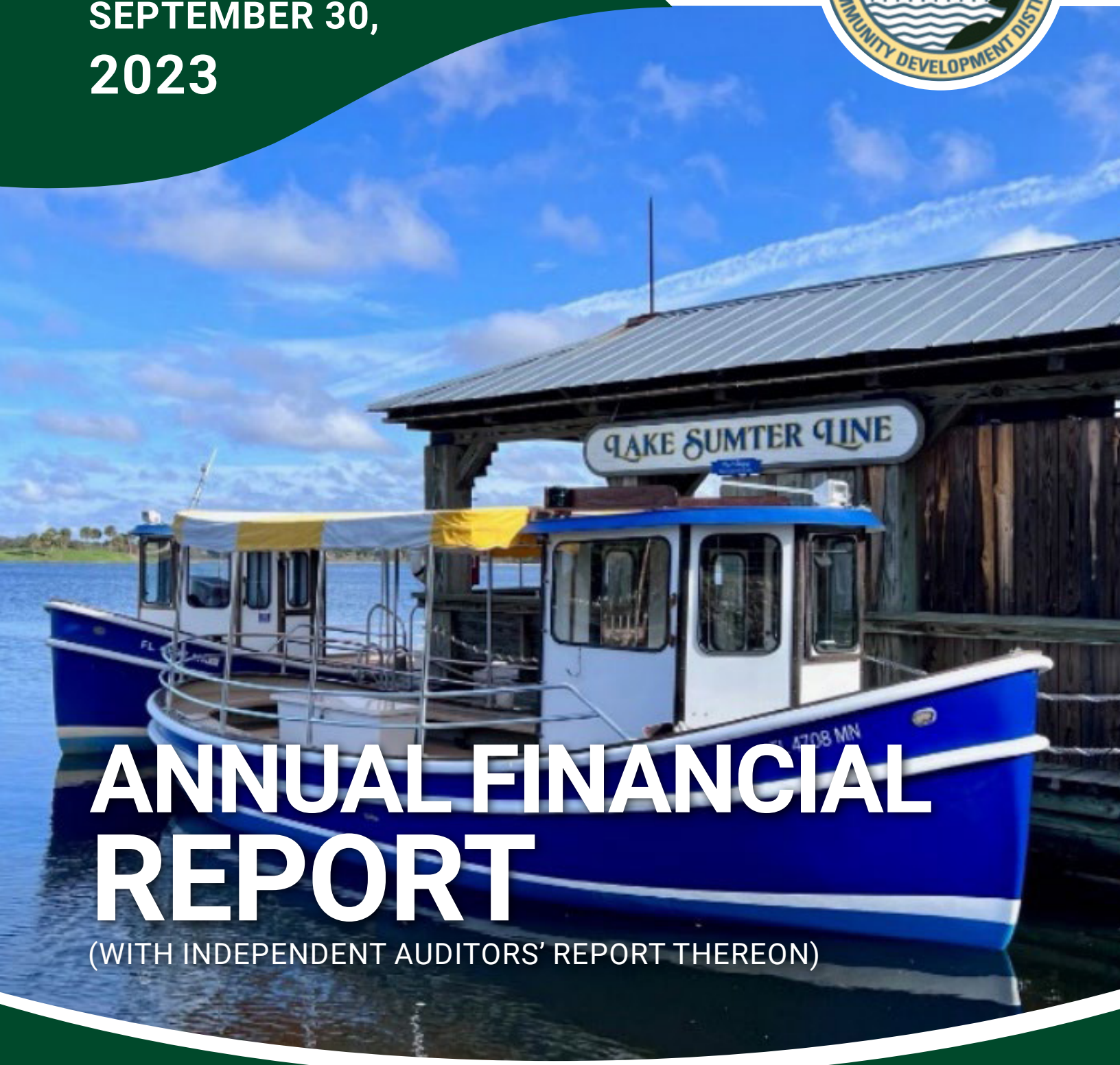
FOR THE FISCAL YEAR ENDED SEPTEMBER 30,

2023



ANNUAL FINANCIAL REPORT

(WITH INDEPENDENT AUDITORS' REPORT THEREON)

SUMTER LANDING COMMUNITY DEVELOPMENT DISTRICT

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Financial Section

Annual Financial Report

SUMTER LANDING COMMUNITY DEVELOPMENT DISTRICT

PURVIS GRAY

INDEPENDENT AUDITOR'S REPORT

Board of Supervisors
Sumter Landing Community Development District
The Villages, Florida

Report on the Audit of the Financial Statements

Opinions
We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of Sumter Landing Community Development District (the District) as of and for the 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, the business-type activities, and each major fund of the District as of September 30, 2023, and the respective changes in financial position, cash flows thereof, and the budgetary comparison statement for the Major Special Revenue Funds - Lake Sumter Landing and Project-Wide for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of 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.

CERTIFIED PUBLIC ACCOUNTANTS
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Board of Supervisors
Sumter Landing Community Development District
The Villages, Florida

INDEPENDENT AUDITOR'S REPORT

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, as listed in the table of contents, 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

Board of Supervisors
Sumter Landing Community Development District
The Villages, Florida

INDEPENDENT AUDITOR'S REPORT

an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 4, 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 and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the 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.

Purvis Gray

March 4, 2024
Ocala, Florida

Management's Discussion and Analysis
September 30, 2023

This Management Discussion and Analysis report provides the reader with a narrative overview and analysis of the financial activities of the Sumter Landing Community Development District for the fiscal year ending September 30, 2023. This report is designed to (a) assist the reader in focusing on significant financial issues; (b) provide an overview of the District's financial activities; (c) identify changes in the District's financial position and its ability to address the next and subsequent year challenges (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues and concerns. The information contained within this section should be considered in conjunction with the District's Financial Statements.

Financial Highlights

- Total assets of the District are $470,456,287; and the deferred outflows of the resources of the District are $713,143.
- Total liabilities of the District are $373,813,735; and the deferred inflows of the resources of the District are $1,636,213.
- The assets and deferred outflows of the District exceeded its liabilities and deferred inflows by $95,719,482 (net position) as of September 30, 2023. Of this amount, $101,621,216 is unrestricted and can be used at the discretion of the Board of Supervisors.
- At September 30, 2023, net position for governmental activities was $35,078,828, or 175.1% of total governmental revenues. Of this amount, $29,124,712 reflects net investments in capital assets.
- The current year's unrestricted net position for governmental activities is $5,954,116, or 29.7% of total governmental revenues.
- At September 30, 2023, net position for business-type activities was $60,640,654, or 66.4% of total business-type revenues. Of this amount, ($46,088,183) reflects net investments in capital assets, $9,498,726 reflects debt service, $1,563,011 reflects renewal and replacement.
- The current year's unrestricted net position for business-type activities is $95,667,100, or 104.7% of total business-type revenues.
- The total net position has grown from a fiscal year 2022 balance of $85,168,777 to a fiscal year 2023 balance of $95,719,482.
- The District's total revenues of $111,422,216 exceeded the expenses of $100,871,511, resulting in a $10,550,705 increase in total net position; the increase in net position for the business-type activities was $11,772,835 offset by a decrease in net position for the governmental activities of $1,222,130.
- Depreciation expenses on existing capital assets for the current fiscal year amounted to $8,693,278 to show the need for the gradual replacement of these assets over time while amortization expense totaled $5,247,368.
- The District's total debt decreased by $8,260,000 during the year ending September 30, 2023.

Overview of the Financial Statements

The discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of three sections:

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

This report also contains other supplemental 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 of the District's assets (and deferred outflows) and liabilities (and deferred inflows), with the difference reported as net position. Over time, increases and 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 Changes in Net Position*, also referred to as 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 timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items which will only result in cash flows in future fiscal periods (e.g., uncollected assessments).

The government-wide financial statements are provided on pages 12 - 13 of this report.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's major funds individually. A fund is a grouping of related accounts which is used to maintain control over resources which 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 maintains two governmental funds and two proprietary funds. There are no fiduciary funds maintained by the District. The fund financial statements present information in more detail than the government-wide financial statements.

Governmental funds

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

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

The District maintains two governmental funds, the Lake Sumter Landing fund and the Project Wide Special Revenue fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the fund which is considered to be a major fund. Both funds are considered major funds.

The basic governmental fund financial statements can be found on pages 14 - 17 of this report.

A budgetary comparison statement is provided for each of the two governmental funds to demonstrate compliance with the budgets on pages 18 - 19.

Proprietary funds

Proprietary funds are used to report business-type activities. The District maintains two proprietary funds, the Sumter Landing Amenities Division (SLAD) Enterprise Fund and the Sumter Landing Fitness Enterprise Fund. Enterprise funds, a category of proprietary funds, are included as business-type activities in the government-wide financial statements. Proprietary funds statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the SLAD and Fitness funds, which are both considered to be major funds of the Sumter Landing Community Development District. The basic proprietary fund financial statements can be found on pages 20 - 22 of this report.

Notes to the Financial Statements

The notes provide additional information which is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes are presented beginning on page 23.

Government-Wide Financial Statements and Analysis

A comparison of the *Statement of Net Position* for the current year and prior year is presented below.

