmental fund financial statements, but such repayments reduce liabilities in the statement of net position and are eliminated in the statement of activities.		165,000
Depreciation on capital assets is not recognized in the governmental fund financial statements, but is reported as an expense in the statement of activities.		(209,441)
Governmental funds report debt proceeds as financial resources when debt is first issued, whereas these amounts are eliminated in the statement of activities and recognized as long-term liabilities in the statement of net position.		(9,380,000)
Certain revenues were unavailable for the fund financial statements in the prior fiscal year. In the current fiscal year, these revenues were recorded in the governmental fund financial statements.		(36,676)
In connection with the issuance of the Bonds, the original issue discount/premium is reported as a financing use/source when debt is first issued, whereas this amount is eliminated in the statement of activities and reduces/increases long-term liabilities in the statement of net position.		54,797
Expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the funds. The details of the differences are as follows:		
Amortization of original issue discount/premium		(2,306)
Change in accrued interest		(210,849)
Change in net position of governmental activities	$	(581,690)

See notes to the financial statements

SHERWOOD MANOR COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

Sherwood Manor Community Development District ("District") was established on February 13, 2018, pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes, by Hillsborough County Ordinance 18-7. The District boundaries were expanded by Hillsborough County Ordinance 20-6 on March 11, 2020 to add approximately 14 acres. On July 27, 2022, the District's boundaries was expanded by Hillsborough County Ordinance 22-22 to add approximately 46 acres. The Act provides among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

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

The District is governed by the Board of Supervisors ("Board"), which is composed of five members. The Supervisors are elected on an at large basis by the owners of the property within the District. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes. At September 30, 2023, all of the Board members are affiliated with SM-Ruskin Development, LLC, the Developer.

The Board has the final responsibility for:

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements
The basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. 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; operating-type special assessments for maintenance and debt service are treated as charges for services and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not included among program revenues are reported instead as *general revenues*.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

Assessments

Assessments are non-ad valorem assessments on all platted lots within the District. Assessments are levied each November 1 on property as of the previous January 1 to pay for the operations and maintenance of the District. The fiscal year for which annual assessments are levied begins on October 1 with discounts available for payments through February 28 and become delinquent on April 1. For debt service assessments, amounts collected as advance payments are used to prepay a portion of the Bonds outstanding. Otherwise, assessments are collected annually to provide funds for the debt service on the portion of the Bonds which are not paid with prepaid assessments.

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.

The District reports the following major governmental funds:

General Fund

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

Debt Service Fund

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

Capital Projects Fund

This 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 for qualifying expenditures, then unrestricted resources as they are needed.

Assets, Liabilities and Net Position or Equity

Restricted Assets

These assets represent cash and investments set aside pursuant to Bond covenants or other contractual restrictions.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

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

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

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

Securities listed in paragraph c and d shall be invested to provide sufficient liquidity to pay obligations as they come due.

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

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

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

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

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

Assets	Years
Improvements - stormwater management	30
Improvements - amenity	30
Improvements - landscape & hardscape	30
Equipment - security	7

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

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

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

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

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.

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.

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

The District can establish limitations on the use of fund balance as follows:

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

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

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

Other Disclosures

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

NOTE 3 – BUDGETARY INFORMATION

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

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

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

NOTE 4 – 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's investments were held as follows at September 30, 2023:

	Amortized cost	Credit Risk	Maturities
US Bank Mmkt	$ 5,448,499	N/A	Not available
Total Investments	$ 5,448,499		

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

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Concentration 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.

However, the Bond Indenture limits the type of investments held using unspent proceeds.

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

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

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

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

Money market investments that have a maturity at the time of purchase of one year or less and are held by governments other than external investment pools should be measured at amortized cost. Accordingly, the District's investments have been reported at amortized cost above.

NOTE 5 – INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables at September 30, 2023 were as follows:

Fund	Receivable	Payable
General	$ -	$ 4,386
Debt Service	4,386	122,486
Capital projects	122,486	-
Total	$ 126,872	$ 126,872

The outstanding balances between funds result primarily from the time lag between the dates that transactions are recorded in the accounting system and payments between funds are made. In the case of the District, the balances between the debt service fund and the capital service fund relate to investment earnings in the capital projects fund that are held in the debt service funds as of September 30, 2023.

