

Beaumont Community Development District

ANNUAL FINANCIAL REPORT

September 30, 2020

Beaumont Community Development District

ANNUAL FINANCIAL REPORT

September 30, 2020

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REPORT OF INDEPENDENT AUDITORS

To the Board of Supervisors
Beaumont Community Development District
Wildwood, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of Beaumont Community Development District as of and for the year ended September 30, 2020, and related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Fort Pierce / Stuart

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To the Board of Supervisors
Beaumont Community Development District

Opinion

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, and each major fund of Beaumont Community Development District as of September 30, 2020, and the respective changes in financial position and the budgetary comparison for the General and Special Revenue Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Management's Discussion and Analysis

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated June 23, 2021 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts.

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



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

June 23, 2021

**Beaumont Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2020**

Management's discussion and analysis of Beaumont 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 and physical environment.

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.

**Beaumont Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2020**

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 general obligation bonds, are not included in the fund financial statements. To provide a link from the *fund financial statements* to the *government-wide financial statements*, reconciliations are provided from the *fund financial statements* to the *government-wide financial statements*.

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

Financial Highlights

The following are the highlights of financial activity for the year ended September 30, 2020.

- ◆ The District's assets exceeded liabilities by \$1,332,167, net position. Net investment in capital assets was \$548,733. Restricted net position was \$742,549 and unrestricted net position was \$40,885.
- ◆ Governmental activities revenues totaled \$3,522,848 while governmental activities expenses totaled \$1,170,210.

**Beaumont Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2020**

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	
	2020	2019
Current assets	\$ 1,103,556	\$ 16,741
Restricted assets	3,346,535	9,849,681
Capital assets	14,449,267	8,083,228
Total Assets	18,899,358	17,949,650
Current liabilities	1,742,191	1,740,121
Non-current liabilities	15,825,000	17,230,000
Total Liabilities	17,567,191	18,970,121
Net investment in capital assets	548,733	689,588
Net position - restricted	742,549	-
Net position - unrestricted	40,885	(1,710,059)
Total Net Position	\$ 1,332,167	\$ (1,020,471)

The increase in current assets is related to the increases in special assessments receivable and due from developer in the current year.

The decrease in restricted assets and the increase in capital assets is related to the capital project activity in the current year.

The decrease in non-current liabilities is the result of the principal payments made on the outstanding bonds in the current year.

**Beaumont Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2020**

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	
	2020	2019
Program Revenues		
Charges for services	\$ 2,736,610	\$ -
Operating grants and contributions	89,183	72,959
Capital grants and contributions	635,650	-
General Revenues		
Investment earnings	61,405	156,837
Total Revenues	<u>3,522,848</u>	<u>229,796</u>
Expenses		
General government	110,772	72,959
Physical environment	72,367	-
Culture/recreation	9,118	-
Interest and other charges	977,953	1,158,393
Total Expenses	<u>1,170,210</u>	<u>1,231,352</u>
Change in Net Position	2,352,638	(1,001,556)
Net Position - Beginning of Year	<u>(1,020,471)</u>	<u>(18,915)</u>
Net Position - End of Year	<u>\$ 1,332,167</u>	<u>\$ (1,020,471)</u>

The increase in charges for services is related to special assessments were levied for the first time in the current year.

The increase in capital contributions is related to a contribution from the Developer for the capital project in the current year.

The increase in expenses is related to the increased activity of the District in the current year.

The decrease in interest and other charges is related the bond issuance costs in the prior year.

**Beaumont Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2020**

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, 2020 and 2019.

Description	Governmental Activities	
	2020	2019
Construction in progress	\$ 14,449,267	\$ 8,083,228

The activity for the year was additions to construction in progress of \$6,366,039.

General Fund Budgetary Highlights

Actual expenditures were less than the final budget because maintenance costs were less than anticipated.

The September 30, 2020 budget was amended more closely compare with the actual activity for the fiscal year.

