Madeira Community Development District

ANNUAL FINANCIAL REPORT

September 30, 2024

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Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

REPORT OF INDEPENDENT AUDITORS

To the Board of Supervisors
Madeira Community Development District
St. Johns County, Florida

Report on Audit of the Financial Statements

Opinion

We have audited the financial statements of the governmental activities and each major fund of Madeira Community Development District (the "District"), as of and for the year ended September 30, 2024, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Madeira Community Development District as of September 30, 2024, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS), and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards)*. 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 audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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.

To the Board of Supervisors
Madeira Community Development District

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 one year beyond the financial statement date, including currently known information that may raise substantial doubt thereafter.

Auditor's Responsibility 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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore, is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining on a test basis, evidence regarding the amounts, and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

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

To the Board of Supervisors
Madeira Community Development District

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the *Governmental Accounting Standards Board* who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated May 2, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts.

The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Madeira Community Development District's internal control over financial reporting and compliance.

Berger Toombs Elam Gaines + Frank

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

May 2, 2025

Madeira Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2024

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

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

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

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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

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

Financial Highlights

The following are the highlights of financial activity for the year ended September 30, 2024.

- The District's total liabilities exceeded total assets by $(3,936,913) (net position). Net investment in capital assets for the District was $710,360. Unrestricted net position was $(4,647,273).

- Governmental activities revenues totaled $2,232,882 while governmental activities expenses totaled $1,327,066.

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District

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

Net Position

	Governmental Activities	
	2024	**2023**
Current assets	$ 1,095,678	$ 724,515
Restricted assets	1,880,454	431,516
Capital assets	10,877,698	11,149,071
Total Assets	13,853,830	12,305,102
Current liabilities	7,025,743	5,812,831
Non-current liabilities	10,765,000	11,335,000
Total Liabilities	17,790,743	17,147,831
Net Position		
Net investment in capital assets	710,360	497,360
Unrestricted	(4,647,273)	(5,340,089)
Total Net Position	$ (3,936,913)	$ (4,842,729)

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

The increase in restricted assets is mainly related to revenues exceeding expenditures and the increase in matured bonds and interest payable in the Debt Service Fund in the current year.

The decrease in capital assets is related to current year depreciation.

The increase in total liabilities is primarily related to the increase in matured interest payable in the current year.

The increase in net position is the result of revenues exceeding expenses in the current year.

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District (Continued)

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

Change In Net Position

	Governmental Activities	
	2024	2023
Program Revenues		
Charges for services	$ 2,187,056	$ 2,338,496
General Revenues		
Miscellaneous revenues	360	2,558
Investment earnings	45,466	26,010
Total Revenues	2,232,882	2,367,064
Expenses		
General government	93,384	111,663
Physical environment	589,015	555,964
Interest and other charges	644,667	680,434
Total Expenses	1,327,066	1,348,061
Change in Net Position	905,816	1,019,003
Net Position - Beginning of Year	(4,842,729)	(5,861,732)
Net Position - End of Year	$ (3,936,913)	$ (4,842,729)

The decrease in charges for services is mainly related to the decrease in special assessments in the current year.

The decrease in general government is primarily related to the decrease in engineering and legal fees in the current year.

The increase in physical environment is primarily related to increased repair and maintenance and contingency expenses in the current year.

The decrease in interest and other charges is related to the reduction in long-term debt in the current year.

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Capital Assets Activity

The following schedule provides a summary of the District's capital assets as of September 30, 2024 and 2023:

Description	Governmental Activities 2024	2023
Capital Assets, not being depreciated		
Land and improvements	$ 6,090,000	$ 6,090,000
Capital Assets, being depreciated		
Infrastructure	8,056,871	8,056,871
Equipment	19,674	19,674
Total Capital Assets being depreciated	8,076,545	8,076,545
Accumulated depreciation	(3,288,847)	(3,017,474)
Net Capital Assets being depreciated	4,787,698	5,059,071
Total Capital Assets (Net)	$ 10,877,698	$ 11,149,071

The activity for the year consisted of $271,373 in depreciation.

General Fund Budgetary Highlights

The final budget exceeded actual expenditures in the current year because repair and maintenance and landscape expenditures were less than anticipated.

The September 30, 2024 budget was not amended.