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2023 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental activities				
Capital assets, not being depreciated				
Construction in progress	$ -	$ 4,185,202	$ -	$ 4,185,202
Total capital assets, not being depreciated	-	4,185,202	-	4,185,202
Capital assets, being depreciated				
Improvements - stormwater management	4,049,633	-	-	4,049,633
Improvements - amenity	1,762,109	-	-	1,762,109
Improvements - landscape & hardscape	404,963	-	-	404,963
Equipment - security	15,521	-	-	15,521
Total capital assets, being depreciated	6,232,226	-	-	6,232,226
Less accumulated depreciation for:				
Improvements - stormwater management	134,988	134,988	-	269,976
Improvements - amenity	63,632	58,737	-	122,369
Improvements - landscape & hardscape	13,499	13,499	-	26,998
Equipment - security	2,476	2,217	-	4,693
Total accumulated depreciation	214,595	209,441	-	424,036
Total capital assets, being depreciated, net	6,017,631	(209,441)	-	5,808,190
Governmental activities capital assets, net	$ 6,017,631	$ 3,975,761	$ -	$ 9,993,392

The infrastructure intended to serve the District has been estimated at a total cost of approximately $36.4 million and will be developed in phases. The infrastructure will include roadways, potable water and wastewater systems, storm water management systems, amenity center, and landscape and hardscape improvements. A portion of the project costs was expected to be financed with the proceeds from the issuance of Bonds with the remainder to be funded by the Developer and conveyed to the District. Upon completion, the roadways, potable water and wastewater systems are to be conveyed to others for ownership and maintenance responsibilities.

Phase 1, Phase 2, and Phase 3 comprise Assessment Area One. The Assessment Area One project was completed and placed into service during the fiscal year ended September 30, 2022. During the current fiscal year, the District issued Series 2023 Bonds in order to fund a portion of the Assessment Area Two project, as disclosed in Note 7. The remainder of the Assessment Area Two projects costs is expected to be funded by the Developer.

The Developer is managing the construction project including funding the costs of the project subject to repayment by the District. During the current fiscal year, the District paid the Developer a total of $1,637,144, for the cost of Assessment Area Two infrastructure improvements. In addition, during the current year the District reimbursed the Developer $758,719 for the costs of Assessment Area One project costs that were incurred during a prior year.

Depreciation expense was charged to function/programs as follows:

Physical environment	$ 150,704
Parks and recreation	58,737
Total	$ 209,441

NOTE 7 – LONG-TERM LIABILITIES

Series 2018

On September 12, 2018, the District issued $9,555,000 of Special Assessment Revenue Bonds, Series 2018, consisting of multiple term bonds with due dates ranging from November 1, 2023 – November 1, 2049 and interest rates ranging from 4.0% - 5.25%. The Bonds were issued to finance the costs of acquisition, construction and equipping of a portion of the Assessment Area One Project including the Amenity Project. Interest is to be paid semiannually on each May 1 and November 1, commencing November 1, 2018. Principal on the Bonds is to be paid serially commencing November 1, 2020 through November 1, 2049.

The Series 2018 Bonds may be called for redemption prior to maturity as a whole or in part, at any time, on or after November 1, 2032. The Bonds are also subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occur as outlined in the Bond Indenture.

The Bond Indenture established a debt service reserve requirement as well as other 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 agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District was in compliance with the requirements at September 30, 2022.

Series 2023

On March 22, 2023, the District issued $9,380,000 of Special Assessment Revenue Bonds, Series 2023 (Assessment Area Two), consisting of multiple term bonds with due dates ranging from May 1, 2030 to May 1, 2053 and fixed interest rates ranging from 4.625% - 5.625%. The Bonds were issued to finance the costs of acquisition, construction and equipping of a portion of the Assessment Area Two Project. Interest is to be paid semiannually on each May 1 and November 1, commencing May 1, 2023. Principal on the Bonds is to be paid serially commencing May 1, 2024 through May 1, 2053.

The Series 2023 Bonds may be called for redemption prior to maturity as a whole or in part, at any time, on or after May 1, 2033. The Bonds are also subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occur as outlined in the Bond Indenture.

The Bond Indenture established a debt service reserve requirement as well as other 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 agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District was in compliance with the requirements at September 30, 2023.

Long-term Debt Activity

Changes in long-term liability activity for the fiscal year ended September 30, 2023 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Series 2018	$ 9,250,000	$ -	$ 165,000	$ 9,085,000	$ 170,000
Less Bond discount	41,074	-	1,402	39,672	-
Series 2023	-	9,380,000	-	9,380,000	135,000
Less Bond discount	-	54,797	904	53,893	-
Total	$ 9,208,926	$ 9,325,203	$ 162,694	$ 18,371,435	$ 305,000

NOTE 7 – LONG-TERM LIABILITIES (Continued)

Long-term Debt Activity (Continued)

At September 30, 2023, the scheduled debt service requirements on the long-term debt were as follows:

Year ending September 30:	Governmental Activities		
	Principal	Interest	Total
2024	$ 305,000	$ 968,400	$ 1,273,400
2025	315,000	954,709	1,269,709
2026	330,000	939,909	1,269,909
2027	350,000	924,416	1,274,416
2028	365,000	907,997	1,272,997
2029-2033	2,085,000	4,260,581	6,345,581
2034-2038	2,690,000	3,654,169	6,344,169
2039-2043	3,495,000	2,859,013	6,354,013
2044-2048	4,555,000	1,799,344	6,354,344
2049-2053	3,975,000	552,994	4,527,994
Total	$ 18,465,000	$ 17,821,532	$ 36,286,532

NOTE 8 – DEVELOPER TRANSACTIONS

The Developer owns a portion of land within the District; therefore, assessment revenues in the general and debt service funds include the assessments levied on those lots owned by the Developer.

The Developer has agreed to fund the general operations of the District. In connection with that agreement, Developer contributions to the general fund were $45,232.

NOTE 9 – CONCENTRATION

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

NOTE 10 – MANAGEMENT COMPANY

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

NOTE 11 – RISK MANAGEMENT

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

NOTE 12 – DEFICIT FUND EQUITY

The general fund had a deficit fund balance of ($40,204) at September 30, 2024. The deficit will be covered by assessments collected in the subsequent period.

SHERWOOD MANOR COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts Original & Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Assessments	$ 290,286	$ 300,796	$ 10,510
Developer contributions	77,164	45,232	(31,932)
Miscellaneous revenue	-	12,306	12,306
Total revenues	367,450	358,334	(9,116)
EXPENDITURES			
Current:			
General government	73,813	94,037	(20,224)
Maintenance and operations	293,637	267,920	25,717
Total expenditures	367,450	361,957	5,493
Excess (deficiency) of revenues over (under) expenditures	$ -	(3,623)	$ (3,623)
Fund balance - beginning		(36,581)	
Fund balance - ending		$ (40,204)	

See notes to required supplementary information

SHERWOOD MANORCOMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2023.

SHERWOOD MANOR COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
OTHER INFORMATION – DATA ELEMENTS
REQUIRED BY FL STATUTE 218.39(3)(C)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023
UNAUDITED

Element	Comments
Number of District employees compensated in the last pay period of the District's fiscal year being reported.	0
Number of independent contractors compensated to whom nonemployee compensation was paid in the last month of the District's fiscal year being reported.	9
Employee compensation	$0
Independent contractor compensation	$50,287
Construction projects to begin on or after October 1; ($65K)	N/A
Budget variance report	See the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
Ad Valorem taxes;	Not applicable
Non ad valorem special assessments;	
Special assessment rate	Operations and maintenance - $907.81 Debt service - $1,561.85
Special assessments collected	$818,305
Outstanding Bonds:	Series 2018: $9,085,000 Series 2023: $9,380,000

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

To the Board of Supervisors
Sherwood Manor Community Development District
Hillsborough 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 the governmental activities and each major fund of Sherwood Manor Community Development District, Hillsborough County, Florida ("District") as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated December 20, 2024.

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

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 or significant deficiencies may exist that were not 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 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.

Brown & Associates

December 20, 2024

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

To the Board of Supervisors
Sherwood Manor Community Development District
Hillsborough County, Florida

We have examined Sherwood Manor Community Development District, Hillsborough County, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2023. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2023.

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

Grau & Associates

December 20, 2024

Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Supervisors
Sherwood Manor Community Development District
Hillsborough County, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of Sherwood Manor Community Development District, Hillsborough County, Florida ("District") as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated December 20, 2024.

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 G*overnment 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 on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards;* and Independent Auditor'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 December 20, 2024, should be considered in conjunction with this management letter.

Purpose of this Letter

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General of the state of Florida. Accordingly, in connection with our audit of the financial statements of the District, as described in the first paragraph, we report the following:

I. Current year findings and recommendations.
II. Status of prior year findings and recommendations.
III. Compliance with the Provisions of the Auditor General of the State of Florida.

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, as applicable, management, and the Board of Supervisors of Sherwood Manor Community Development District, Hillsborough County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank Sherwood Manor Community Development District, Hillsborough County, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements, and the courtesies extended to us.

Grau & Associates

December 20, 2024

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

2022-01 Internal Controls Over Expenditures, including Management Contract:

Current Status: Recommendation has been implemented

2022-02, 2021-01, 2020-01, 2019-01 Budget:

Current Status: Recommendation has been implemented

III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

   There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2022, except as noted above.

2. Any recommendations to improve the local governmental entity's financial management.

   There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2023.

3. 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.

   There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2023.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.

5. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.

6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2023. It is management's responsibility to monitor 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.

7. Management has provided the specific information required by Section 218.39(3)(c) in the Other Information section of the financial statements on page 24.