September 30, 2023
Statement of Net Position

	Governmental Activities		Business-type Activities		Total	
	September 30,		September 30,		September 30,	
	2023	2022	2023	2022	2023	2022
Assets						
Current and other assets	$ 7,353,561	6,699,109	122,969,340	107,849,991	130,322,901	114,549,100
Capital assets, (net of accumulated depreciation)	29,124,712	29,856,855	184,858,746	189,687,736	213,983,458	219,544,591
Intangible assets, (net of accumulated amortization)	-	-	126,149,928	131,349,753	126,149,928	131,349,753
Total assets	36,478,273	36,555,964	433,978,014	428,887,480	470,456,287	465,443,444
Defferent outflows of resources						
Deferred amount on debt refunding	-	-	713,143	760,686	713,143	760,686
Total assets and deferred outflows	36,478,273	36,555,964	434,691,157	429,648,166	471,169,430	466,204,130
Liabilities						
Current liabilities	1,399,445	255,006	14,604,290	13,028,366	16,003,735	13,283,372
Long-term debt:						
Due within one year	-	-	8,510,000	8,260,000	8,510,000	8,260,000
Due in more than one year	-	-	349,300,000	357,810,000	349,300,000	357,810,000
Total liabilities	1,399,445	255,006	372,414,290	379,098,366	373,813,735	379,353,372
Deferred inflows of resources						
Deferred amount on leases	-	-	1,636,213	1,681,981	1,636,213	1,681,981
Total liabilities and deferred inflows	1,399,445	255,006	374,050,503	380,780,347	375,449,948	381,035,353
Net position (deficit)						
Net investment in capital assets	29,124,712	29,856,855	(46,088,183)	(44,271,642)	(16,963,471)	(14,414,787)
Restricted for debt seivice	-	-	9,498,726	8,864,766	9,498,726	8,864,766
Restricted for renewal and replacement	-	-	1,563,011	1,450,962	1,563,011	1,450,962
Unrestricted	5,954,116	6,444,103	95,667,100	82,823,733	101,621,216	89,267,836
Total net position	$ 35,078,828	36,300,958	60,640,654	48,867,819	95,719,482	85,168,777

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The District's total assets (and deferred outflows) exceeded total liabilities (and deferred inflows) by $95,719,482. The net position increased $10,550,705 from a balance of $85,168,777 as of September 30, 2022.

The District's net position is broken down into five categories:

- **Net investment in capital assets** A total ($16,963,471) or (17.7%) reflects its investment in capital assets less any related outstanding debt to acquire those assets. The District uses these capital assets to provide services to its residents; therefore, these assets are not available for future spending. Although the District's investment in its 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 will not be used to liquidate these liabilities.
- **Restricted for debt service** An additional $9,498,726 of the District's net position or 9.9% represents resources which are subject to external restrictions on how they may be used. The District's restricted net position is restricted for the purpose of meeting its debt service obligations.
- **Restricted for renewal and replacement** A total $1,563,011 of the District's net position or 1.6% is restricted by the bond indenture for use in the renewal and replacement of capital assets in the SLAD Fund.
- **Unrestricted net position** The remaining portion of $101,621,216 or 106.2% is unrestricted and available to meet the future needs of the district.

A comparison of the *Statement of Changes in Net Position* for the current year and prior year is presented below.

Statement of Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	September 30,		September 30,		September 30,	
	2023	2022	2023	2022	2023	2022
Program revenues						
Charges for services	$ 19,384,199	16,186,293	86,573,679	81,300,260	105,957,878	97,486,553
Operating grants and contributions	180,757	163,406	-	-	180,757	163,406
General revenues						
Investment earnings (losses)	458,765	(537,497)	4,715,938	(1,714,563)	5,174,703	(2,252,060)
Interest income - leases	-	-	63,666	64,468	63,666	64,468
Gain (loss) on sale of capital assets	-	-	-	(262,234)	-	(262,234)
Sale of surplus	-	-	15,118	7,081	15,118	7,081
Other revenues	6,310	-	23,784	8,738	30,094	8,738
Total revenues	20,030,031	15,812,202	91,392,185	79,403,750	111,422,216	95,215,952
Expenses						
General government	4,562	-	-	-	4,562	-
Physical environment	19,915,872	18,722,483	-	-	19,915,872	18,722,483
Recreation	-	-	50,884,937	46,816,846	50,884,937	46,816,846
Fitness	-	-	1,115,606	906,438	1,115,606	906,438
Interest on long-term debt	-	-	15,009,888	15,260,034	15,009,888	15,260,034
Depreciation expense	1,331,727	1,310,593	7,361,551	7,301,645	8,693,278	8,612,238
Amortization expense	-	-	5,247,368	5,247,368	5,247,368	5,247,368
Total expenses	21,252,161	20,033,076	79,619,350	75,532,331	100,871,511	95,565,407
Changes in net position	(1,222,130)	(4,220,874)	11,772,835	3,871,419	10,550,705	(349,455)
Net position, beginning	36,300,958	40,521,832	48,867,819	44,996,400	85,168,777	85,518,232
Net position, ending	$ 35,078,828	36,300,958	60,640,654	48,867,819	95,719,482	85,168,777

As noted earlier, the Statement of Changes in Net Position presents information showing how the District's net position changed during the most recent fiscal year.

Revenues The District's revenues for the years ended September 30, 2023, and September 30, 2022 were $111,422,216 and $95,215,952, respectively. Total revenues increased 17.0% year over year. The District's expenses for the years ended September 30, 2023, and September 30, 2022, were $100,871,511 and $95,565,407 respectively. Total expenses increased 5.6% which was related primarily to an increase in recreation, physical environment, fitness expense offset by a decrease in interest on long-term debt.

Revenues include amenity and general governmental revenues, special assessments for maintenance and investment earnings on cash balances held during the year. Governmental activities revenue totalled $19,564,956, an increase of $3,215,257 over prior year. Fitness revenue totaled $1,142,285 in fiscal year 2023, an increase of $157,511 compared to the prior year. Recreation revenue totaled $85,431,394 in fiscal year 2023, an increase of $5,115,908 over prior year. Investment income (loss) increased by $7,426,763 over the prior year with an investment earnings of $5,174,703 for the year.

Expenses General government expenses increased $4,562 in fiscal year 2023 compared to fiscal year 2022. Physical environment expenses, including landscaping, irrigation, utilities and maintenance costs, increased $1,193,389, as compared to the prior fiscal year. Recreation expenses increased $4,068,091 and fitness expenses increased $209,168. Depreciation expense increased $81,040 over prior year and amortization expense remained steady year over year.

Government Fund Budgetary Highlights

The Budget to actual comparison statement shows the original budget, amended budget, actual amounts and any variance between the final budget and actual amounts. Budget amendments are approved throughout the year. Budgets are revised for a variety of reasons, such as an unforeseen expenditure. Below are notable variances between the original to final budget and final budget to actual.

Lake Sumter Landing Fund

- During fiscal year 2023 the final General Fund revenue budget was changed compared to the original budgeted revenues mostly due to an increase of $10,000 in Other income.
- The total expenditure budget increased $132,500 primarily in capital outlay, building, landscape and other maintenance offset by a decrease in utility services.
- Total revenues were $93,523, or 4.6% over budget for the year primarily due to increase in investment earnings (losses) by $103,172 offset by a decrease in other income by $9,649.
- Total expenses were $591,376, or 20.6% under budget for the year primarily due to decrease in capital outlay by $402,358, decrease in building, landscape and other maintenance by $144,807 and decrease in management and other professional services by $27,002.

Project-wide Special Revenue Fund

- During fiscal year 2023, the final General Fund revenue budget was unchanged compared to the original budgeted revenues.
- The total expenditure budget increased $1,740,288 primarily in capital outlay, building, landscape and other maintenance offset by a decrease in other expenditures.
- Total revenues were $309,912, or 1.8% over budget for the year primarily due to increase in investment earnings (losses) by $330,593 offset by a decrease in other income by $20,681. Investment returns showed a decrease over the prior fiscal year, due to market conditions.
- Total expenses were $1,688,694, or 8.5% under budget for the year primarily due to capital outlay, building, landscape and other maintenance, management and other professional services.

Capital Assets and Debt Administration

Capital Assets

The District's investment in capital assets as of September 30, 2023 amounts to $213,983,458. This investment in capital assets includes land, infrastructure, buildings and furniture and fixture. New capital assets totaled $4,092,941 and disposals totaled $960,796 during the year. Depreciation expenses totaled $8,693,278. The overall decrease in capital assets of $5,561,133.

Additional information regarding the District's capital assets can be found in Note 3 of the Notes to Basic Financial Statements.

Long-Term Debt

As of September 30, 2023, and September 30, 2022, the District had long-term debt outstanding of $357,810,000 and $366,070,000, respectively. The majority of the debt consists of Recreational Revenue Bonds and Recreation Revenue Refunding Bonds. This debt is secured by a lien and pledge of revenues under the indentures which are derived by the District from the users of the recreational facilities.

Additional information regarding the District's long-term debt can be found in Note 5 of the Notes to Basic Financial Statements.

Economic Factors and Next Year's Budget and Rates

Local, state and national economic factors influence the District's budget in a variety of ways. These factors were considered in preparing the District's General Fund budget for the 2023 Fiscal Year

- The unemployment rate in Sumter County where the District is located was 4.8% in September 2023, an increase from 3.9% a year ago. The County's average unemployment rate was above the State's average unemployment rate of 3.0%, which was below the national average rate of 3.6%.
- Inflationary trends in the area are comparable to national indices. The national Consumer Price Index (CPI) annual change for all urban consumers decreased from 8.2% in September 2022 to 3.7% in September 2023.

Lake Sumter Landing Special Revenue Fund: In Fiscal Year 2024, the total revenues are projected to increase by $572,413 compared to the Fiscal Year 2023 final budget. There is a planned increase in maintenance assessments of $316,898 and investment income of $70,900 offset by a decrease in other revenue of $9,760. The Fiscal Year 2024 expenditure budget projects an increase of $572,413, when compared to the Fiscal Year 2023 final budget. The increase in expenditures results primarily from an increase in capital outlay and building and structure maintenance.

Project Wide Special Revenue Fund: In Fiscal Year 2024, the total revenues are projected to increase by $2,140,656 compared to the Fiscal Year 2023 final budget. There is a 11% increase in maintenance assessments budgeted. The Fiscal Year 2024 expenditure budget projects an increase of $641,868, when compared to the Fiscal Year 2023 final budget. The overall increase in expenditures is comprised of increases in landscape maintenance, building/ structure and other maintenance and a decrease in capital outlay.

Sumter Landing Amenities Division Fund: In Fiscal Year 2024, the total revenues are projected to increase by $8,370,639 compared to the Fiscal Year 2023 final budget. An increase in amenity fees, investment income other revenue makes up the majority of the revenue increase. The Fiscal Year 2024 expenditure budget projects an increase of $10,342,712, when compared to the Fiscal Year 2023 final budget. The

increase in expenditures results primarily from an increase in capital outlay and management and other professional services.