Debt Management

Governmental Activities debt includes the following:

- ◆ February 2019, the District issued \$7,100,000 Series 2019 Special Assessment Bonds. These bonds were issued to provide funds for the Assessment Area Two Project. The balance outstanding at September 30, 2020 was \$6,645,000.
- ◆ In February 2019, the District issued \$5,925,000 Series 2019A-1 Special Assessment Bonds. These bonds were issued to provide funds for the Assessment Area One Project. The balance outstanding at September 30, 2020 was \$5,925,000.
- ◆ In February 2019, the District issued \$4,205,000 Series 2019A-2 Special Assessment Bonds. These bonds were issued to provide funds for the Assessment Area One Project. The balance outstanding at September 30, 2020 was \$3,345,000.

**Beaumont Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2020**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Economic Factors and Next Year's Budget

The District expects to continue certain improvements within and without the District in fiscal year 2021.

Request for Information

The financial report is designed to provide a general overview of Beaumont 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 Beaumont Community Development District's Finance Department at 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431.

Beaumont Community Development District
STATEMENT OF NET POSITION
September 30, 2020

	Governmental Activities
ASSETS	
Current Assets	
Cash	\$ 245,979
Special assessments receivable	215,500
Due from others	1,081
Due from developer	635,649
Deposits	5,347
Total Current Assets	1,103,556
Non-current Assets	
Restricted assets	
Investments	3,346,535
Capital assets, not being depreciated	
Construction in progress	14,449,267
Total Non-current Assets	17,795,802
Total Assets	18,899,358
 LIABILITIES	
Current Liabilities	
Accounts payable and accrued expenses	44,361
Contracts/retainage payable	1,135,673
Due to developer	15,582
Due to others	68,695
Bonds payable	90,000
Accrued interest	387,880
Total Current Liabilities	1,742,191
Non-current Liabilities	
Bonds payable	15,825,000
Total Liabilities	17,567,191
 NET POSITION	
Net investment in capital assets	548,733
Restricted for debt service	742,549
Unrestricted	40,885
Total Net Position	\$ 1,332,167

See accompanying notes to financial statements.

Beaumont Community Development District
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2020

Functions/Programs	Expenses	Program Services			Net (Expenses)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenues and Changes in Net Position
					Governmental Activities
Governmental Activities					
General government	\$ (110,772)	\$ 105,664	\$ 78,949	\$ -	\$ 73,841
Physical environment	(72,367)	-	-	635,650	563,283
Culture/recreation	(9,118)	38,295	10,234	-	39,411
Interest and other charges	(977,953)	2,592,651	-	-	1,614,698
Total Governmental Activities	<u>\$ (1,170,210)</u>	<u>\$ 2,736,610</u>	<u>\$ 89,183</u>	<u>\$ 635,650</u>	<u>2,291,233</u>
General Revenues					
Investment income					<u>61,405</u>
Change in Net Position					2,352,638
Net Position - October 1, 2019					<u>(1,020,471)</u>
Net Position - September 30, 2020					<u>\$ 1,332,167</u>

See accompanying notes to financial statements.

Beaumont Community Development District
BALANCE SHEET –
GOVERNMENTAL FUNDS
September 30, 2020

	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
ASSETS					
Cash on hand	\$ 31,528	\$ -	\$ 214,451	\$ -	\$ 245,979
Assessments receivable	80,079	42,866	92,555	-	215,500
Due from other funds	-	44,537	-	2,176	46,713
Due from developer	-	-	-	635,649	635,649
Due from other	1,081	-	-	-	1,081
Deposits	3,557	1,790	-	-	5,347
Restricted assets					
Investments	-	-	1,950,990	1,395,545	3,346,535
Total Assets	\$ 116,245	\$ 89,193	\$ 2,257,996	\$ 2,033,370	\$ 4,496,804
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable and accrued expenses	\$ 39,387	\$ 4,974	\$ -	\$ -	\$ 44,361
Contracts/retainage payable	-	-	-	1,135,673	1,135,673
Due to other funds	46,713	-	-	-	46,713
Due to others	23,887	44,808	-	-	68,695
Due to developer	4,784	-	10,798	-	15,582
Total Liabilities	114,771	49,782	10,798	1,135,673	1,311,024
FUND BALANCES					
Nonspendable - deposits	3,557	-	-	-	3,557
Restricted					
Debt service	-	-	2,247,198	-	2,247,198
Capital projects	-	-	-	897,697	897,697
Assigned-special revenue	-	39,411	-	-	39,411
Unassigned	(2,083)	-	-	-	(2,083)
Total Fund Balances	1,474	39,411	2,247,198	897,697	3,185,780
Total Liabilities and Fund Balances	\$ 116,245	\$ 89,193	\$ 2,257,996	\$ 2,033,370	\$ 4,496,804

See accompanying notes to financial statements.