Debt Management

Governmental Activities debt includes the following:

In May 2007, the District issued $45,000,000 of Special Assessment Revenue Bonds, consisting of $18,545,000 Series 2007A Bonds and $26,455,000 Series 2007B Bonds. The Bonds were issued to finance the acquisition and construction of certain improvements within the District. During the year, the District failed to meet the scheduled debt service requirements and the Series 2007 Bonds remain in default. Matured bonds payable totaled $725,000 as of September 30, 2024. The unmatured balance outstanding at September 30, 2024 was $11,335,000.

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Economic Factors and Next Year's Budget

Madeira Community Development District will continue to develop in 2025. The District issued new long-term debt during 2025 and anticipates beginning a new construction project. It is expected that revenues and expenses will increase in 2025 as the District continues to develop.

Request for Information

The financial report is designed to provide a general overview of Madeira Community Development District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Madeira Community Development District's Accounting Department at 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614.

Madeira Community Development District
STATEMENT OF NET POSITION
September 30, 2024

	Governmental Activities
ASSETS	
Current Assets	
Cash	$ 1,079,310
Prepaid expenses	15,543
Deposits	825
Total Current Assets	1,095,678
Non-Current Assets	
Restricted Assets	
Investments	1,880,454
Capital Assets, Not Being Depreciated	
Land and improvements	6,090,000
Capital Assets, Being Depreciated	
Infrastructure	8,056,871
Equipment	19,674
Less: accumulated depreciation	(3,288,847)
Total Non-Current Assets	12,758,152
Total Assets	13,853,830
LIABILITIES	
Current Liabilities	
Accounts payable and accrued expenses	27,003
Matured bonds payable	725,000
Matured interest payable	5,433,714
Unearned revenues	8,568
Bonds payable	570,000
Accrued interest	261,458
Total Current Liabilities	7,025,743
Non-Current Liabilities	
Bonds payable	10,765,000
Total Liabilities	17,790,743
NET POSITION	
Net investment in capital assets	710,360
Unrestricted	(4,647,273)
Total Net Position	$ (3,936,913)

See accompanying notes to financial statements.

Madeira Community Development District
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2024

Functions/Programs	Expenses	Program Revenues Charges for Services	Net (Expenses) Revenues and Change in Net Position Governmental Activities
Governmental Activities			
General government	$ (93,384)	$ 177,166	$ 83,782
Physical environment	(589,015)	614,688	25,673
Interest and other charges	(644,667)	1,395,202	750,535
Total Governmental Activities	$ (1,327,066)	$ 2,187,056	859,990
	General Revenues		
	Miscellaneous revenues		360
	Investment income		45,466
	Total General Revenues		45,826
	Change in Net Position		905,816
	Net Position - Beginning of Year		(4,842,729)
	Net Position - End of Year		$ (3,936,913)

See accompanying notes to financial statements.

Madeira Community Development District
BALANCE SHEET –
GOVERNMENTAL FUNDS
September 30, 2024

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash	$ 1,079,310	$ -	$ -	$ 1,079,310
Due from other funds	-	13,909	-	13,909
Prepaid expenses	15,543	-	-	15,543
Deposits	825	-	-	825
Restricted assets				
Investments	-	1,880,454	-	1,880,454
Total Assets	$ 1,095,678	$ 1,894,363	$ -	$ 2,990,041
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable and accrued expenses	$ 27,003	$ -	$ -	$ 27,003
Due to other funds	13,909	-	-	13,909
Matured bonds payable	-	725,000	-	725,000
Matured interest payable	-	5,433,714	-	5,433,714
Unearned revenues	-	8,568	-	8,568
Total Liabilities	40,912	6,167,282	-	6,208,194
FUND BALANCES				
Nonspendable:				
Prepaid expenses	15,543	-	-	15,543
Deposits	825	-	-	825
Unassigned	1,038,398	(4,272,919)	-	(3,234,521)
Total Fund Balances	1,054,766	(4,272,919)	-	(3,218,153)
Total Liabilities and Fund Balances	$ 1,095,678	$ 1,894,363	$ -	$ 2,990,041

See accompanying notes to financial statements.

Madeira Community Development District
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2024

Total Governmental Fund Balances	$ (3,218,153)
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets, land and improvements, $6,090,000, infrastructure, $8,056,871, and equipment, $19,674, net of accumulated depreciation, $(3,288,847), used in governmental activities are not current financial resources, and therefore, are not reported at the fund level.	10,877,698
Long-term liabilities, bonds payable, are not due and payable in the current period, and therefore, are not reported at the fund level.	(11,335,000)
Accrued interest expense for long-term debt is not a current financial use, and therefore, is not reported at the fund level.	(261,458)
Net Position of Governmental Activities	$ (3,936,913)

See accompanying notes to financial statements.

