

**Sampson Creek
Community Development District**

ANNUAL FINANCIAL REPORT

September 30, 2022

Sampson Creek Community Development District

ANNUAL FINANCIAL REPORT

September 30, 2022

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REPORT OF INDEPENDENT AUDITORS

To the Board of Supervisors
Sampson Creek 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 Sampson Creek Community Development District (the "District"), as of and for the year ended September 30, 2022, 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 Sampson Creek Community Development District as of September 30, 2022, 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. 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
Sampson Creek 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 could reasonably be expected to influence the economic decisions of users made on the basis of these 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.

To the Board of Supervisors
Sampson Creek 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 September 21, 2023 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 Sampson Creek Community Development District's internal control over financial reporting and compliance.



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

September 21, 2023

Sampson Creek Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022

Management's discussion and analysis of Sampson Creek Community Development District (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 position and liabilities of the District, with the difference between position and liabilities reported as net position. Net position are 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.

**Sampson Creek Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

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*, a reconciliation is 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, 2022.

- ◆ The District's total assets and deferred outflows of resources exceeded total liabilities by \$2,560,028 (net position). Unrestricted net position for Governmental Activities were \$713,614. Net investment in capital assets was \$1,820,716. Restricted net position was \$25,698.

- ◆ Governmental activities revenues totaled \$1,667,249 while governmental activities expenses totaled \$2,336,838.

**Sampson Creek Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

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	
	2022	2021
Current assets	\$ 788,473	\$ 1,078,779
Restricted assets	1,109,247	1,222,045
Capital assets, net	8,449,076	9,046,312
Prepaid bond insurance	32,767	34,631
Deferred outflows	250,135	279,854
	<hr/>	<hr/>
Total Assets and Deferred Outflows	10,629,698	11,661,621
	<hr/>	<hr/>
Current liabilities	635,008	588,343
Non-current liabilities	7,434,662	7,843,661
	<hr/>	<hr/>
Total Liabilities	8,069,670	8,432,004
	<hr/>	<hr/>
Net investment in capital assets	1,820,716	2,553,197
Net position - restricted	25,698	29,756
Net position - unrestricted	713,614	646,664
	<hr/>	<hr/>
Total Net Position	<u>\$ 2,560,028</u>	<u>\$ 3,229,617</u>

The decrease in current assets is related to the decrease in investments in the current year.

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

The decrease in restricted assets is related to capital asset additions, and debt service activity in the current year.

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

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

**Sampson Creek Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

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	
	2022	2021
Program Revenues		
Charges for services	\$ 1,611,175	\$ 1,611,012
General Revenues		
Investment earnings	9,213	1,010
Miscellaneous	46,861	48,460
Total Revenues	<u>1,667,249</u>	<u>1,660,482</u>
Expenses		
General government	128,042	124,392
Physical environment	1,950,434	1,466,487
Interest and other charges	258,362	266,439
Total Expenses	<u>2,336,838</u>	<u>1,857,318</u>
Change in Net Position	(669,589)	(196,836)
Net Position - Beginning of Year	<u>3,229,617</u>	<u>3,426,453</u>
Net Position - End of Year	<u><u>\$ 2,560,028</u></u>	<u><u>\$ 3,229,617</u></u>

The increase in physical environment is mainly related to the increase in field management and repair and replacement expenses in the current year.

**Sampson Creek Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Capital Assets Activity

The following schedule provides a summary of the District's capital assets activity as of September 30, 2022, and 2021.

<u>Description</u>	<u>Governmental Activities</u>	
	<u>2022</u>	<u>2021</u>
Capital assets not being depreciated:		
Land improvements	\$ 1,648,125	\$ 1,648,125
Construction in progress	-	84,343
Total Capital Assets, Not Depreciated	<u>1,648,125</u>	<u>1,732,468</u>
Capital assets being depreciated:		
Improvements other than buildings	17,152,941	17,152,941
Equipment	1,163,968	825,875
Accumulated depreciation	(11,515,958)	(10,664,972)
Total Capital Assets, depreciated	<u>6,800,951</u>	<u>7,313,844</u>
Total Capital Assets	<u>\$ 8,449,076</u>	<u>\$ 9,046,312</u>

During the year, depreciation was \$850,986, \$84,343 was transferred from construction in progress and \$338,093 was added to equipment.