Beaumont Community Development District
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2020

Total Governmental Fund Balances	\$ 3,185,780
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets, not being depreciated, construction in progress, used in governmental activities are not current financial resources, and therefore are not reported at the fund level.	14,449,267
Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore are not reported at the fund level.	(15,915,000)
Accrued interest expense for long-term debt is not a current financial use, and therefore is not reported at the fund level.	<u>(387,880)</u>
Net Position of Governmental Activities	<u><u>\$ 1,332,167</u></u>

See accompanying notes to financial statements.

Beaumont Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
For the Year Ended September 30, 2020

	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
Revenues					
Special assessments	\$ 109,920	\$ 38,295	\$ 2,592,651	\$ -	\$ 2,740,866
Developer contributions	78,949	10,234	-	635,650	724,833
Investment income	-	-	14,112	47,293	61,405
Total Revenues	<u>188,869</u>	<u>48,529</u>	<u>2,606,763</u>	<u>682,943</u>	<u>3,527,104</u>
Expenditures					
Current					
General government	110,772	-	-	-	110,772
Physical environment	72,367	-	-	-	72,367
Culture/recreation	-	9,118	-	-	9,118
Capital outlay	-	-	-	6,366,039	6,366,039
Debt service					
Principal	-	-	1,315,000	-	1,315,000
Other debt service	-	-	1,244,477	-	1,244,477
Total Expenditures	<u>183,139</u>	<u>9,118</u>	<u>2,559,477</u>	<u>6,366,039</u>	<u>9,117,773</u>
Net change in fund balances	<u>5,730</u>	<u>39,411</u>	<u>47,286</u>	<u>(5,683,096)</u>	<u>(5,590,669)</u>
Fund Balances - October 1, 2019	<u>(4,256)</u>	<u>-</u>	<u>2,199,912</u>	<u>6,580,793</u>	<u>8,776,449</u>
Fund Balances - September 30, 2020	<u>\$ 1,474</u>	<u>\$ 39,411</u>	<u>\$ 2,247,198</u>	<u>\$ 897,697</u>	<u>\$ 3,185,780</u>

See accompanying notes to financial statements.

**Beaumont 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, 2020**

Net Change in Fund Balances - Total Governmental Funds \$ (5,590,669)

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 allocated over their estimated useful lives as depreciation. This is the amount of capital outlay in the current year. 6,366,039

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 1,315,000

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. 266,524

At the fund level, revenues are recognized when they become available, however, revenues are recognized when they are earned at the government-wide level. This is the amount of the change in earned revenue that was not available. (4,256)

Change in Net Position of Governmental Activities \$ 2,352,638

See accompanying notes to financial statements.

Beaumont Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND
For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Special assessments	\$ 668,470	\$ 120,237	\$ 109,920	\$ (10,317)
Developer contributions	-	89,183	78,949	(10,234)
Investment income	1,000	-	-	-
Total Revenues	<u>669,470</u>	<u>209,420</u>	<u>188,869</u>	<u>(20,551)</u>
Expenditures				
Current				
General government	102,430	110,771	110,772	(1)
Physical environment	296,600	84,073	72,367	11,706
Culture/recreation	270,440	10,319	-	10,319
Total Expenditures	<u>669,470</u>	<u>205,163</u>	<u>183,139</u>	<u>22,024</u>
Net Change in Fund Balances	-	4,257	5,730	1,473
Fund Balances - October 1, 2019	<u>-</u>	<u>-</u>	<u>(4,256)</u>	<u>(4,256)</u>
Fund Balances - September 30, 2020	<u>\$ -</u>	<u>\$ 4,257</u>	<u>\$ 1,474</u>	<u>\$ (2,783)</u>

See accompanying notes to financial statements.