Fitness Enterprise Fund: In Fiscal Year 2024, the total revenues are projected to decrease by $75,812 compared to the Fiscal Year 2023 final budget. An overall decrease in membership dues is projected in the amount of $109,612 with investment income increasing by $34,800. The Fiscal Year 2024 expenditure budget projects a decrease of $111,729, when compared to the Fiscal Year 2023 final budget. The decrease in expenditures results primarily from a decrease in non-capital ff&e and building/structure maintenance offset by an increase in management and other professional services.

To Obtain Further Information

The District's financial statements are designed to provide a general overview of the District's finances and to demonstrate the District's accountability. If you have any questions about the report or would like additional financial information, contact the Village Community Development Districts, Finance Office at:

984 Old Mill Run
The Villages, FL 32162
Telephone (352) 753-0421

It is also suggested you visit our website at www.districtgov.org for general information and additional financial information about the District.

Statement of Net Position
September 30, 2023

Assets	Governmental Activities	Business-type Activities	Total
Cash and cash equivalents	$ 490,943	$ 78,194,851	$ 78,685,794
Receivables, net	15,808	6,557,245	6,573,053
Accrued interest receivable	-	77,133	77,133
Investments	6,131,228	35,569,306	41,700,534
Due from other governments	710,879	844,438	1,555,317
Prepaid expenses	4,703	40,600	45,303
Lease receivable	-	1,685,767	1,685,767
Capital assets:			
Non depreciable assets	3,864,229	15,680,058	19,544,287
Depreciable assets (net of accumulated depreciation)	25,260,483	169,178,688	194,439,171
Intangible assets (net of accumulated amortization)	-	126,149,928	126,149,928
Total assets	36,478,273	433,978,014	470,456,287
Deferred outflows of resources			
Deferred amount on debt refunding	-	713,143	713,143
Total assets and deferred outflows	36,478,273	434,691,157	471,169,430
Liabilities			
Accounts payable	1,393,844	2,718,804	4,112,648
Accrued liabilities	15	9,592	9,607
Accrued interest payable	-	7,504,950	7,504,950
Due to other governments	-	240,458	240,458
Due to developer	-	138,967	138,967
Unearned revenue	-	3,991,519	3,991,519
Other current liabilities	5,586	-	5,586
Total current liabilities	1,399,445	14,604,290	16,003,735
Long-term debt:			
Due within one year	-	8,510,000	8,510,000
Due in more than one year	-	349,300,000	349,300,000
Total long-term debt	-	357,810,000	357,810,000
Total liabilities	1,399,445	372,414,290	373,813,735
Deferred inflows of resources			
Deferred amount on leases	-	1,636,213	1,636,213
Total liabilities and deferred inflows	1,399,445	374,050,503	375,449,948
Net position			
Net investments in capital assets	29,124,712	(46,088,183)	(16,963,471)
Restricted for:			
Debt service	-	9,498,726	9,498,726
Renewal and replacement	-	1,563,011	1,563,011
Unrestricted	5,954,116	95,667,100	101,621,216
Total net position	$ 35,078,828	$ 60,640,654	$ 95,719,482

See accompanying notes to basic financial statements.

Statement of Activities
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 assets: Governmental activities	Net (expense) revenue and changes in net assets: Business-type activities	Net (expense) revenue and changes in net assets: Total
Governmental activities							
General government	$ 4,562	-	-	-	(4,562)	-	(4,562)
Physical environment	19,915,872	19,384,199	180,757	-	(350,916)	-	(350,916)
Depreciation expense	1,331,727	-	-	-	(1,331,727)	-	(1,331,727)
Total governmental activities	21,252,161	19,384,199	180,757	-	(1,687,205)		(1,687,205)
Business-type activities							
Fitness	1,115,606	1,142,285	-	-	-	26,679	26,679
Recreation	50,884,937	85,431,394	-	-	-	34,546,457	34,546,457
Interest on long-term debt	15,009,888	-	-	-	-	(15,009,888)	(15,009,888)
Depreciation expense	7,361,551	-	-	-	-	(7,361,551)	(7,361,551)
Amortization expense	5,247,368	-	-	-	-	(5,247,368)	(5,247,368)
Total business-type activities	79,619,350	86,573,679	-	-	-	6,954,329	6,954,329
Total primary government	$ 100,871,511	105,957,878	180,757	-	(1,687,205)	6,954,329	5,267,124
General revenues							
Investment earnings (losses)					458,765	4,715,938	5,174,703
Interest income - leases					-	63,666	63,666
Sale of surplus					-	15,118	15,118
Other revenues					6,310	23,784	30,094
Total general revenues					465,075	4,818,506	5,283,581
Change in net position					(1,222,130)	11,772,835	10,550,705
Net position - beginning					36,300,958	48,867,819	85,168,777
Net position - ending					$ 35,078,828	60,640,654	95,719,482

See accompanying notes to basic financial statements.

Balance Sheet - Governmental Funds
September 30, 2023

	Lake Sumter Landing	Project Wide	Total
Assets			
Cash and cash equivalents	$ 77,240	413,703	490,943
Investments	1,421,888	4,709,340	6,131,228
Prepaid expenses	4,703	-	4,703
Due from other governments	783	710,096	710,879
Receivables, net	5,088	10,720	15,808
Total assets	1,509,702	5,843,859	7,353,561
Liabilities			
Accounts payable	162,406	1,231,438	1,393,844
Accrued liabilities	15	-	15
Other current liabilities	-	5,586	5,586
Total liabilities	162,421	1,237,024	1,399,445
Fund balances			
Non-spendable	4,703	-	4,703
Committed			
Conservation easement	-	19,320	19,320
Renewal and replacement	1,063,355	1,979,433	3,042,788
Restricted	279,223	2,608,082	2,887,305
Total fund balances	1,347,281	4,606,835	5,954,116
Total liabilities and fund balances	$ 1,509,702	5,843,859	7,353,561

See accompanying notes to basic financial statements.

Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position
September 30, 2023

Total fund balances, governmental funds		$ 5,954,116
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:		
Capital assets	$ 50,634,536	
Less accumulated depreciation	(21,509,824)	
		29,124,712
Net position of governmental activities		$ 35,078,828

See accompanying notes to basic financial statements.

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
Year Ended September 30, 2023

	Lake Sumter Landing	Project Wide	Total
Revenues			
Management and other fees collected:			
Intergovernmental revenue	-	17,378,842	17,378,842
Special assessments:			
Special assessments	$ 1,987,066	-	1,987,066
Investment earnings (losses)	103,172	355,593	458,765
Other income:			
Rental revenue	18,291	-	18,291
Other revenues	23,901	163,166	187,067
Total revenues	2,132,430	17,897,601	20,030,031
Expenditures			
Current:			
General government	1,739	2,823	4,562
Physical environment	2,180,799	17,735,073	19,915,872
Capital outlay	94,642	504,942	599,584
Total expenditures	2,277,180	18,242,838	20,520,018
Net change in fund balances and transfers	(144,750)	(345,237)	(489,987)
Fund balances, beginning	1,492,031	4,952,072	6,444,103
Fund balances, ending	$ 1,347,281	4,606,835	5,954,116

See accompanying notes to basic financial statements.

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities
Year Ended September 30, 2023

Net change in fund balances - total governmental funds		$ (489,987)
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 capitalized and allocated over their estimated useful lives as depreciation expense. This is the amount of capital outlay less depreciation expense in the fiscal year.		
Capital outlay	$ 599,584	
Depreciation expense	(1,331,727)	
		(732,143)
Change in net position of governmental activities		$ (1,222,130)

See accompanying notes to basic financial statements.

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Lake Sumter Landing Fund
Year ended September 30, 2023

	Original Budget	Amended Budget	YTD Actual	Variance
Revenues				
Special assessments	$ 1,987,066	$ 1,987,066	$ 1,987,066	$ -
Investment earnings (losses)	-	-	103,172	103,172
Other income	41,841	51,841	42,192	(9,649)
Total revenues	2,028,907	2,038,907	2,132,430	93,523
Expenditures				
Management and other professional services	455,022	457,522	430,520	(27,002)
Utility services	256,993	253,993	247,618	(6,375)
Building, landscape and other maintenance	1,567,403	1,603,288	1,458,481	(144,807)
Capital outlay	400,000	497,000	94,642	(402,358)
Other expenditures	56,638	56,753	45,919	(10,834)
Total expenditures	2,736,056	2,868,556	2,277,180	(591,376)
Net change in fund balances	$ (707,149)	$ (829,649)	$ (144,750)	$ 684,899
Fund balances, beginning	1,492,031	1,492,031	1,492,031	-
Fund balances, ending	$ 784,882	$ 662,382	$ 1,347,281	$ 684,899

See accompanying notes to basic financial statements.

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Project Wide Fund
Year ended September 30, 2023

	Original Budget	Amended Budget	YTD Actual	Variance
Revenues				
Management and other fees collected	$ 17,378,842	$ 17,378,842	$ 17,378,842	$ -
Investment earnings (losses)	25,000	25,000	355,593	330,593
Other income	183,847	183,847	163,166	(20,681)
Total revenues	17,587,689	17,587,689	17,897,601	309,912
Expenditures				
Management and other professional services	621,673	708,940	643,288	(65,652)
Utility services	1,158,451	1,284,341	1,284,357	16
Building, landscape and other maintenance	15,803,565	15,978,654	15,799,840	(178,814)
Capital outlay	603,555	1,959,097	504,942	(1,454,155)
Other expenditures	4,000	500	10,411	9,911
Total expenditures	18,191,244	19,931,532	18,242,838	(1,688,694)
Net change in fund balances	$ (603,555)	$ (2,343,843)	$ (345,237)	$ 1,998,606
Fund balances, beginning	4,952,072	4,952,072	4,952,072	-
Fund balances, ending	$ 4,348,517	$ 2,608,229	$ 4,606,835	$ 1,998,606

See accompanying notes to basic financial statements.