General Fund Budgetary Highlights

The budget exceeded actual expenditures primarily because of lower landscape maintenance expenditures than were originally expected.

The current year budget was not amended.

Debt Management

Governmental Activities debt includes the following:

- ◆ In March 2016, the District issued \$7,595,000 Series 2016 Capital Improvement and Revenue Refunding Bonds. These bonds were issued to advance refund the Series 2006 Capital Improvement and Revenue Refunding Bonds and fund the Series 2016 Capital Improvement Project. The balance outstanding at September 30, 2022 was \$5,430,000.
- ◆ In February 2020, the District issued \$2,520,000 Series 2020 Capital Improvement Revenue Bonds. These bonds were issued to finance a portion of the cost of acquiring, constructing, and equipping the Series 2020 Project. As of September 30, 2022, the balance outstanding was \$2,500,000.

**Sampson Creek Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Economic Factors and Next Year's Budget

Sampson Creek Community Development District does not expect any economic factors to have any significant effect on the financial position or results of operations of the District in fiscal year 2023.

Request for Information

The financial report is designed to provide a general overview of Sampson Creek Community Development District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Sampson Creek Community Development District, Governmental Management Services, 475 West Town Place, Suite 114, St. Augustine, Florida 32092.

Sampson Creek Community Development District
STATEMENT OF NET POSITION
September 30, 2022

	Governmental Activities
ASSETS	
Current Assets:	
Cash and cash equivalents	\$ 82,090
Investments	635,222
Due from other governments	14,626
Accrued interest receivable	2,724
Assessments receivable	6,211
Deposits	820
Prepaid expenses	46,780
Total Current Assets	788,473
Non-current Assets:	
Prepaid bond insurance	32,767
Restricted assets:	
Investments	1,109,247
Capital assets not being depreciated:	
Land improvements	1,648,125
Capital assets being depreciated:	
Improvements other than buildings	17,152,941
Equipment	1,163,968
Less: accumulated depreciation	(11,515,958)
Total Non-current Assets	9,591,090
Total Assets	10,379,563
DEFERRED OUTFLOW OF RESOURCES	
Deferred amount on refunding, net	250,135
LIABILITIES	
Current Liabilities:	
Accounts payable	128,896
Contracts payable	6,131
Accrued interest payable	89,981
Bonds payable	410,000
Total Current Liabilities	635,008
Non-current Liabilities:	
Bonds payable, net	7,434,662
Total Liabilities	8,069,670
NET POSITION	
Net investment in capital assets	1,820,716
Restricted for debt service	25,698
Unrestricted	713,614
Total Net Position	\$ 2,560,028

See accompanying notes.

Sampson Creek Community Development District
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2022

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues Charges for Services</u>	<u>Net (Expense) Revenues and Changes in Net Position Governmental Activities</u>
Governmental Activities			
General government	\$ (128,042)	\$ 127,039	\$ (1,003)
Physical environment	(1,950,434)	850,190	(1,100,244)
Interest and other charges	(258,362)	633,946	375,584
Total Governmental Activities	<u>\$ (2,336,838)</u>	<u>\$ 1,611,175</u>	<u>(725,663)</u>
General revenues:			
			9,213
			46,861
			<u>56,074</u>
			(669,589)
			3,229,617
			<u>\$ 2,560,028</u>

See accompanying notes.