Madeira Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
For the Year Ended September 30, 2024

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
Special assessments	$ 791,854	$ 1,395,202	$ -	$ 2,187,056
Investment income	1,545	41,720	2,201	45,466
Total Revenues	793,399	1,436,922	2,201	2,232,522
EXPENDITURES				
Current				
General government	91,551	1,833	-	93,384
Physical environment	317,642	-	-	317,642
Debt service				
Principal	-	540,000	-	540,000
Interest	-	656,930	-	656,930
Total Expenditures	409,193	1,198,763	-	1,607,956
Excess of revenues over/(under) expenditures	384,206	238,159	2,201	624,566
Other Financing Sources/(Uses)				
Insurance proceeds	360	-	-	360
Transfers in	-	58,223	-	58,223
Transfers out	-	-	(58,223)	(58,223)
Total Other Financing Sources/(Uses)	360	58,223	(58,223)	360
Net Change in Fund Balance	384,566	296,382	(56,022)	624,926
Fund Balances - Beginning of Year	670,200	(4,569,301)	56,022	(3,843,079)
Fund Balances - End of Year	$ 1,054,766	$ (4,272,919)	$ -	$ (3,218,153)

See accompanying notes to financial statements.

Madeira Community Development District
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2024

Net Change in Fund Balances - Total Governmental Funds	$	624,926
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation. This is the amount of depreciation in the current period.		(271,373)
Repayments of bond principal are expenditures at the fund level, but the repayment reduces long-term liabilities in the Statement of Net Position.		540,000
In the Statement of Activities, interest is accrued on outstanding bonds; whereas at the fund level, interest expenditures are reported when due. This is the change in accrued interest in the current period.		12,263
Change in Net Position of Governmental Activities	$	905,816

See accompanying notes to financial statements.

Madeira Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND
For the Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Special assessments	$ 675,661	$ 675,661	$ 791,854	$ 116,193
Investment income	-	-	1,545	1,545
Total Revenues	675,661	675,661	793,399	117,738
Expenditures				
Current				
General government	110,583	110,583	91,551	19,032
Physical environment	450,078	450,078	317,642	132,436
Capital outlay	115,000	115,000	-	115,000
Total Expenditures	675,661	675,661	409,193	266,468
Excess of revenues over/(under) expenditures	-	-	384,206	384,206
Other Financing Sources/(Uses)				
Insurance proceeds	-	-	360	360
Net Change in Fund Balances	-	-	384,566	384,566
Fund Balances - Beginning of Year	-	-	670,200	670,200
Fund Balances - End of Year	$ -	$ -	$ 1,054,766	$ 1,054,766

See accompanying notes to financial statements.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. Reporting Entity

The District was established on June 6, 2006, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), as a Community Development District. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of the infrastructure necessary for community development within its jurisdiction. The District is authorized to issue bonds for the purpose, among others, of financing, funding, planning, establishing, acquiring, constructing district roads, landscaping, and other basic infrastructure projects within or outside the boundaries of the Madeira Community Development District. The District is governed by a five member Board of Supervisors who are elected in a general election by qualified electors. The District operates within the criteria established by Chapter 190, Florida Statutes.

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

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

2. Measurement Focus and Basis of Accounting

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

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

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

a. Government-wide Financial Statements

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

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

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

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

b. Fund Financial Statements

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

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

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds

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

The District has various policies governing the fund balance classifications.

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

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

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

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

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

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collected within the current period, or soon thereafter, to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

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

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

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

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

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

Debt service expenditures are recorded only when payment is due.

3. Basis of Presentation

a. Governmental Major Funds

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

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Basis of Presentation (Continued)

a. Governmental Major Funds (Continued)

Debt Service Funds – Accounts for the accumulation of resources for the annual payment of principal and interest on long-term general obligation debt.

Capital Projects Funds – The Capital Projects Funds account for the construction of infrastructure improvements within the boundaries of the District. This fund was closed in the current year.

b. Non-current Governmental Assets/Liabilities

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

4. Assets, Liabilities, and Net Position or Equity

a. Cash and Investments

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

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

1. Direct obligations of the United States Treasury;

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

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

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

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Assets, Liabilities, and Net Position or Equity (Continued)

b. Restricted Net Position

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

c. Capital Assets

Capital assets, which include land and improvements, infrastructure and equipment are reported in the governmental activities column.