Proprietary Funds
Statement of Net Position
September 30, 2023

	Sumter Landing Amenities Division (SLAD)	Sumter Landing Fitness Fund	Total
Assets			
Current assets:			
Cash and cash equivalents	$ 58,212,711	1,415,453	59,628,164
Restricted cash and cash equivalents	17,003,676	-	17,003,676
Receivables, net	6,556,510	735	6,557,245
Investments	33,000,342	2,568,964	35,569,306
Lease receivable - current	22,860	-	22,860
Due from other funds	-	4,332	4,332
Due from other governments	738,703	105,735	844,438
Accrued interest receivable	77,133	-	77,133
Prepaid expenses	40,600	-	40,600
Total current assets	115,652,535	4,095,219	119,747,754
Non-current assets:			
Restricted cash and cash equivalents	1,563,011	-	1,563,011
Lease receivable - non-current	1,662,907	-	1,662,907
Capital assets:			
Land	13,139,728	-	13,139,728
Buildings	222,428,795	20,362	222,449,157
Infrastructure	5,773,983	-	5,773,983
Furniture, equipment and vehicles	416,523	15,754	432,277
Construction in progress	2,540,330	-	2,540,330
Less accumulated depreciation	(59,440,613)	(36,116)	(59,476,729)
Intangible assets (net of accumulated amortization)	126,149,928	-	126,149,928
Total non-current assets	314,234,592	-	314,234,592
Total assets	429,887,127	4,095,219	433,982,346
Deferred outflows of resources			
Deferred amount on debt refunding	713,143	-	713,143
Total assets and deferred outflows	430,600,270	4,095,219	434,695,489
Liabilities			
Current liabilities:			
Accounts payable	2,683,549	35,255	2,718,804
Accrued liabilities	3,194	6,398	9,592
Accrued interest payable	7,504,950	-	7,504,950
Due to other funds	4,332	-	4,332
Due to other governments	240,458	-	240,458
Due to developer	138,967	-	138,967
Unearned revenue	3,768,488	223,031	3,991,519
Current installments of revenue bonds payable	8,510,000	-	8,510,000
Total current liabilities	22,853,938	264,684	23,118,622
Non-current liabilities:			
Revenue bonds payable, net	349,300,000	-	349,300,000
Total non-current liabilities	349,300,000	-	349,300,000
Total liabilities	372,153,938	264,684	372,418,622
Deferred inflows of resources			
Deferred amount on leases	1,636,213	-	1,636,213
Total liabilities and deferred inflows	373,790,151	264,684	374,054,835
Net position			
Net investment in capital assets	(46,088,183)	-	(46,088,183)
Restricted for:			
Debt service	9,498,726	-	9,498,726
Renewal and replacement	1,563,011	-	1,563,011
Unrestricted	91,836,565	3,830,535	95,667,100
Total net position	$ 56,810,119	3,830,535	60,640,654

See accompanying notes to basic financial statements.

Proprietary Funds
Statement of Revenues, Expenses and Changes in Fund Net Position
Year Ended September 30, 2023

	Sumter Landing Amenities Division (SLAD)	Sumter Landing Fitness Fund	Total
Operating revenues			
Charges for services:			
Amenity fees	$ 80,703,090	-	80,703,090
Membership fees	-	1,140,574	1,140,574
Safety fees	752,095	-	752,095
Recreational fees	3,227,110	30	3,227,140
Other revenues	772,882	1,682	774,564
Total operating revenues	85,455,177	1,142,286	86,597,463
Operating expenses			
Administrative services	6,628,431	1,359	6,629,790
Community Watch Services	4,219,750	-	4,219,750
Maintenance and Operations	20,649,768	-	20,649,768
Recreational Maintenance	19,386,988	1,114,247	20,501,235
Depreciation expense	7,361,368	183	7,361,551
Amortization expense	5,247,368	-	5,247,368
Total operating expenses	63,493,673	1,115,789	64,609,462
Operating income	21,961,504	26,497	21,988,001
Non-operating revenue (expenses)			
Investment earnings (losses)	4,505,303	210,635	4,715,938
Interest expense	(15,009,888)	-	(15,009,888)
Interest income - leases	63,666	-	63,666
Sale of surplus	11,099	4,019	15,118
Total non-operating revenue (expenses)	(10,429,820)	214,654	(10,215,166)
Change in net position	11,531,684	241,151	11,772,835
Total net position, beginning	45,278,435	3,589,384	48,867,819
Total net position, ending	$ 56,810,119	3,830,535	60,640,654

See accompanying notes to basic financial statements.

Proprietary Funds
Statement of Cash Flows
For The Fiscal Year Ended September 30, 2023

	Sumter Landing Amenities Division (SLAD)	Sumter Landing Fitness Fund	Total
Cash flows from operating activities:			
Receipts from customers	$ 84,795,724	1,156,070	85,951,794
Payments to suppliers and others	(49,189,217)	(1,087,500)	(50,276,717)
Net cash provided by operating activities	$ 35,606,507	68,570	35,675,077
Cash flows from capital and related financing activities:			
Principal payments on capital debt	(8,260,000)	-	(8,260,000)
Lease interest	63,666	-	63,666
Interest paid on capital debt	(15,134,960)	-	(15,134,960)
Acquisition of capital assets	(2,532,561)	-	(2,532,561)
Proceeds from sale of surplus	11,099	4,019	15,118
Net cash provided by (used in) capital and related financing activities	(25,852,756)	4,019	(25,848,737)
Cash flows from investing activities:			
Purchases of investments	(16,276,240)	(166,833)	(16,443,073)
Interest on investments	3,704,152	129,210	3,833,362
Net cash used in investing activities	(12,572,088)	(37,623)	(12,609,711)
Net increase (decrease) in cash and cash equivalents	(2,818,337)	34,966	(2,783,371)
Cash and cash equivalents, beginning of year	79,597,735	1,380,487	80,978,222
Cash and cash equivalents, end of year	$ 76,779,398	1,415,453	78,194,851
Reconciliation of cash and cash equivalents per statement of cash flows to the statement of net position:			
Cash per statement of net position:			
Unrestricted cash and cash equivalents	$ 58,212,711	1,415,453	59,628,164
Restricted cash and cash equivalents - current	17,003,676	-	17,003,676
Restricted cash and cash equivalents - non-current	1,563,011	-	1,563,011
Cash and cash equivalents	$ 76,779,398	1,415,453	78,194,851
Reconciliation of operating income to net cash provided (used) in operating activities:			
Operating income (loss)	$ 21,961,504	26,497	21,988,001
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation expense	7,361,368	183	7,361,551
Amortization expense	5,247,368	-	5,247,368
Change in assets and liabilities:			
(Increase) Decrease in:			
Receivables, net	(714,040)	(506)	(714,546)
Lease receivable	(23,750)	-	(23,750)
Due from other funds	138,964	(4,332)	134,632
Due from other governments	(3,177)	(33,029)	(36,206)
Prepaid expenses	12,699	-	12,699
Increase (Decrease) in:			
Accounts payable and accrued liabilities	1,781,297	27,715	1,809,012
Unearned revenue	(57,450)	51,653	(5,797)
Due to developer	115,793	-	115,793
Due to other funds	4,332	-	4,332
Due to other governments	(218,401)	389	(218,012)
Net cash provided by operating activities	$ 35,606,507	68,570	35,675,077

See accompanying notes to basic financial statements.

Notes to Financial Statements

Note 1 - Summary of Significant Accounting Policies

Financial Reporting Entity

Sumter Landing Community Development District (the District) was established on March 19, 2002 to manage and finance basic services for a development district located in The Villages, Florida. The District was created by Sumter County Commission Ordinance No. 02-06 pursuant to the provisions of Chapter 190.005, Florida Statutes, and operates within the criteria established by Chapter 190. The District is governed by a five-member Board of Supervisors; the Supervisors are elected on a rotating basis by the landowners within the District for terms from two to four years. As of September 30, 2023, each member of the Board of Supervisors is an employee of or affiliated with the Developer.

The District provides recreation and security services in addition to roadway and landscaping maintenance to the residents of a retirement community known as The Villages, located in The Villages, Florida. The land within the District is part of the active adult retirement community known as “The Villages”. The Villages of Lake-Sumter, Inc. was the developer and initial owner of the property within the District.

The Villages continues to be developed by the Developer, a family-owned business established for the single purpose of developing The Villages. Today, The Villages spans approximately 89 square miles across the borders of Lake, Sumter and Marion Counties, the City of Wildwood, the City of Fruitland Park, the City of Leesburg and the Town of Lady Lake, Florida, with a population of approximately 150,000. Development is currently underway in the south end of The Villages.

The financial statements of the District have been prepared in conformity with U.S. Generally Accepted Accounting Principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles. As defined by GASB, the financial reporting entity is required to include the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Blended component units, on the other hand, are reported in a separate column in the statement of net position to emphasize they are legally separate from the government.

There are no component units which are legally separate from the District. There are eighteen Community Development Districts in the total structure of The Villages, each being a separate government entity established pursuant to Chapter 190, Florida Statutes.