**Sampson Creek Community Development District
BALANCE SHEET –
GOVERNMENTAL FUNDS
September 30, 2022**

ASSETS	General	Debt Service Series 2016	Debt Service Series 2020	Capital Project Reserve	Capital Project Series 2016	Capital Project Series 2020	Total Governmental Funds
Cash and cash equivalents	\$ 66,055	\$ -	\$ -	\$ 16,035	\$ -	\$ -	\$ 82,090
Investments	541,650	-	-	93,572	-	-	635,222
Due from other funds	38,668	-	-	-	-	-	38,668
Due from other governments	14,626	-	-	-	-	-	14,626
Assessments receivable	-	5,479	732	-	-	-	6,211
Accrued interest receivable	668	497	271	-	12	1,276	2,724
Deposits	820	-	-	-	-	-	820
Prepaid expenses	46,780	-	-	-	-	-	46,780
Restricted assets - investments	-	268,275	146,291	-	6,128	688,553	1,109,247
Total Assets	<u>\$ 709,267</u>	<u>\$ 274,251</u>	<u>\$ 147,294</u>	<u>\$ 109,607</u>	<u>\$ 6,140</u>	<u>\$ 689,829</u>	<u>\$ 1,936,388</u>
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts payable	\$ 128,896	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 128,896
Contracts payable	-	-	-	6,131	-	-	6,131
Due to other funds	-	-	-	3,000	-	35,668	38,668
Total Liabilities	<u>128,896</u>	<u>-</u>	<u>-</u>	<u>9,131</u>	<u>-</u>	<u>35,668</u>	<u>173,695</u>
FUND BALANCES							
Nonspendable							
Deposits	820	-	-	-	-	-	820
Prepaid expenses	46,780	-	-	-	-	-	46,780
Restricted for:							
Debt service	-	274,251	147,294	-	-	-	421,545
Capital projects	-	-	-	-	6,140	654,161	660,301
Assigned-capital projects	-	-	-	100,476	-	-	100,476
Unassigned	532,771	-	-	-	-	-	532,771
Total Fund Balances	<u>580,371</u>	<u>274,251</u>	<u>147,294</u>	<u>100,476</u>	<u>6,140</u>	<u>654,161</u>	<u>1,762,693</u>
Total Liabilities and Fund Balances	<u>\$ 709,267</u>	<u>\$ 274,251</u>	<u>\$ 147,294</u>	<u>\$ 109,607</u>	<u>\$ 6,140</u>	<u>\$ 689,829</u>	<u>\$ 1,936,388</u>

See accompanying notes.

**Sampson Creek Community Development District
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2022**

Total Governmental Fund Balances		\$ 1,762,693
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets, not being depreciated, land improvements, used in governmental activities are not current financial resources and are not reported at the fund level.		1,648,125
Capital assets, being depreciated, improvements other than building, \$17,152,941, and equipment, \$1,163,968, net of accumulated depreciation, \$(11,515,958), used in governmental activities are not current financial resources and therefore, are not reported at the fund level.		6,800,951
Prepaid bond insurance was recognized as an other debt service cost at the fund level in the year the debt was issued; however, at the government-wide level, it is recognized as an asset and amortized over the life of the bonds.		32,767
Deferred amounts on refunding are not current financial resources and therefore, are not reported at the fund level.		250,135
Long-term liabilities, including bonds payable, \$(7,930,000), less net bond discount, net, \$85,338, are not due and payable in the current period and therefore, are not reported at the fund level.		(7,844,662)
Accrued interest expense for long-term debt is not a current financial use and therefore, is not reported at the fund statement level.		<u>(89,981)</u>
Net Position of Governmental Activities		<u><u>\$ 2,560,028</u></u>

See accompanying notes.

**Sampson Creek Community Development District
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2022**

	General	Debt Service Series 2016	Debt Service Series 2020	Capital Project Reserve	Capital Project Series 2016	Capital Project Series 2020	Total Governmental Funds
Revenues							
Special assessments	\$ 977,229	\$ 559,263	\$ 74,683	\$ -	\$ -	\$ -	\$ 1,611,175
Investment earnings	1,097	1,778	918	1,097	38	4,285	9,213
Miscellaneous	46,861	-	-	-	-	-	46,861
Total Revenues	<u>1,025,187</u>	<u>561,041</u>	<u>75,601</u>	<u>1,097</u>	<u>38</u>	<u>4,285</u>	<u>1,667,249</u>
Expenditures							
Current							
General government	127,414	-	-	628	-	-	128,042
Physical environment	852,697	-	-	133,236	-	113,515	1,099,448
Capital outlay	-	-	-	224,552	-	29,198	253,750
Debt service							
Principal	-	400,000	10,000	-	-	-	410,000
Interest	-	160,324	63,900	-	-	-	224,224
Total Expenditures	<u>980,111</u>	<u>560,324</u>	<u>73,900</u>	<u>358,416</u>	<u>-</u>	<u>142,713</u>	<u>2,115,464</u>
Revenue over/under expenditures	<u>45,076</u>	<u>717</u>	<u>1,701</u>	<u>(357,319)</u>	<u>38</u>	<u>(138,428)</u>	<u>(448,215)</u>
Other financing sources/(uses)							
Transfers in	10,146	-	-	86,884	-	-	97,030
Transfers out	(86,884)	(10,146)	-	-	-	-	(97,030)
Total Other Financing Sources/(Uses)	<u>(76,738)</u>	<u>(10,146)</u>	<u>-</u>	<u>86,884</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(31,662)	(9,429)	1,701	(270,435)	38	(138,428)	(448,215)
Fund Balances - October 1, 2021	<u>612,033</u>	<u>283,680</u>	<u>145,593</u>	<u>370,911</u>	<u>6,102</u>	<u>792,589</u>	<u>2,210,908</u>
Fund Balances - September 30, 2022	<u>\$ 580,371</u>	<u>\$ 274,251</u>	<u>\$ 147,294</u>	<u>\$ 100,476</u>	<u>\$ 6,140</u>	<u>\$ 654,161</u>	<u>\$ 1,762,693</u>