Beaumont Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - SPECIAL REVENUE FUND
For the Year Ended September 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Special assessments	\$ 269,440	\$ 10,319	\$ 38,295	\$ 27,976
Developer contributions	-	-	10,234	10,234
Investment income	1,000	-	-	-
Total Revenues	<u>270,440</u>	<u>10,319</u>	<u>48,529</u>	<u>38,210</u>
Expenditures				
Current				
Culture/recreation	<u>270,440</u>	<u>10,319</u>	<u>9,118</u>	<u>1,201</u>
Net Change in Fund Balances	-	-	39,411	39,411
Fund Balances - October 1, 2019	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - September 30, 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,411</u>	<u>\$ 39,411</u>

See accompanying notes to financial statements.

Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

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 March 26, 2018, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and by Ordinance 2018-16 of the City of Wildwood, Florida, 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 Beaumont Community Development District. The District is governed by a five-member Board of Supervisors. All the Supervisors are employed by the Developer. The District operates within the criteria established by Chapter 190.

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

Based upon the application of the above-mentioned criteria as set forth in Governmental Accounting Standards Board, The Financial Reporting Entity, 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

Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

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.

Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

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.

Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

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 90 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.

Special Revenue Fund – The Special Revenue Fund accounts for the operation of the townhouse and single family programs.

Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Basis of Presentation (Continued)

a. Governmental Major Funds (Continued)

Debt Service Fund – The Debt Service Fund accounts for the debt service payments associated with the long-term debt of the District.

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

b. Non-current Governmental Assets/Liabilities

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

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

a. Cash and Investments

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

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

1. Direct obligations of the United States Treasury;
2. The Local Government Surplus Funds Trust or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperative Act of 1969;
3. Interest-bearing time deposits or savings accounts in authorized qualified public depositories;
4. Securities and Exchange Commission, registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

a. Cash and Investments (Continued)

Cash equivalents include time deposits and all highly liquid debt instruments with original maturities of three months or less and held in a qualified public depository as defined by Section 280.02, Florida Statutes.

b. Capital Assets

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

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

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

c. Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position that applies to a future reporting period(s) and so will not be recognized as an inflow of resources (revenue) until then. The District only has one time that qualifies for reporting in the category. Unavailable revenues are reported only in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that amounts become available.

d. Budgets

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

Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

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

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

“Total fund balances” of the District’s governmental funds, \$3,185,780, differs from “net position” of governmental activities, \$1,332,167, reported in the Statement of Net Position. This difference primarily results from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheet. The effect of the differences is illustrated below.

Capital related items

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

Construction in progress	\$ <u>14,449,267</u>
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Long-term debt transactions

Long-term liabilities applicable to the District’s governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the Statement of Net Position. Balances at September 30, 2020 were:

Bonds payable	\$ <u>(15,915,000)</u>
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Accrued interest

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

Accrued interest on bonds payable	\$ <u>(387,880)</u>
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Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

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

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

The “net change in fund balances” for government funds, \$(5,590,669), differs from the “change in net position” for governmental activities, \$2,352,638, reported in the Statement of Activities. The differences arise primarily from the long-term economic focus of the Statement of Activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below:

Capital related items

When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation. As a result, fund balances decrease by the amount of financial resources expended, whereas net position decrease by the amount of depreciation charged for the year.

Capital outlay	<u>\$ 6,366,039</u>
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Long-term debt transactions

Repayments of bond principal are reported as an expenditure in the governmental funds and, thus, have the effect of reducing fund balance because current financial resources have been used.

Debt principal payments	<u>\$ 1,315,000</u>
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Some expenses reported in the Statement of Activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds.

Net change in accrued interest payable	<u>\$ 266,524</u>
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Deferred inflows of resources

Deferred inflows of resources reported at the fund level are recognized as revenues in the Statement of Activities.

Net change in deferred inflows of resources	<u>\$ (4,256)</u>
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**Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020**

NOTE C – CASH AND INVESTMENTS

All deposits are held in qualified public depositories and are included on the accompanying balance sheet and statement of net assets 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. The investment policy of the District follows the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2020, the District’s bank balance was \$51,685 and the carrying value was \$245,979. The District controls its exposure to custodial credit risk because it 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.