The following is a listing of these Community Development Districts:

- Village Center Community Development District provides water and sewer utility services, recreation facilities and services, security, fire protection, emergency medical first response (including transport services) and executive golf services to the residents. The cost of operations is funded by amenity and utility fees that residents pay monthly. This District also provides for the maintenance of common areas and roadways for the commercial areas within the District boundaries. The cost of maintenance in the commercial areas is funded through commercial maintenance assessments. Lastly, the District provides administrative services, including human resources, payroll, accounting, property management, recreation leadership and community standard services to the Community Development Districts.
- Sumter Landing Community Development District provides recreation facilities and services, security, fire protection, emergency medical first response (non-transport) and executive golf services to the

residents. The cost of operations is funded by amenity fees which residents pay monthly. This District also provides for the maintenance of common areas and roadways for the commercial areas within the CDD boundaries in Sumter County. The cost of maintenance in the commercial areas is funded through commercial maintenance assessments

- Brownwood Community Development District provides the maintenance of common areas and roadways for the commercial areas within the District boundaries in Sumter County. The cost of maintenance in the commercial areas is funded through commercial maintenance assessments as the new downtown area builds out.
- The Village Community Development District No. 1 boundary consists of approximately 993 acres in Sumter County. The development included construction of 3,420 residential units.
- The Village Community Development District No. 2 boundary consists of approximately 990 acres in Sumter County. The development included construction of 3,668 residential units.
- The Village Community Development District No. 3 boundary consists of approximately 894 acres in Sumter County. The development included construction of 3,762 residential units.
- The Village Community Development District No. 4 boundary consists of approximately 1,253 acres in Marion County. The development included construction of 5,432 residential units.
- The Village Community Development District No. 5 boundary consists of approximately 1,407 acres in Sumter County. The development included construction of 6,399 residential units.
- The Village Community Development District No. 6 boundary consists of approximately 1,497 acres in Sumter County. Planned development included construction of 6,697 residential units.
- The Village Community Development District No. 7 boundary consists of approximately 976 acres in Sumter County. The development included construction of 4,765 residential units.
- The Village Community Development District No. 8 boundary consists of approximately 1,098 acres in Sumter County. The development included construction of 5,193 residential units of which 10 are being used as lifestyle preview homes by the Developer.
- The Village Community Development District No. 9 boundary consists of approximately 1,299 acres in Sumter County. The development included construction of 5,409 residential units.
- The Village Community Development District No. 10 boundary consists of approximately 1,489 acres in Sumter County. The development includes construction of 6,639 residential units.
- The Village Community Development District No. 11 boundary consists of approximately 693 acres within the city limits of Fruitland Park in Lake County. The development included construction of 2,055 residential units.
- The Village Community Development District No. 12 boundary consists of approximately 1,483 acres within the city limits of the City of Wildwood in Sumter County. Planned development includes construction of 6,202 residential units of which 53 are being used as lifestyle preview homes by the Developer.
- The Village Community Development District No. 13 boundary consists of approximately 2,232 acres within the city limits of the City of Wildwood in Sumter County. Planned development includes construction of 8,062 residential units of which 101 remain unsold as of the end of the fiscal year.
- The Village Community Development District No. 14 boundary consists of approximately 2,385 acres within the city limits of the City of Leesburg in Lake County. Planned development includes construction of 3,234 residential units in Phase I and construction is currently underway.
- The Village Community Development District No. 15 boundary consists of approximately 1,378 acres within the city limits of the City of Wildwood in Sumter County. Planned development includes construction of 3,616 residential units in Phase I and construction is currently underway.

In addition to the above community development districts, there are two dependent districts of Sumter County in the total structure of Districts:

- North Sumter County Utility Dependent District (NSCUDD) – NSCUDD is a dependent district of Sumter County. This dependent district provides water, wastewater, and non-potable irrigation water to Village properties between C.R. 466 to S.R 44 in Sumter County. NSCUDD also provides solid waste sanitation services for the Sumter County, Marion County, and portions of The Villages that are in the City of Fruitland Park and City of Wildwood.
- Wildwood Utility Dependent District (WUDD) – WUDD is a dependent district of the City of Wildwood. This dependent district provides water, wastewater and irrigation service to Village properties located south of State Road 44.

Middleton, By The Villages

During fiscal year 2023, the Developer introduced Middleton A, a family oriented or non-age restricted community known as "Middleton By The Villages." This community will offer residents their own recreation, community parks, and a charter school in addition to a town center with shopping, dining, and entertainment.

To provide for the necessary community wide infrastructure for this new community a new District was formed.

- Middleton Community Development District A (the District) was established for the purpose of planning, financing, constructing, operating, and maintaining the community-wide infrastructure for this new community development district located entirely within Sumter County, Florida. Phase I consists of 994 residential units. As of September 30, 2023, 175 homes have been sold.

Basis of Presentation

Government-wide Statements: The financial statements include both government-wide financial statements, based on the District as a whole, and fund financial statements. The government-wide financial statements report information on all of the non-fiduciary activities of the District. The effect of any inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by assessments and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The government-wide statement of net position reports the governmental activities of the District on a government-wide basis and on a full accrual basis, using the economic resources measurement focus, which incorporates long-term assets and receivables as well as long-term debt and obligations. The statement of net position also addresses deferred inflows and deferred outflows. The statement of activities reflects the expenses of the District, which are offset by revenues. Program revenues are defined as charges for services, operating grants and contributions, and capital grants and contributions directly associated with a given function.

Fund Financial Statements: Separate financial statements are provided for the governmental and proprietary funds. Major individual governmental funds are presented in separate columns on the fund financial statements and all non-major funds are aggregated and displayed in a single column. The governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide and the statements of the governmental funds. The Lake Sumter Landing and the Project Wide Special Revenue funds meet the definition of governmental funds and are designated as major funds. The Sumter Landing Amenities Division (SLAD) and Fitness Enterprise funds meet the definition of proprietary funds and are also designated as major funds. The District has no non-major funds.

Program revenues in the statement of activities consist primarily of special assessments for the governmental funds and charges for recreational amenities in the proprietary funds as well as grants and contributions

that are restricted to meeting the operational or capital requirements of a particular function or segment. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

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 in which the related debt is issued and the assessments established.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Principal operating revenues of the Districts enterprise funds are charges to customers for services and activity fees. Operating expenses for enterprise funds include contractual services, other supplies and expenses, utilities, intergovernmental expenses, and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

The following are the District's major governmental funds:

Lake Sumter Landing Fund: The Lake Sumter Landing Fund is used to account for all financial resources of the government for commercial area maintenance in the District.

Project Wide Special Revenue Fund: The Project Wide Special Revenue Fund is used to account for the revenues associated with an inter-local agreement with each District located south of Sumter County Route 466 related to the maintenance of landscaping along road rights-of-way, fences, multi-modal paths, walls, tunnels, and related drainage and water management structures which benefit the residents of Districts in the same area.

The following are the District's two major enterprise funds:

Sumter Landing Amenities Division (SLAD) Fund: The principal operating revenues of the District's SLAD fund are charges to customers for amenity fee based services, including recreation and security.

Sumter Landing Fitness Enterprise Fund: This enterprise fund accounts for the charges to customers and the expenses of operating the five District fitness centers on a continuing basis. During the current year, the Village Center Community Development District donated the assets of their only fitness center to SLCDD's Fitness Fund.

Governmental Fund Balance Classifications

Governmental fund balances are classified as either non-spendable or spendable. Spendable balances are further classified as restricted, committed, assigned or unassigned, based on the extent to which there are external or internal constraints on the spending of these fund balances. A discussion of each is as follows:

- Non-spendable: This classification includes amounts which cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. "Not in spendable form" includes items which are not expected to be converted into cash (such as inventories and prepaid amounts).
- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors, grantors, contributors, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.
- Committed: This classification includes amounts which can only be used for specific purposes established by the highest decision making authority in the government. Committed amounts cannot be used for any other purposed unless the District removes those constraints by taking the same type action.
- Assigned: This classification includes amounts which are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed.
- Unassigned: This classification includes the residual fund balance for the General Fund. This classification represents fund balance which has not been assigned to other funds and which has not been restricted, committed or assigned to a specific purpose within the General Fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those specific purposes.

The District does not currently use assigned categories of fund balance. All restricted fund balances relate to external debt service restrictions. The Board of Supervisors, the highest decision making authority of the District, approves the establishment, increase and reduction in committed fund balances by budget resolutions and amendments. All other fund balances are unassigned. Restricted and Committed fund balances are always used first for the purposes for which they are designated. Changes to this practice require prior Board of Supervisors approval. A minimum fund balance amount has not been formally adopted.

Budgetary Information

The annual budget is formally adopted by the Board of Supervisors and serves as the legal authorization for expenditures. Legal authority and control are established in accordance with Section 190.008, Florida Statutes. The annual budget, as well as any subsequent amendment, is adopted and approved for the General Fund and Debt Service Fund by the Board of Supervisors. Budgets are adopted on a basis consistent with GAAP. All budget amounts presented in the statements reflect the original budget and the amended final budget.

Assets, Liabilities and Net Position

Cash, Cash Equivalents and Investments The District considers cash and cash equivalents to be cash on hand, demand deposits, cash with fiscal agent, and short-term investments with original maturities of three months or less from the date of acquisition.

The District's investments are recorded at fair value unless the investment qualifies as an external investment pool and follows the guidance in GASB, which allows the investment to be recorded at amortized cost under certain criteria. Fair value is the price which 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 method of measuring the fair value of investments uses the fair value hierarchy as defined by GASB.

Receivables and Payables The accounts receivable of the District are recorded in the government-wide and fund financial statements. Activities between funds which are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds".

Restricted Assets Certain proceeds of revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants. Restricted assets in the form of cash and cash equivalents which will be used to pay current liabilities are classified as current assets in the accompanying statement of net position.

The resolutions, authorizing the recreational revenue bonds require the District establish sinking fund and reserve accounts in amounts which equal the Reserve Account Requirements, which are defined in the Bond Trust Indentures. In addition, the bond resolutions require a renewal and replacement reserve be established.

The renewal and replacement reserve deposits are maintained as restricted assets until such time as needed to fund those necessary recreation and water and sewer system renewals and replacements.

Deferred Outflows/Inflows of Resources In addition to assets, the statement of financial position may report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position which applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has $713,143 in deferred outflows of resources for deferred costs on debt refunding..

In addition to liabilities, the statement of financial positon may report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position which applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. The District has $1,636,213 in deferred inflows of resources for leases.

Capital Assets Capital assets, which may include property (land), buildings, infrastructure assets (roads, sidewalks, etc.), improvements, equipment, construction in progress and intangible assets, are reported in the government-wide financial statements.