See accompanying notes.

Sampson Creek Community Development District
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2022

Net Change in Fund Balances - Total Governmental Funds	\$ (448,215)
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 that capital outlay, \$253,750, was exceeded by depreciation, \$(850,986), in the current year.	(597,236)
Repayment of long-term liabilities are reported as expenditures in the governmental fund statement, but such repayments reduce liabilities in the Statement of Net Position.	410,000
Amortization of prepaid bond insurance reported in the Statement of Activities does not require the use of current financial resources and therefore, is not reported as an expenditure at the fund level.	(1,864)
Amortization expense of bond discount does not require the use of current resources and therefore, is not reported in the governmental funds. This is the amount of amortization in the current period.	(6,001)
The deferred amount of refunding is amortized in the Statement of Activities, but not in the governmental funds. This is the amount of amortization in the current year.	(29,719)
In the Statement of Activities, interest is accrued on outstanding bonds; whereas in governmental funds, interest expenditures are reported when due. This is the change in accrued interest from the prior year to the current year.	<u>3,446</u>
Change in Net Position of Governmental Activities	<u><u>\$ (669,589)</u></u>

See accompanying notes.

**Sampson Creek Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
GENERAL FUND**

For the Year Ended September 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Special assessments	\$ 965,283	\$ 965,283	\$ 977,229	\$ 11,946
Investment earnings	75	75	1,097	1,022
Miscellaneous	45,250	45,250	46,861	1,611
Total Revenues	<u>1,010,608</u>	<u>1,010,608</u>	<u>1,025,187</u>	<u>14,579</u>
Expenditures				
Current				
General government	151,695	151,695	127,414	24,281
Physical environment	878,543	878,543	852,697	25,846
Total Expenditures	<u>1,030,238</u>	<u>1,030,238</u>	<u>980,111</u>	<u>50,127</u>
Revenues over/(under) expenditures	<u>(19,630)</u>	<u>(19,630)</u>	<u>45,076</u>	<u>64,706</u>
Other financing sources/(uses)				
Transfers in	4,905	4,905	10,146	5,241
Transfers out	(86,884)	(86,884)	(86,884)	-
Total Other Financing Sources/(Uses)	<u>(81,979)</u>	<u>(81,979)</u>	<u>(76,738)</u>	<u>5,241</u>
Net change in fund balances	(101,609)	(101,609)	(31,662)	69,947
Fund Balances - October 1, 2021	<u>101,609</u>	<u>101,609</u>	<u>612,033</u>	<u>510,424</u>
Fund Balances - September 30, 2022	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 580,371</u>	<u>\$ 580,371</u>

See accompanying notes.

Sampson Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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 August 1, 2000, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes. 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 or re-constructing, enlarging or extending, equipping, operating and maintaining water management, bridges or culverts, district roads, landscaping, street lights and other basic infrastructure projects within or without the boundaries of the Sampson Creek Community Development District. The District is governed by a five-member Board of Supervisors who are elected on an at-large basis in a general election by qualified electors within the District. The District operates within the criteria established by Chapter 190, Florida Statutes.

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

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

Sampson Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

a. Government-wide Financial Statements

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

Governmental activities are supported by special assessments. Program revenues include charges for services and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. 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.

Sampson Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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.

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.

Sampson Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds (Continued)

When both restricted and unrestricted resources are combined in a fund, qualified expenses are considered to be paid first from restricted resources, and then from unrestricted resources. 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.

Sampson Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Debt Service Funds – Account for debt service requirements to retire the capital improvement revenue and refunding bonds which were used to refund the capital improvement bonds issued to finance the construction of District infrastructure improvements and fund the cost to acquire, construct and equip the Series 2016 Project.