As of September 30, 2020, the District had the following investments and maturities:

Investment	Maturities	Fair Value
Morgan Stanley Institutional Liquidity Funds Treasury Porfolio	45 days*	\$ 3,346,535

*Maturity is a weighted average maturity.

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 uses 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 investment listed above is a Level 1 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.

**Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020**

NOTE C – CASH AND INVESTMENTS (CONTINUED)

Credit Risk

The District's investments in commercial paper 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, 2020, the District's investment in Morgan Stanley Institutional Liquidity Funds Treasury Portfolio was rated AAAM by Standard & Poor's.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one fund. The investments in Morgan Stanley Institutional Liquidity Funds Treasury Portfolio represent 100% of District's total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2020 were typical of these items during the fiscal year then ended. The District considers any decline in fair value for certain investments to be temporary.

NOTE D – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2020 was as follows:

	Balance October 1, 2019	Additions	Deletions	Balance September 30, 2020
<u>Governmental Activities:</u>				
Capital assets, not being depreciated:				
Construction in progress	\$ 8,083,228	\$ 6,366,039	\$ -	\$ 14,449,267

NOTE E – LONG-TERM DEBT

The following is a summary of activity for long-term debt of the District for the year ended September 30, 2020:

Governmental Activities

The following is a summary of activity for long-term debt of the Governmental Activities for the year ended September 30, 2020:

Long-term debt at October 1, 2019	\$ 17,230,000
Principal payments	(1,315,000)
Long-term debt at September 30, 2020	\$ 15,915,000

Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

NOTE E – LONG-TERM DEBT (CONTINUED)

Special Assessment Debt

Long-term debt is comprised of the following:

\$7,100,000 Special Assessment Bonds, Series 2019 due in annual principal installments, beginning November 1, 2020. Interest is due annually on November 1, beginning November 1, 2020 at a rate of 6.375% with a maturity date of November 1, 2049.	\$ 6,645,000
\$5,925,000 Special Assessment Bonds, Series 2019 A-1 due in annual principal installments, beginning November 1, 2020. Interest is due annually on November 1, beginning November 1, 2020 at rates between 4.25% and 5.625% with a final maturity date of November 1, 2049.	5,925,000
\$4,205,000 Special Assessment Bonds, Series 2019 A-2 due in annual principal installments, beginning November 1, 2020. Interest is due annually on November 1, beginning November 1, 2020 at a rate of 5.625% with a maturity date of November 1, 2032.	<u>3,345,000</u>
Bonds Payable at September 30, 2020	<u>\$ 15,915,000</u>

The annual requirements to amortize the principal and interest of debt outstanding as of September 30, 2020 are as follows:

Year Ending September 30,	Principal	Interest	Total
2021	\$ 90,000	\$ 929,000	\$ 1,019,000
2022	95,000	925,069	1,020,069
2023	185,000	918,163	1,103,163
2024	195,000	908,122	1,103,122
2025	210,000	897,391	1,107,391
2026-2030	1,220,000	4,296,156	5,516,156
2031-2035	4,970,000	3,417,291	8,387,291
2036-2040	2,160,000	2,386,803	4,546,803
2041-2045	2,905,000	1,631,971	4,536,971
2046-2050	<u>3,885,000</u>	<u>613,940</u>	<u>4,498,940</u>
Totals	<u>\$ 15,915,000</u>	<u>\$ 16,923,906</u>	<u>\$ 32,838,906</u>

Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

NOTE E – LONG-TERM DEBT (CONTINUED)

Summary of Significant Resolution Terms and Covenants

Significant Bond Provisions

The Series 2019 and Series 2019A-1 Bonds are subject to redemption at the option of the District prior to their maturity, in whole or in part, at any time after November 1, 2019 at a redemption price equal to the principal amount of the Series 2019 and Series 2019A-1 Bonds to be redeemed, together with accrued interest to the date of redemption. The Series 2019 and Series 2019A-1 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 Series 2019A-2 Bonds are not subject to redemption at the option of the District prior to their maturity. The Series 2019A-2 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.