The District has established the threshold for additions to capital assets as an asset with an acquisition cost of $10,000 or more, and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The District values and records donated capital assets at the estimated acquisition value of the item at the date of its donation.

Routine maintenance and repairs to capital assets are not included in the reported value because they do not increase the capacity or extend the useful life of the capital asset.

Depreciation of capital assets is computed using the straight-line method and is recorded in general government expenses in the District's statement of activities. Estimated useful lives of the assets are as follows:

- Improvement other than building and structure 40 years
- Furniture and Equipment 5-10 years

Intangible Assets Intangible assets represent the discounted value of future amenity fees or utilities service fees acquired from the Developer, and are capitalized at cost at the date of acquisition. Intangible assets are amortized on a straight-line basis over an estimated useful life of 40 years.

Bond Discounts, Premiums and Issuance Costs In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable business-type activities statement of net position. Bond premiums and discounts and bond insurance costs, are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, proprietary fund types recognize bond issuance costs during the period when the debt is issued. The face amount of debt issued is reported as other financial sources. Issuance costs are reported as other debt services expenditures.

Net Position

Net investment in capital assets is intended to reflect the portion of net position which is associated with capital assets net of accumulated depreciation less outstanding capital asset related debt.

Restricted net position is assets which have third party (statutory, bond covenant or granting agency) or enabling legislation limits on their use. The District would typically use restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use thereof to a future project or replacement equipment acquisition.

Unrestricted net position represents net position not included in net investment in capital assets or restricted net position.

Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make various estimates and assumptions which affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenditures/expenses during the reporting period. Some of these estimates include assessing the collectability of the receivables, the useful lives of capital assets and the collectability of the liabilities. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they could ultimately differ from actual results.

New accounting pronouncements

GASB Statement No. 96 Subscription-Based Information Technology Arrangements

The Governmental Accounting Standard Board issued GASB Statement No. 96, Subscription-Based Information Technology Arrangements ("SBITAs") for implementation in financial reports for fiscal years beginning after June 15, 2022. The objective of this Statement is to increase the usefulness of governments' financial statements with regards to the accounting of subscription based information technology arrangement. A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. The Statement requires recognition of a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability. The District has reviewed its information technology arrangements in place as of September 30, 2023 against the stipulations in GASB No. 96 and found that none of the current agreements met the definition of a SBITA per GASB No. 96. The District will continue to review new IT agreements and if applicable, record the asset and liability in accordance with this new pronouncement.

Note 2 - Cash, Cash Equivalents and Investments

The District maintains an approved Investment Policy and Long-Term Portfolio Investment Policy in compliance with guidelines established by Florida Statutes.

The primary objective of the District's Investment policy is to assure safety and preservation of principal. The objective is to mitigate credit and interest rate risk, maintain the necessary liquidity to match expected liabilities and maximize yield.

The primary objective of the District's Long-term Portfolio Investment policy is to achieve a long-term (five years or longer) level of return commensurate with the contemporary economic conditions and equal to or exceeding the then prevailing investment environment.

Cash and Cash Equivalents: The District's cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent and short-term investments with an original maturity of three months or less.

The District invests its operating cash solely in Qualified Public Depositories which meet the requirements of Chapter 280, Florida Statutes "Florida Security for Public Deposits Act". In addition to protection of up to $250,000 for its deposits with a single bank as provided by the Federal Deposit Insurance Corporation (FDIC), the District's deposits are provided the extra level of security afforded by using a public depository which meets the requirements of Chapter 280. This includes the provision by the public depository of collateral based on the amount of public deposits maintained at the institution and the ability of the State of Florida to levy other public depositories for shortages in collateral in the event of the failure of a public depository. Citizens First Bank is a Qualified Public Depository.

Additionally the District invests Cost of Issuance funds associated with the Trust accounts in First American Government money market fund. The money market fund seeks to provide maximum current income and daily liquidity by purchasing U.S. government securities and repurchase agreements collateralized by such obligations.

As of September 30, 2023, the District's Cash and Cash Equivalents consisted of:

Cash and Cash Equivalents	Fair Value	Weighted Average Maturity (Days)	Credit Rating
Citizens First Bank demand deposits	407,506	1.0	n/a
FI Cooperative Liquid Assets Securities System, FLCLASS	40,420,677	42.0	AAAm
FI Public Assets for Liquidity Management (FL PALM)	8,092,162	43.0	AAAm
FI Public Assets for Liquidity Management (FL PALM TERM)	11,198,762	88.0	AAAm
Florida Fixed Income Trust (FLFIT)	18,566,687	28.0	AAAf/S1
Total Fair Value	$ 78,685,794		
Portfolio Weighted Average Maturity (WAM)		45.1	

The District invests excess funds pursuant to the guidelines established in Section 218.415, Florida Statutes. The authorized investments consist of:

- The Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Inter-local Cooperation Act as provided in Section 163.01, Florida Statutes.
- Securities and Exchange Commission registered money market mutual funds with the highest credit quality rating from a nationally recognized rating agency.
- Interest-bearing time deposits or savings accounts in qualified public depositories as defined in Section 280.02, Florida Statutes.
- Direct obligations of the United States Treasury.
- Federal agencies and instrumentalities.

- Repurchase agreements with financial institutions approved as public depositors, provided the underlying collateral consists of obligations of the United States Government, its agencies and instrumentalities. The repurchase agreement shall be collateralized equal to at least 102 percent of the value of the District's investment.

The District has further segregated a portion of its investment into a long-term investment portfolio with further investment guidelines. The investment objectives are based on a long-term investment horizon of five years or longer. The District has developed a long-term investment horizon such that the risk and duration of investment losses are carefully weighed against the long-term potential for asset growth. A large portion of the assets will be invested in longer-term investments and will be diversified with the intent to minimize risk loss. In order to best balance risk and return for optimal diversification, the following asset allocation has been identified:

	Asset Weightings	
Asset Classes	**Range**	**Target**
Growth Assets		
Domestic Equity	20% - 60%	40%
International Equity	0% - 40%	20%
Other	0% - 20%	0%
Income Assets		
Fixed Income	20% - 60%	40%
Other	0% - 20%	0%
Real Return Assets	0% - 20%	0%
Cash Equivalents	0% - 20%	0%

As of September 30, 2023, the District's Investments consisted of:

Investments	Fair Value	Weighted Average Maturity (Years)	Credit Rating
Florida Fixed Income Trust, FLFIT	$ 11,896,403	0.7	AAAf/S1
Florida Local Government Investment Trust	12,090,024	1.8	AAAf/S1
PFM Multi-Manager Domestic Equity Fund	7,057,808	n/a	n/a
PFM Multi-Manager International Equity Fund	3,666,183	n/a	n/a
PFM Multi-Manager Fixed Income Fund	6,943,445	8.0	AA
First American Government Money Market Fund	46,671	n/a	n/a
Total Investments	$ 41,700,534		
Portfolio Weighted Average Maturity (WAM)		2.1	

The District participates in the following external investment pools:

- Florida Public Assets for Liquid Management (FLPALM) has daily liquidity with unlimited investments and redemptions. The fund has investments in Negotiable Certificates of Deposit, Commercial Paper, Repurchase Agreements, Bank Deposits, Bank Notes, Corporate Notes, Money Market Funds, Federal Agency Bonds/Notes, and US Treasury Notes. The investment advisor, on behalf of the fund, determines the net asset value of the shares at the close of each business day and monitors the difference between the amortized cost and fair market value. The Trustees of the fund can suspend the right of withdrawal or postpone the date of payment if the Trustees determine that there is an emergency that makes the sale of a Portfolio's securities or determination of its net asset value not reasonably practical. The District's investment in FLPALM meets the requirement of GASB No. 79 and is valued at amortized cost.
- Florida Public Assets for Liquid Management Term Portfolio (FLPALM Term) is a fixed-term investment option, holding maturities of 60 days to a year. The Portfolio invests in high quality money market

investments that seeks to maintain principal at maturity while earning the highest return. The District's investment in FLPALM Term does not meet the requirements of GASB Statement No. 79 and is valued at variable Net Asset Value (NAV), which approximates fair value.

- The Florida Local Government Investment Trust (the Trust) is administered by a Board of Trustees appointed by the Florida Association of Court Clerks and County Comptroller, and the Florida Association of Counties, Inc. The Trust was created to provide a means for public entities to pool surplus funds to maximize net earnings certificates of deposit. The District's investment in the Trust Short-Term Bond Fund does not meet the requirements of GASB Statement No. 79 and is valued at variable Net Asset Value (NAV), which approximates fair value.
- The Florida Cooperative Liquid Assets Securities System (FLCLASS) is an independent local government investment pool designed to provide a safe and competitive investment alternative for Florida governmental entities. FLCLASS does not meet the requirements of GASB Statement No. 79 and is measured at variable NAV, which approximates fair value.
- Florida Fixed Income Trust Enhanced Cash Pool is a Series Trust designed to provide liquid solutions to local governments of Florida. The funds objective is to provide liquidity and preservation of capital while providing current income consistent with low volatility of net asset value. The fund does not meet the requirements of GASB Statement No. 79 and is measured at variable NAV, which approximates fair value.

Fair Value Hierarchy. GASB Statement No. 72, Fair Value Measurement and Application, sets forth the framework for measuring fair value. The District's investments are recorded at fair value unless the investment qualifies as an external investment pool under the guidance in GASB Statement No. 79.

The valuation measurement levels are defined below:

- Level 1 inputs are unadjusted price quotations in active markets/exchanges for identical assets or liabilities which a government can access at the measurement date.
- Level 2 inputs are observable inputs including, but not limited to, quoted prices for similar assets or liabilities in active markets, quoted process for identical or similar assets or liabilities in markets which are not active, inputs other than quoted prices which are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market-corroborated inputs
- Level 3 inputs are unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique which maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs.