Capital Projects Funds – The Capital Projects Funds account for the construction of improvements within the District.

b. Non-current Governmental Assets/Liabilities

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

4. Assets, Deferred Outflows of Resources, 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.

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

Sampson Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Assets, Deferred Outflows of Resources, Liabilities, and Net Position or Equity (Continued)

b. Restricted Net Position

Certain net position of the District will be 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 improvements, improvements other than buildings, and equipment are reported in governmental activities.

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.

Depreciation of capital assets is computed and recorded by utilizing the straight-line method over the assets' estimated useful lives ranging from 5 to 30 years.

d. Deferred Outflows of Resources

Deferred outflow of resources is the consumption of net position by the government that is applicable to a future reporting period. Deferred amount on refunding is amortized and recognized as a component of interest expense over the life of the bond.

e. Bond Discounts

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

f. Budgets

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

Sampson Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Assets, Deferred Outflows of Resources, Liabilities, and Net Position or Equity (Continued)

g. Net Position

Net position represents the difference between assets and liabilities and are reported in three categories. Net investment in capital assets represents capital assets, net of accumulated depreciation and any outstanding debt related to those assets. Net position is reported as restricted when there are legal limitations imposed on their use by legislation, or external restrictions imposed by other governments, creditors, or grantors. Unrestricted net position are assets that do not meet definitions of the classifications previously described.

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, \$1,762,693, differs from “net position” of governmental activities, \$2,560,028, 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 (improvements and equipment that are to be used in governmental activities) are purchased or constructed, the cost of those assets is reported as expenditures in governmental funds. However, the Statement of Net Position includes those capital assets among the assets of the District as a whole.

Land improvements	\$ 1,648,125
Improvements other than buildings	17,152,941
Equipment	1,163,968
Accumulated depreciation	<u>(11,515,958)</u>
Total	<u>\$ 8,449,076</u>

Prepaid bond insurance

Prepaid bond insurance is recognized as an asset at the government-wide level and amortized over the life of the long-term debt.

Prepaid bond insurance	<u>\$ 32,767</u>
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Sampson Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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

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

Deferred amount on refunding

The difference between the outstanding balance of the old debt and the cost of the new debt is a deferred outflow of resources. This balance is amortized over the life of the new debt. The unamortized balance is reflected as deferred amount on refunding.

Deferred amount on refunding, net	\$ <u>250,135</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, 2022 were:

Bonds payable	\$ (7,930,000)
Bond discount, net	<u>85,338</u>
Total	<u>\$ (7,844,662)</u>

Accrued interest

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

Accrued interest	\$ <u>(89,981)</u>
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2. Explanation of Differences Between the Governmental Fund Operating Statements and the Statement of Activities

The “net change in fund balances” for government funds, \$(448,215), differs from the “change in net position” for governmental activities, \$(669,589), 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 as follows.

Sampson Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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 (Continued)

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 costs 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.

Depreciation	\$ (850,986)
Capital outlay	253,750
Total	<u>\$ (597,236)</u>

Deferred amount on refunding

Amortization of the deferred amount on refunding does not require the use of current resources and therefore is not reported in the governmental funds.

Amortization of deferred amount on refunding	<u>\$ (29,719)</u>
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Prepaid bond insurance

Prepaid bond insurance is recognized as other debt service costs at the fund level, however it is recognized as an asset at the government-wide level and amortized over the life of the bonds.

Amortization of prepaid bond insurance	<u>\$ (1,864)</u>
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Long-term debt transactions

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 decrease in accrued interest payable	<u>\$ 3,446</u>
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Sampson Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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 (Continued)

Long-term debt transactions (Continued)

The repayment of long-term liabilities is reported as an expenditure at the fund level, but such repayments reduce long-term liabilities at the government-wide level.

Debt principal payments	\$ <u>410,000</u>
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Amortization of the bond premium/discount does not require the use of current resources and therefore, is not reported in the governmental funds.

Amortization of bond discount	\$ <u>(6,001)</u>
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NOTE C – CASH AND INVESTMENTS

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

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District follows the provisions of Chapter 280, Florida Statutes regarding deposits and investments to manage custodial credit risk. The District maintains all deposits in a qualified public depository, so that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes. As of September 30, 2022, the District's bank balance was \$114,440 and the carrying value was \$82,090.