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

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

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

Depreciation of capital assets is computed and recorded by utilizing the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows:

Infrastructure	30 years
Equipment	7 years

d. Budgets

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

NOTE B – CASH AND INVESTMENTS

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

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk; however, they follow the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2024, the District's bank balance was $1,099,421 and the carrying value was $1,079,310. Exposure to custodial credit risk was as follows. The District maintains all deposits in a qualified public depository in accordance with the provisions of Chapter 280, Florida Statutes, which means that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes.

Investments

As of September 30, 2024, the District had the following investments and maturities:

Investment	Maturities	Fair Value
U S Bank Managed Money Market	N/A	$ 1,880,454

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

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

Based on the criteria in the preceding paragraph, the investments listed above are a level one asset.

Interest Rate Risk

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

NOTE B – CASH AND INVESTMENTS (CONTINUED)

Credit Risk

The District's investments are limited by state statutory requirements and bond compliance. The District has no investment policy that would further limit its investment choices. As of September 30, 2024, the District's investments in U S Bank Managed Money Market were not rated.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one fund. The District's investment in the U S Bank Managed Money Market represent 100% of total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2024 were typical of these items during the fiscal year then ended. The District considers any decline in fair value to be temporary.

NOTE C – SPECIAL ASSESSMENT REVENUES

Assessment revenues recognized for the 2023-2024 fiscal year were levied in August 2023. All taxes are due and payable on November 1 or as soon as the assessment roll is certified and delivered to the Tax Collector. Per Section 197.162, Florida Statutes, discounts are allowed for early payment at the rate of 4% in November, 3% in December, 2% in January, and 1% in February. Taxes paid in March are without discount.

All unpaid taxes become delinquent as of April 1. Virtually all unpaid taxes are collected via the sale of tax certificates on or prior to June 1; therefore, there were no material taxes receivable at fiscal year end.

NOTE D – CAPITAL ASSETS

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

	Balance October 1, 2023	Additions	Deletions	Balance September 30, 2024
Governmental Activities:				
Capital assets, not being depreciated:				
Land and land improvements	$ 6,090,000	$ -	$ -	$ 6,090,000
Capital assets, being depreciated:				
Infrastructure	8,056,871	-	-	8,056,871
Equipment	19,674	-	-	19,674
Total Capital Assets, Being Depreciated	8,076,545	-	-	8,076,545
Less accumulated depreciation for:				
Infrastructure	(3,005,062)	(268,562)	-	(3,273,624)
Equipment	(12,412)	(2,811)	-	(15,223)
Total Accumulated Depreciation	(3,017,474)	(271,373)	-	(3,288,847)
Total Capital Assets Depreciated, Net	5,059,071	(271,373)	-	4,787,698
Governmental Activities Capital Assets	$ 11,149,071	$ (271,373)	$ -	$ 10,877,698

Current year depreciation of $271,373 was charged to physical environment.

NOTE E – LONG-TERM DEBT

Governmental Activities

The following is a summary of activity for long-term debt of the Governmental Activities for the year ended September 30, 2024:

Long-term debt at October 1, 2023	$ 11,875,000
Principal payments	(540,000)
Long-term debt at September 30, 2024	$ 11,335,000

During the year, the scheduled debt service payments on the Series 2007 Bonds were not paid by the District. These amounts are reflected as matured bonds payable and matured interest payable in the accompanying financial statements.

Long-term debt for Governmental Activities is comprised of the following:

Special Assessment Revenue Bonds

$18,545,000 Series 2007A Special Assessment Revenue Bonds are due in annual principal installments beginning May 2010 maturing May 2039. Interest at 5.45% is due May and November beginning November 2007. Current portion is $570,000.	$ 11,335,000

NOTE E – LONG-TERM DEBT (CONTINUED)

Special Assessment Revenue Bonds (Continued)

The District issued $26,455,000 Series 2007B Bonds at 5.25% interest. The Bonds matured on November 1, 2014, but the balance outstanding was not paid. The balance outstanding, $170,000, is included as matured bonds payable in the accompanying financial statements.