At September 30, 2023, the District's investments carried the following Fair Value Hierarchy:

	Total	Level 1	Level 2	Level 3
Investment by fair value level:				
PFM Multi-Manager Domestic Equity Fund	$ 7,057,808	$ -	$ 7,057,808	$ -
PFM Multi-Manager International Equity Fund	3,666,183	-	3,666,183	-
PFM Multi-Manager Fixed Income Fund	6,943,445	-	6,943,445	-
Totals	$ 17,667,436	$ -	$ 17,667,436	$ -

Management of the following investment risks are addressed below:

- Custodial credit risk is the risk which a government will not be able to recover deposits or the value of an investment which is in the possession of a failed institution or counterparty.
    - The financial institution in which the District places its deposits is certified as a "qualified public depository" as required under the Florida Security for Public Deposits Act. Therefore, the deposits are entirely insured by Federal depository insurance and collateralized pursuant to Chapter 280, Florida Statutes.
    - At September 30, 2023, and consistent with the investment policy, the District's investments are all registered in the name of the District by a custodian or a trustee for the District.
- Credit risk is the risk of loss from an issuer's failure to repay principal and/or interest on a debt obligation. To manage this risk, the District's investment policy identifies and limits investments to only top ratings issued by nationally recognized statistical rating organization.
- Concentration of investment risk is the increasing probability of loss arising from heavily lopsided exposure to an asset class, issuer, structure or maturity. The District's investment policy stipulates guidelines for diversification of investments by limiting investments to avoid over-concentration in securities from a specific issuer or business sector; limiting investments in securities with higher credit risk; investments in securities with varying maturities; and continuously investing a portion of the portfolio in readily available funds to ensure appropriate liquidity is maintained to meet ongoing obligations.
- Interest rate risk is the risk that a security's value will decrease with a rise in interest rates. To manage interest rate risk, the District maintains a formal short-term investment policy that limits a portion of its investments in maturities, not to exceed five (5) years. The short-term target balance is 85% of the Districts portfolio. The District also adopted a Long-term investment portfolio which targets 15% of investment dollars and may hold some maturities longer than five years. The District maintains and reports interest rate risk using the Weighted Average Maturity (WAM) method. A weighted average takes into consideration both the timing and the amounts of the maturities. The District manages its exposure to decline in fair values by limiting the WAM of its short-term investment portfolio to less than three (3) years.
- Foreign currency risk is the risk of loss from a reduction in value affected by changes in the rate of exchange. The District's investment policies do not allow for direct investments in foreign currency.

Note 3 - Receivables and Payables

Receivables

Accounts Receivable The accounts receivable balance for governmental activity and business-type activities was $15,808 and $6,557,245 as of September 30, 2023 respectively. Business-type receivables include outstanding amounts owed from residents for amenity fees.

The accounts receivable is shown net of the allowance for doubtful accounts totaling $267,066 as of September 30, 2023.

Due from other Governments As of September 30, 2023, a total $1,555,317 is due from other governments. The inter-government balances result from the time lag between the dates that (1) inter-government goods and services were provided or reimbursable expenditure occur, (2) transactions are recorded in the accounting system and (3) payments between governments are made.

Internal Balances, net The internal balances result from transactions between the governmental funds and the proprietary funds. It is due to the time lag between the dates that (1) inter-fund goods and services were provided or reimbursable expenditure occurred, (2) transactions are recorded in the accounting

system and (3) payments between funds are made. The balance at September 30, 2023 is expected to be repaid shortly after year-end from available current assets and next year funding and is offset by the liability balance. There are no internal balances in the current year.

Payables

Accounts Payable As of September 30, 2023, a total $4,112,648 is due to trade vendors in the normal course of business. This balance is expected to be repaid shortly after year-end from available current assets and next year funding.

Due to other Governments As of September 30, 2023, a total $240,458 is due to other governments. The inter-government balances result from the time lag between the dates that (1) inter-government goods and services were provided or reimbursable expenditure occur, (2) transactions are recorded in the accounting system and (3) payments between governments are made. The balance at September 30, 2023 is expected to be repaid shortly after year-end from available current assets and next year funding.

Due to Developer As of September 30, 2023, a total $138,967 is Due to the Developer. This balance represents cost-based recreation fees collected by the District that is owed to the Developer. The balance at September 30, 2023 is expected to be repaid shortly after year-end from available current assets and next year funding.

Unearned Revenue As of September 30,2023 the District reported a total of 3,991,519 of unearned revenue. This unearned revenue consists of accounts billed in advance for amenities and fitness membership dues. The District will recognize these revenues during the period they are earned.

Note 4 - Capital Assets

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

	Beginning balance	Increases Transfers	Transfers/ Decreases	Ending balance
Governmental activities:				
Assets not being depreciated:				
Land	$ 3,707,880	-	-	3,707,880
Construction in progress	157,467	97,724	(98,842)	156,349
Total assets not being depreciated	3,865,347	97,724	(98,842)	3,864,229
Assets being depreciated:				
Buildings and structures	311,353	-	-	311,353
Infrastructure	45,004,523	600,702	-	45,605,225
Furniture & equipment	853,729	-	-	853,729
Total assets being depreciated	46,169,605	600,702	-	46,770,307
Total assets	50,034,952	698,426	(98,842)	50,634,536
Less accumulated depreciation for:				
Buildings and structures	(118,881)	(10,660)	-	(129,541)
Infrastructure	(19,662,485)	(1,249,266)	-	(20,911,751)
Furniture & equipment	(396,731)	(71,801)	-	(468,532)
Total accumulated depreciation	(20,178,097)	(1,331,727)	-	(21,509,824)
Government activities capital assets, net	29,856,855	(633,301)	(98,842)	29,124,712
Business-type activities:				
Assets not being depreciated				
Land	13,139,728	-	-	13,139,728
Construction in progress	1,364,231	2,038,053	(861,954)	2,540,330
Total assets not being depreciated	14,503,959	2,038,053	(861,954)	15,680,058
Assets being depreciated:				
Buildings and structures	222,311,044	117,751	-	222,428,795
Infrastructure	4,535,272	1,238,711	-	5,773,983
Furniture & equipment	432,277	-	-	432,277
Leasehold improvements	20,362	-	-	20,362
Total assets being depreciated	227,298,955	1,356,462	-	228,655,417
Total assets	241,802,914	3,394,515	(861,954)	244,335,475
Less accumulated depreciation for:				
Buildings and structures	(50,126,728)	(7,157,088)	-	(57,283,816)
Infrastructure	(1,595,171)	(187,108)	-	(1,782,279)
Furniture & equipment	(372,917)	(17,355)	-	(390,272)
Leasehold improvements	(20,362)	-	-	(20,362)
Total accumulated depreciation	(52,115,178)	(7,361,551)	-	(59,476,729)
Business activities capital assets, net	189,687,736	(3,967,036)	(861,954)	184,858,746
Total Sumter Landing CDD capital assets, net	219,544,591	(4,600,337)	(960,796)	213,983,458

Note 5 - Intangible Assets

Intangible assets consist of the following as of September 30, 2023:

	Beginning balance	Increases	Decreases	Ending balance
Business activities, SLAD fund:				
Discounted value of amenity fees	$165,679,338	-	-	165,679,338
Less accumulated amortization	(34,329,585)	(5,199,825)	-	(39,529,410)
Intangible assets, net	$131,349,753	(5,199,825)	-	126,149,928

The intangible assets represent the value of assets acquired based on their revenue generating value exceeding their book value. This difference on prior purchases is being amortized over thirty (30) to forty (40) years.

Note 6 - Long-Term Debt

Long-term debt consists of the following Special Assessment Revenue bonds as of September 30, 2023:

Revenue bonds payable consisted of the following:

$55,450,000 Taxable Recreational Revenue Refunding Bonds, Series 2015 due in annual principal installments ranging from $1,775,000 to $3,745,000 through October 2038 in accordance with the redemption schedule. Interest is due semi-annually on April 1 and October 1 of each year until redemption or maturity. Interest rates range from 2.419% to 5.050%.	$ 43,170,000
$320,905,000 Taxable Senior Recreational Revenue Bonds, Series 2016 due in annual principal installments ranging from $5,415,000 to $20,720,000 through October 2047 in accordance with the redemption schedule. Interest is due semi-annually on April 1 and October 1 of each year until redemption or maturity. Interest rates range from 2.339% to 4.172%	286,445,000
$30,900,000 Taxable Subordinate Recreational Revenue Bonds, Series 2016 due in annual principal installments ranging from $540,000 to $1,850,000 through October 2047 in accordance with the redemption schedule. Interest is due semi-annually on April 1 and October 1 of each year until redemption or maturity. Interest rates range from $4.622% to 4.722%.	28,195,000
Total revenue bonds payable	357,810,000
Less current installment of revenue bonds payable	(8,510,000)
Revenue bonds payable less current installments	$ 349,300,000

The Taxable Recreational Revenue Refunding Bonds are secured by a lien and pledge of revenues under the indentures which are derived by the District from the users of the recreational facilities.

These bonds and notes are additionally secured by amounts on deposit in the funds and accounts created pursuant to the indentures.

The annual requirements to amortize the principal and interest of all revenue bonds payable as of September 30, 2023, are as follows:

	Principal	Interest	Total
Fiscal year ending September 30:			
2024	8,510,000	14,873,527	23,383,527
2025	8,785,000	14,590,119	23,375,119
2026	9,080,000	14,287,462	23,367,462
2027	9,390,000	13,961,528	23,351,528
2028	9,730,000	13,583,657	23,313,657
2029-2033	55,240,000	61,174,741	116,414,741
2034-2038	68,360,000	47,748,901	116,108,901
2039-2043	84,635,000	31,177,309	115,812,309
2044-2048	104,080,000	11,334,272	115,414,272
Total	$ 357,810,000	222,731,516	580,541,516

The following is a summary of changes in long-term debt:

	Beginning balance	Additions	Reductions	Ending balance	Due within one year
Business-type activities:					
Bonds payable	$ 366,070,000	-	(8,260,000)	357,810,000	8,510,000
Total business-type activities long-term liabilities	$ 366,070,000	-	(8,260,000)	357,810,000	8,510,000

Debt Covenants and Pledged Revenues

The Bond indentures contain significant limitations and restriction on the District regarding annual debt service requirements, the use of certain restricted accounts, minimum sinking fund balances and minimum revenue bond coverage. Management believes the District has complied with all material financial-related covenants.