Investments

As of September 30, 2022, the District had the following investments and maturities:

Investment	Maturities	Fair Value
Florida PRIME Fund	21 days*	\$ 93,572
U.S. Money Market Fund	N/A	541,650
First American Government Obligation Fund	18 days*	<u>1,109,247</u>
Total		<u>\$ 1,744,469</u>

*Maturity is a weighted average maturity.

Sampson Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE C – CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

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 in First American Government Obligation Fund and the U.S. Money Market Fund are Level 1 assets.

The District's investment policy allows management to invest funds in investments permitted under Section 218.415, Florida Statutes. The investment in Florida PRIME is measured at amortized cost. Florida PRIME has established policies and guidelines regarding participant transactions and the authority to limit or restrict withdrawals or impose a penalty for an early withdrawal. As of September 30, 2022, there were no redemption fees, maximum transaction amounts, or any other requirements that would limit daily access to 100 percent of the account value.

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.

Sampson Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE C – CASH AND INVESTMENTS (CONTINUED)

Credit Risk

The District's investments in government obligation and money market 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, 2022, the District's investments in the First American Government Obligation Fund and Florida PRIME were rated AAAM by Standard & Poor's. The District's investments in U.S. Money Market Fund are not rated.

Concentration of Credit Risk

The District places no limit on the amount it may invest. The investment in First American Government Obligation Fund represents 64% of the District's total investments. The investment in Florida PRIME represents 5% of the District's total investments. The investment in U.S. Money Market Fund represents 31% of the District's total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2022, 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 – SPECIAL ASSESSMENT REVENUES

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

Assessments and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Sampson Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE E – CAPITAL ASSETS

Capital Asset activity for the year ended September 30, 2022 was as follows:

	Balance 10/1/21	Additions	Deletions	Balance 09/30/22
<u>Governmental Activities:</u>				
Capital assets, not depreciated:				
Land and improvements	\$ 1,648,125	\$ -	\$ -	\$ 1,648,125
Construction in progress	84,343	-	(84,343)	-
Total Capital Assets, Not Depreciated	<u>1,732,468</u>	<u>-</u>	<u>(84,343)</u>	<u>1,648,125</u>
Capital assets, being depreciated:				
Improvements other than building	17,152,941	-	-	17,152,941
Equipment	825,875	338,093	-	1,163,968
Total Capital Assets, Being Depreciated	<u>17,978,816</u>	<u>338,093</u>	<u>-</u>	<u>18,316,909</u>
Less accumulated depreciation for:				
Improvements other than building	(10,240,640)	(755,678)	-	(10,996,318)
Equipment	(424,332)	(95,308)	-	(519,640)
Total Accumulated Depreciation	<u>(10,664,972)</u>	<u>(850,986)</u>	<u>-</u>	<u>(11,515,958)</u>
Total Capital Assets Depreciated, Net	<u>7,313,844</u>	<u>(512,893)</u>	<u>-</u>	<u>6,800,951</u>
Governmental Activities Capital Assets	<u>\$ 9,046,312</u>	<u>\$ (512,893)</u>	<u>\$ (84,343)</u>	<u>\$ 8,449,076</u>

Depreciation of \$850,986 was allocated to physical environment.

NOTE F – LONG-TERM DEBT

The following is a summary of activity for long-term debt of the Governmental Activities for the year ended September 30, 2022:

Long-term debt at October 1, 2021	\$ 8,340,000
Principal payments	<u>(410,000)</u>
Long-term debt at September 30, 2022	\$ 7,930,000
Less: bond discount, net	<u>(85,338)</u>
Bonds Payable, Net at September 30, 2022	<u>\$ 7,844,662</u>

Sampson Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE F – LONG-TERM DEBT (CONTINUED)

District debt is comprised of the following at September 30, 2022:

Capital Improvement Revenue and Refunding Bonds

\$7,595,000 Series 2016 Capital Improvement Revenue and Refunding Bonds maturing through 2034, interest between 3.5% and 5.0%, payable May 1 and November 1. Current portion is \$400,000 \$ 5,430,000

\$2,520,000 Series 2020 Capital Improvement Revenue Bonds are due in annual principal installments beginning May 2021 maturing May 2040. Interest at various rates between 2.375% and 2.625% is due May and November beginning May 2020. Current portion is \$10,000. 2,500,000