The annual requirements to amortize the principal and interest of bonded debt outstanding as of September 30, 2024 are as follows:

Year Ending September 30,	Principal	Interest	Total
2025	$ 570,000	$ 617,758	$ 1,187,758
2026	600,000	586,693	1,186,693
2027	635,000	553,993	1,188,993
2028	670,000	519,385	1,189,385
2029	710,000	482,870	1,192,870
2030-2034	4,185,000	1,789,236	5,974,236
2035-2038	3,965,000	530,286	4,495,286
Totals	$ 11,335,000	$ 5,080,221	$ 16,415,221

Following the initial nonpayment by the Developer in fiscal year 2010, a single investor (the "Sole Bondholder") acquired control of all outstanding Special Assessment Revenue Bonds issued by the District. The Sole Bondholder has demonstrated a cooperative approach to resolving the various issues concerning the matured bonds and related nonpayment by the Developer. No formal agreement has been executed between the parties. However, in lieu of directing the District to pursue typical legal remedies, the Sole Bondholder has continued to forbear and accept payments made by the District as available from the proceeds of Developer-owned lots that are sold to third-party purchasers in the ordinary course of business and from other debt service assessments that are collected by the District.

At September 30, 2024, the amount receivable from the Developer for delinquent assessments totaled $1,849,694, of which $1,849,246 related to the debt service fund for each fiscal year since 2010 and $448 related to the General Fund for fiscal years ended 2010 and 2011. Due to uncertainty, as to the timing of collection of the remaining balance, an allowance of $1,849,694 has been established to offset the receivable. As a result, the amount is not recorded as revenue in the financial statements. Furthermore, no debt service assessment was billed on certain lots owned by the Developer for fiscal years 2012 - 2024. However, debt assessments on such lots remain outstanding and are subject to collection.

NOTE E – LONG-TERM DEBT (CONTINUED)

Summary of Significant Bond Resolution Terms and Covenants

Special Assessment Revenue Bonds

Significant Bond Provisions

The Series 2007A Bonds are subject to redemption at the option of the District prior to their maturity, in whole or in part, at any time after May 1, 2017 at a redemption price set forth in the Trust Indenture. The Series 2007B Bonds are not subject to optional redemption prior to maturity. The Series 2007A and Series 2007B Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Trust Indenture.

The Trust Indenture established certain amounts be maintained in a reserve account. In addition, the Trust Indenture has certain restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District is not in compliance with certain requirements of the Bond Indenture due to Developer nonpayment of assessment revenue.

Total principal and interest remaining on the Series 2007 Bonds, as of September 30, 2024 is $17,493,714 which includes $6,158,714 of matured bonds and interest payable.

The following is a schedule of required reserve deposits as of September 30, 2024:

Special Assessment Revenue Bonds		
	Reserve Balance	Reserve Requirement
Series 2007A	$ 58,791	$ 768,047
Series 2007B	$ -	$ 8,662

NOTE F – INTERFUND BALANCES

Interfund balances as of September 30, 2024 consisted of the following:

	Payable Fund
Receivable Fund	General Fund
Debt Service Fund	$ 13,909

The balances are the result of monies collected in the General Fund that are due to the Debt Service Fund.

NOTE F – INTERFUND BALANCES (CONTINUED)

Transfers for the year ending September 30, 2024, consisted of the following:

	Transfers Out
Transfers In	Capital Projects Fund
Debt Service Fund	$ 58,223

Transfers completed during the current year are related to closing the Capital Projects Fund in accordance with the Trust Indenture.

NOTE G – ECONOMIC DEPENDENCY AND RELATED PARTIES

At September 30, 2024, the Developer owned or controlled a large portion of the assessable property located within District boundaries. A substantial portion of the District's activity is dependent upon the continued involvement of the developers. As indicated in the financial statements, the nonpayment of debt service assessments by the Developer in the prior and current fiscal years has resulted in the deterioration of the financial condition of the District's Debt Service Fund.

As the Developer owns a portion of land within the District, assessment revenues include assessments levied on those properties. The District's activity remains dependent upon the continued involvement of the developers, the loss of which could have a materially adverse effect on the District. One member of the Board of Supervisors is employed by the Developer or its affiliates at September 30, 2024.

NOTE H – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The District's filed claims during the last three years did not exceed commercial coverage.

NOTE I – SUBSEQUENT EVENT

In March 2025, the District issued $4,875,000 Capital Improvement Refunding Revenue Bonds (Assessment Area 1), Series 2025 and $9,625,000 Capital Improvement Revenue Bonds (Assessment Area 2), Series 2025.

The proceeds of the Series 2025 Capital Improvement Refunding Revenue Bonds (Assessment Area 1) along with other available resources was used to refund $4,980,000 of the outstanding Series 2007A Bonds. As a part of this transaction, the remaining $6,910,000 of both matured and outstanding principal on the Series 2007A, and the $170,000 of matured principal on the Series 2007B Bonds were cancelled.

Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

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

To the Board of Supervisors
Madeira Community Development District
St. Johns County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements, as listed in the table of contents, of Madeira Community Development District, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the basic financial statements and have issued our report thereon dated May 2, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

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

To the Board of Supervisors
Madeira Community Development District

Report on Compliance and Other Matters

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

We noted certain other matters that we reported to the District, in a separate letter dated May 2, 2025. (See pages 31-34)

Purpose of this Report

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

Berger Toombs Elam Gaines + Frank

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

May 2, 2025

Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

MANAGEMENT LETTER

To the Board of Supervisors
Madeira Community Development District
St. Johns County, Florida

Report on the Financial Statements

We have audited the financial statements of the Madeira Community Development District as of and for the year ended September 30, 2024, and have issued our report thereon dated May 2, 2025.

Auditor's Responsibility

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

Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and our Independent Auditor's Report on an examination conducted in accordance with AICPA Professionals Standards, AT-C Section 315 regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in that report, which is dated May 2, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been made to address findings and recommendations made in the preceding financial audit report. The following findings or recommendations were made in the preceding financial audit report.

To the Board of Supervisors
Madeira Community Development District

Finding 16-01

Finding – The District has not made scheduled debt service payments on the Special Assessment Revenue Bonds Series 2007 since 2010 and has met one of the financial emergency conditions in Section 218.503(1)(a), Florida Statutes.

Recommendation – We recommend that the District utilize all remedies available to bring debt service payments current.

Management Response – The District will resume collection efforts to meet past and current debt service obligations when directed by the bondholder.

Current Status – The scheduled debt service payments were not made in the current year; however, the District has reduced the past due balances and made a principal payment in the prior year. In March 2025, a portion of the outstanding principal of the Series 2007 Bonds was refunded with the issuance of the Series 2025 Assessment Area 1 Bonds and the remaining principal due on the Series 2007 Bonds was also cancelled as a part of this transaction. This finding is expected to be cleared in Fiscal Year 2025.

Finding 16-02

Finding – The required reserve balance was not met.

Recommendation – We recommend that the District use all available remedies to restore the reserve account to the required balance.

Management Response – The reserve account was utilized in a prior year to make debt service payments. The District is unaware when the Trustee plans to restore the reserve balance to the required amount.

Current Status – A balance was added to the reserve account in the current year; however, the reserve balance requirement was still not met at September 30, 2024. In March 2025, a portion of the outstanding principal of the Series 2007 Bonds was refunded with the issuance of the Series 2025 Assessment Area 1 Bonds and the remaining principal due on the Series 2007 Bonds was also cancelled as a part of this transaction. This finding is expected to be cleared in Fiscal Year 2025.

To the Board of Supervisors
Madeira Community Development District

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not Madeira Community Development District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that the Madeira Community Development District has met one 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 conditions assessment procedures as of September 30, 2024 for the Madeira Community Development District. It is management's responsibility to monitor the Madeira Community Development District's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same.

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

Specific Information

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

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

1) The total number of District elected officials receiving statutory compensation, reported as employees for the purposes of the audit: 0
2) The total number of independent contractors, defined as individuals or entities that receive 1099s, to whom nonemployee compensation was paid in the last month of the District's fiscal year: 6
3) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: $0
4) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: $46,633
5) Each construction project with a total cost of at least $65,000 approved by the District that is scheduled to begin on or after October 1, 2023, together with the total expenditures for such project: N/A
6) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes: The budget was not amended.

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

To the Board of Supervisors
Madeira Community Development District

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

1) The rate or rates of non-ad valorem special assessments imposed by the District: $596.90 - $1,014.73 for the General Fund and $154.58 – $2,450.37 for the Debt Service Fund.
2) The amount of special assessments collected by or on behalf of the District was $2,187,056.
3) The total amount of outstanding bonds issued by the District and the terms of such bonds as: There were no new bonds issued by the District. The bonds outstanding are $11,335,000 Series 2007A maturing May 2039 at a fixed interest rate of 5.45%.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred, or is likely to have occurred, that has an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Supervisors, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Berger Toombs Elam Gaines & Frank

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

May 2, 2025

Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

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

To the Board of Supervisors
Madeira Community Development District
St. Johns County, Florida

We have examined Madeira Community Development District's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2024. Management is responsible for Madeira Community Development District's compliance with those requirements. Our responsibility is to express an opinion on Madeira Community Development District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about Madeira Community Development District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on Madeira Community Development District's compliance with the specified requirements.

In our opinion, Madeira Community Development District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2024.

Berger Toombs Elam Gaines & Frank

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

May 2, 2025