The District has pledged certain amenity fee revenue to pay the principal and interest on Recreational Revenue Bonds issued to pay for the purchase of recreational facilities from the Developer. These Recreational Revenue Bonds were outstanding on September 30, 2023, as shown below. The table reports the revenues pledged for each debt issue, the amounts of revenue received in the current year, the current year principal and interest paid on the debt, the approximate percentage of each revenue which is pledged to meet the debt obligation, and the date through which the revenue is pledged under the debt agreement and the total pledged future revenues for each debt, which is the amount of the remaining principal and interest on the bonds as of September 30, 2023.

Description of Debt	Pledged Revenue	Revenue Received	Principal and Interest Paid	Estimated Percent Pledged	Outstanding Principal and Interest	Pledged Through
Taxable Recreational Revenue Refunding Bonds, Series 2015	Amenities Fee Revenue	$ 89,692,032	$ 3,902,488	4.35%	$ 61,904,498	2039
Taxable Senior Recreational Revenue Bonds, Series 2016	Amenities Fee Revenue	89,692,032	17,569,315	19.59%	470,801,651	2047
Taxable Subordinate Recreational Revenue Bonds, Series 2016	Amenities Fee Revenue	89,692,032	1,923,158	2.14%	47,835,367	2047

Note 7 - Related Parties

The District entered into interlocal agreements with Village Center Community Development District (VCCDD) to obtain certain recreation fees, property management, customer service, community watch and management fees. Under the agreement, fees paid to VCCDD by the Sumter Landing District for the year ended September 30, 2023, amounted to $17,004,614.

Village Community Development District 5, 6, 7, 8, 9, 10, 11, 12, 13, and Brownwood paid amounts to the Project Wide Fund for maintenance of common use right-of-way. The amounts of these payments were $2,081,987, $2,309,646, $1,471,987, $1,652,728, $1,894,294, $2,387,855, $801,163, $1,929,052, $2,473,010, and $257,207 respectively. Upon action by their respective Boards of Supervisors, District Nos. 5, 6, 7, 8, 9, 10, 11, 12, 13, and Brownwood may request additional services as they deem necessary for the efficient and effective management of their respective districts. Such additional services are billed to the benefiting district at the District's cost.

The District purchased water, waste water, and irrigation water, paying rates approved by the Public Service Commission, from companies affiliated with the Developer for $2,899,292.

The District has purchased from the Developer newspaper service and advertisements, building rents, management services, and recreation services for $493,450. In addition, the District purchased IT-related services from the Developer totaling $949,773, golf management services totaling $2,505,806, for items and services purchased or paid for by the Developer on behalf of the District.

The Board of Supervisors for SLCDD as of September 30, 2023, is made up of five members who are either employees or affiliates of the Developer.

Note 8 - Risk Management

The District is exposed to various risks of loss related to General liability, crime, auto liability employee practice liability, theft, damage, and destruction of assets, errors and omissions, natural disasters, cyber liability and Workers' Compensation liability. To manage much of this risk, The District carries insurance, however, the District retains risk for certain property coverage and for losses in excess of coverage limits. Any settled claims from these risks have not exceeded commercial insurance coverage in any of the past three years.

Note 9 - Leases Receivable

The District leases two fire stations, Fire Station #40 and Fire Station #51, to VCCDD - Public Safety. The details of these two agreements are detailed in the following paragraphs.

Lease Agreement for Fire Station #40

In November 2016, Fire Station 40 (2455 Parr Drive) was transferred to Sumter Landing Community Development District with the Sumter Landing Amenities Division sale. Since that time, Village Center Community Development District has continued to lease the Fire Station for Villages Public Safety Division. The original lease term is for 30 years, with an option to extend the lease for an additional 10-year period. The lease term will expire on June 12, 2059, including the extension, which is reasonably expected to be exercised. The payments are for a base rent fee only and does not include any variable payments. The base rate is subject to increase based on the Consumer Price Index, annually on October 1st of each year. The District recognized $434,640 of Deferred inflows of resources, and recorded a Lease receivable of $434,640 as of October 1, 2021.

Lease Agreement for Fire Station #51

In November 2016, Fire Station 51 (1231 Bonita Boulevard) was transferred to Sumter Landing Community Development District with the Sumter Landing Amenities Division sale. Since that time, Village Center Community Development District has continued to lease the Fire Station for Villages Public Safety Division. The original lease term is for 30 years, with an option to extend the lease for an additional 10-year period. The lease term will expire on June 12, 2063, included the extension, which is reasonably expected to be exercised. The payments are for a base rent fee only and does not include any variable payments. The base rate is subject to increase based on the Consumer Price Index, annually on October 1st of each year. The District recognized $1,293,110, of deferred inflows of resources, and recorded a net Lease receivable, of $1,293,110 as of October 1, 2021.

The District recognized the following revenue associated with these leases during the fiscal year:

	Fire Station #40	Fire Station #51	Total
Lease-related Revenue			
Lease Revenue			
Building	11,514	34,255	45,769
Interest Revenue	16,016	47,650	63,666
Total	$ 27,530	$ 81,905	$ 109,435

The future revenues for these leases are:

Future Revenues	Principal	Interest	Total Receipts
2024	22,860	62,826	85,686
2025	23,732	61,954	85,686
2026	24,637	61,049	85,686
2027	25,577	60,109	85,686
2028	26,553	59,133	85,686
2029-2033	148,755	279,673	428,428
2034-2038	179,380	249,048	428,428
2039-2043	216,310	212,117	428,427
2044-2048	260,844	167,584	428,428
2049-2053	314,545	113,882	428,427
2054-2058	379,303	49,124	428,427
2059-2062	63,271	993	64,264
Total Future Receipts	$ 1,685,767	$ 1,377,492	$ 3,063,259


SUMTER LANDING
COMMUNITY DEVELOPMENT DISTRICT

Other Reports

Annual Financial Report

PURVIS GRAY

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

Board of Supervisors
Sumter Landing Community Development District
The Villages, 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, business-type activities, and each major fund of Sumter Landing Community Development District (the District) as of and for the 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 report thereon dated March 4, 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) 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 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 District's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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The Villages, Florida

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*

Report on Compliance and Other Matters

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

Purpose of This Report

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

Purvis Gray

March 4, 2024
Ocala, Florida

PURVIS GRAY

MANAGEMENT LETTER

Board of Supervisors
Sumter Landing Community Development District
The Villages, Florida

Report on the Financial Statements
We have audited the financial statements of Sumter Landing Community Development District (the District) as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated March 4, 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 *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550*, Rules of the Auditor General*.

Other Reporting Requirements
We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with the American Institute of Certified Public Accountants *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 March 4, 2024, 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 prior year findings made in the preceding financial audit report.

Official Title and Legal Authority
Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements (see Note 1 of the District's September 30, 2023, basic financial statements for this information). There are no component units related to the District.

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MANAGEMENT LETTER

Financial Condition and Management
Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

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

Special Districts
For information required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6 and 7, *Rules of the Auditor General*, please see attached information provided by management that is unaudited and, accordingly, we do not express an opinion or provide any assurance on the information.

Additional Matters
Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate non-compliance 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 warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of This Letter
Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and 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.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Purvis Gray

March 4, 2024
Ocala, Florida

Sumter Landing Community Development District
Attachment to the Management Letter
For the Year Ending September 30, 2023

Specific Information (For a dependent special district or an independent special district, or a local government entity that includes the information of a dependent special district)

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the (name of district) reported:

a) The total number of district employees compensated in the last pay period of the district's fiscal year as ___N/A___.
b) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as __N/A___.
c) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as ___N/A_____.
d) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as _N/A____.
e) Each construction project with a total cost of at least $65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as ____$2,651,719_____.
f) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as _____. ***This is discussed in the "General Fund Budgetary Highlight" section of the Management Discussion and included as a "Budget to Actual" statement in the "Basic Financial Statements", page 16.***

Note: If the required information for a dependent special district is fulfilled by inclusion in the primary local government's audit report, a statement to that effect should be made in the dependent special district's audit report, and vice versa.

Specific Information (For an independent special district that imposes ad valorem taxes) Not Applicable

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

a) The mileage rate or rates imposed by the district as ___N/A____.
b) The total amount of ad valorem taxes collected by or on behalf of the district as _____N/A_____.
c) The total amount of outstanding bonds issued by the district and the terms of such bonds as _____N/A_____.

Specific Information (For an independent special district that imposes non-ad valorem special assessments)

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

a) The rate or rates of non-ad valorem special assessments imposed by the District as _$3.20 per square foot for common area maintenance and $.05 per square foot for road maintenance.
b) The total amount of special assessments collected by or on behalf of the district as __$1,987,066_____.
c) The total amount of outstanding bonds issued by the district and the terms of such bonds as _____$357,810,000_____.

Capital Projects Over $65,000
Attachment to Menegement Letter

Project Description	YTD Activity DR
Churchill Golf Course Renovation	$ 853,532
Belmont Golf Course Renovation	740,460
Heron Golf Course Renovation	322,971
Rohan Recreation Center Pavilion Constrution	222,644
BCDD Windmill & Water Tower	151,489
Morse Revetment	97,724
Bonnybrook - Mill & Overlay	97,325
Crosswalk at Old Camp Road	94,642
Trellis Replacement	70,932
	$ 2,651,719

PURVIS GRAY

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH FLORIDA STATUTE SECTION 218.415 - INVESTMENT OF PUBLIC FUNDS

Board of Supervisors
Sumter Landing Community Development District
The Villages, Florida

We have examined Sumter Landing Community Development District's (the District) compliance with Section 218.415, Florida Statutes, with regards to the District's investments during the fiscal year ended September 30, 2023. District 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 requirements referenced above. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material non-compliance, 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.

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

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

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

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

Purvis Gray

March 4, 2024
Ocala, Florida

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