Bond Payable at September 30, 2022 \$ 7,930,000

The annual requirements to amortize the principal and interest of bonded debt outstanding as of September 30, 2022 are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 410,000	\$ 215,956	\$ 625,956
2024	420,000	207,218	627,218
2025	430,000	197,243	627,243
2026	440,000	186,925	626,925
2027	450,000	175,938	625,938
2028-2032	2,470,000	677,375	3,147,375
2033-2037	2,215,000	297,987	2,512,987
2038-2040	1,095,000	60,768	1,155,768
Totals	<u>\$ 7,930,000</u>	<u>\$ 2,019,410</u>	<u>\$ 9,949,410</u>

Significant Bond Provisions

The District agrees to levy special assessments in annual amounts adequate to provide payment of debt in accordance with Bond Indentures. The Bond Indentures established certain amounts be maintained in reserve accounts for the Series 2016 and Series 2020 Bonds. The reserve requirement for the Series 2016 Bonds was met through bond insurance and a cash reserve of \$193,156 which is equal to the bond requirement. The reserve requirement for the Series 2020 Bonds was met through bond insurance and a cash reserve of \$112,710 which is equal to the bond requirement.

Sampson Creek Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE G – INTERFUND ACTIVITY

Interfund balances at September 30, 2022, consisted of the following:

	Payable Fund		
Receivable Fund	Capital Project Reserve	Capital Project Series 2020	Total
General Fund	\$ 3,000	\$ 35,668	\$ 38,668
	\$ 3,000	\$ 35,668	\$ 38,668

The amount owed to the General Fund from the Capital Project Reserve and Capital Projects Fund relates to capital expenditures paid out of the General Fund.

The interfund transfers for the year ended September 30, 2022, consisted of the following:

	Transfer Out		
Transfer In	General Fund	Debt Service Series 2016	Total
General Fund	\$ -	\$ 10,146	\$ 10,146
Capital Projects Reserve	86,884	-	86,884
Total	\$ 86,884	\$ 10,146	\$ 97,030
	\$ 86,884	\$ 10,146	\$ 97,030

The transfer from the Debt Service Fund to the General Fund relates to excess revenues collected in the Debt Service Fund. The transfer from the General Fund to the Capital Projects Reserve Fund relates to reimbursement of expenditures paid out of Capital Projects Reserve Fund.

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. There were no claims or settled claims from these risks have not exceeded commercial insurance coverage.



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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
Sampson Creek 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 Sampson Creek Community Development District, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the basic financial statements and have issued our report thereon dated September 21, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

To the Board of Supervisors
Sampson Creek Community Development District

Report on Compliance and Other Matters

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

Purpose of this Report

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



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

September 21, 2023



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

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MANAGEMENT LETTER

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

Report on the Financial Statements

We have audited the financial statements of the Sampson Creek Community Development District as of and for the year ended September 30, 2022, and have issued our report thereon dated September 21, 2023.

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 Reports 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 September 21, 2023 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 finding or recommendation made in the preceding financial audit report.

Financial Condition and Management

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

To the Board of Supervisors
Sampson Creek Community Development District

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial conditions assessment procedures as of September 30, 2022 for the Sampson Creek Community Development District. It is management's responsibility to monitor the Sampson Creek Community Development District's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same.

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

Specific Information

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

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

- 1) The total number of district employees compensated in the last pay period of the District's fiscal year: 3
- 2) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year: 19
- 3) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: \$35,321
- 4) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: \$1,390,092
- 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, 2021, together with the total expenditures for such project: None.
- 6) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes: The budget was not amended.

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

- 1) The rate or rates of non-ad valorem special assessments imposed by the District: The General Fund, \$1,267.75 - \$32,449.50.
- 2) The amount of special assessments collected by or on behalf of the District: Total special assessments collected was \$1,611,175.
- 3) The total amount of outstanding bonds issued by the District and the terms of such bonds: Series 2016 Bonds, \$5,430,000, maturing through 2034 and Series 2020 Bonds, \$2,500,000, maturing May 2040.

To the Board of Supervisors
Sampson Creek Community Development District

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we 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

September 21, 2023



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

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

We have examined Sampson Creek Community Development District's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2022. Management is responsible for Sampson Creek Community Development District's compliance with those requirements. Our responsibility is to express an opinion on Sampson Creek Community Development District's compliance based on our examination.

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

In our opinion, Sampson Creek Community Development District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2022.

*Berger Toombs Elam
Gaines + Frank*

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

September 21, 2023