Depository Funds

The bond resolution establishes certain funds and determines the order in which revenues are to be deposited into these funds. A description of the significant funds, including their purposes, is as follows:

Reserve Funds – The Series 2019 and 2019A-1 Reserve Accounts were funded from the proceeds of the Series 2019 and 2019A-1 Bonds in amounts equal to the maximum annual debt service of the Series 2019 and 2019A-1 Bonds. The Series 2019A-2 Reserve Account was funded from the proceeds of the Series 2019A-2 Bonds in amounts equal to the maximum annual interest. Monies held in the reserve accounts will be used only for the purposes established in the Trust Indenture.

The following is a schedule of required reserve balances as of September 30, 2020:

	Reserve Balance	Reserve Requirement
Special Assessment Bonds, Series 2019	\$ 552,857	\$ 517,788
Special Assessment Bonds, Series 2019A-1	\$ 418,368	\$ 410,825
Special Assessment Bonds, Series 2019A-2	\$ 236,631	\$ 188,156

**Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2020**

NOTE F – INTERFUND BALANCES

Interfund balances at September 30, 2020, consisted for the following:

Receivable Fund	Payable Fund
	General Fund
Special Revenue Fund	\$ 44,537
Capital Projects Fund	2,176
Total	\$ 46,713

The majority of the interfund balances relate to assessments collected in the General Fund on behalf of other funds.

NOTE G – RELATED PARTY TRANSACTIONS

All of the voting members of the Board of Supervisors are employed by the Developer or a related entity. The District received \$724,833 in contributions from the Developer for the year ended September 30, 2020. The District owed the Developer \$15,582 and the Developer owed the District, \$635,649 as of year end.

NOTE H – ECONOMIC DEPENDENCY

The Developer owns a significant portion of land within the District. The District's activity is dependent upon the continued involvement of the Developer, the loss of which could have a material adverse effect on the District's operations. At September 30, 2020, all five board members are affiliated with the Developer.

NOTE I – RISK MANAGEMENT

The government 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 has not filed any claims under this commercial coverage during the last three years.

NOTE J – SUBSEQUENT EVENT

On November 1, 2020, the Board made a \$300,000 prepayment on the Series 2019A-2 bond.



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

To the Board of Supervisors
Beaumont Community Development District
Wildwood, 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 Beaumont Community Development District, as of and for the year ended September 30, 2020, and the related notes to the financial statements, and have issued our report thereon dated June 23, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Beaumont 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 Beaumont Community Development District's internal control. Accordingly, we do not express an opinion on the effectiveness of Beaumont Community Development District's internal control.

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

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

Board of Supervisors
Beaumont Community Development District

Compliance and Other Matters

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

Purpose of this Report

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



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

June 23, 2021



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

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MANAGEMENT LETTER

To the Board of Supervisors
Beaumont Community Development District
Wildwood, Florida

Report on the Financial Statements

We have audited the financial statements of the Beaumont Community Development District as of and for the year ended September 30, 2020, and have issued our report thereon dated June 23, 2021.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and our Independent Auditor's Report on an examination conducted in accordance with AICPA Professionals Standards, AT-C Section 315 regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in that report, which is dated June 23, 2021, 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. There were no findings or recommendations in the prior financial audit report.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not Beaumont 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 Beaumont Community Development District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

To the Board of Supervisors
Beaumont Community Development District

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial conditions assessment procedures as of September 30, 2020 for the Beaumont Community Development District. It is management's responsibility to monitor the Beaumont 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.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we noted no such findings.

Purpose of this Letter

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

*Berger Toombs Elam
Gaines + Frank*

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

June 23, 2021



**Berger, Toombs, Elam,
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**INDEPENDENT ACCOUNTANTS' REPORT/COMPLIANCE
WITH SECTION 218.415 FLORIDA STATUTES**

To the Board of Supervisors
Beaumont Community Development District
Wildwood, Florida

We have examined Beaumont Community Development District's compliance with Section 218.415, Florida Statutes during the year end September 30, 2020. Management is responsible for compliance with those requirements. Our responsibility is to express an opinion on Beaumont 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 Beaumont 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 Beaumont Community Development District's compliance with the specified requirements.

In our opinion, Beaumont Community Development District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2020.

*Berger Toombs Elam
Gaines + Frank*

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

June 23, 2021