

**Julington Creek Plantation
Community Development District**

ANNUAL FINANCIAL REPORT

September 30, 2023

Julington Creek Plantation Community Development District

ANNUAL FINANCIAL REPORT

September 30, 2023

TABLE OF CONTENTS

	<u>Page Number</u>
REPORT OF INDEPENDENT AUDITORS	1-3
MANAGEMENT'S DISCUSSION AND ANALYSIS	4-9
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of Net Position	10
Statement of Activities	11
Fund Financial Statements	
Balance Sheet – Governmental Funds	12
Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities	13
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	14
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	15
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	16
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Recreation Fund	17
Notes to Financial Statements	18-34
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 <i>GOVERNMENT AUDITING STANDARDS</i>	35-36
MANAGEMENT LETTER	37-39
INDEPENDENT ACCOUNTANTS' REPORT/COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES	40



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

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

REPORT OF INDEPENDENT AUDITORS

To the Board of Supervisors
Julington Creek Plantation 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 Julington Creek Plantation Community Development District (the "District"), as of and for the year ended September 30, 2023, 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 Julington Creek Plantation Community Development District as of September 30, 2023, 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
Julington Creek Plantation Community Development District

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year beyond the financial statement date, including currently known information that may raise substantial doubt thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

To the Board of Supervisors
Julington Creek Plantation 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 6, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts.

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

*Berger Toombs Elam
Gaines + Frank*

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

September 6, 2024

**Julington Creek Plantation Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2023**

Management's discussion and analysis of Julington Creek Plantation 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 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, culture and recreation, physical environment and interest.

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.

**Julington Creek Plantation Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2023**

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 and Recreation 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, 2023.

- ◆ The District's total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$6,014,354 (net position). Unrestricted net position for Governmental Activities was \$5,939,318. Restricted net position for Governmental Activities was \$173,666. Net investment in capital assets was \$(98,630).
- ◆ Governmental activities revenues totaled \$7,819,768 while governmental activities expenses totaled \$6,004,057.

**Julington Creek Plantation Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2023**

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	
	2023	2022
Current assets	\$ 5,878,248	\$ 4,185,361
Restricted assets	39,701,406	1,256,729
Other non-current assets	1,001,191	74,718
Capital assets	10,888,469	11,129,288
Total Assets	57,469,314	16,646,096
Deferred outflows of resources	238,836	299,256
Current liabilities	2,104,872	1,681,734
Non-current liabilities	49,524,802	10,953,000
Total Liabilities	51,629,674	12,634,734
Deferred inflows of resources	64,122	81,785
Net investment on capital assets	(98,630)	(215,024)
Net position - restricted	173,666	357,997
Net position - unrestricted	5,939,318	4,055,670
Total Net Position	\$ 6,014,354	\$ 4,198,643

The increase in current assets is mainly related to revenues exceeding expenditures in the Special Revenue Fund in the current year.

The increase in restricted assets and non-current liabilities is related to the issuance of new long-term debt in the current year.

The increase in other non-current assets is related to prepaid bond insurance issued in the current year.

The decrease in capital assets is mainly the result of current year depreciation.

The decrease in deferred inflows of resources is related to the amortization of leases receivable in the current year.

The increase in current liabilities is related to the increases in contracts payable and accrued interest in the current year.

**Julington Creek Plantation Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2023**

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.

Financial Activity

	Governmental Activities	
	2023	2022
Program Revenues		
Charges for services	\$ 6,960,967	\$ 5,774,654
General Revenues		
Investment earnings	856,039	34,249
Miscellaneous	2,762	105
Total Revenues	<u>7,819,768</u>	<u>5,809,008</u>
Expenses		
General government	182,642	180,700
Physical environment	401,920	398,364
Culture/recreation	3,794,620	3,536,420
Interest and other charges	1,624,875	458,617
Total Expenses	<u>6,004,057</u>	<u>4,574,101</u>
Change in Net Position	1,815,711	1,234,907
Net Position - Beginning of Year	<u>4,198,643</u>	<u>2,963,736</u>
Net Position - End of Year	<u><u>\$ 6,014,354</u></u>	<u><u>\$ 4,198,643</u></u>

The increase in charges for services is related to an increase in special assessments.

The increase in culture/recreation is mainly related to the increase in property manager expenses in the current year.

The increase in interest and other charges is related to the bond issuance costs associated with the issuance of long-term debt in the current year.

**Julington Creek Plantation Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2023**

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, 2023 and 2022:

<u>Description</u>	<u>Governmental Activities</u>	
	<u>2023</u>	<u>2022</u>
Capital assets not being depreciated:		
Land and improvements	\$ 2,555,406	\$ 2,555,406
Construction in progress	461,379	-
Capital assets being depreciated:		
Improvements other than buildings	9,163,444	9,118,083
Infrastructure	3,617,923	3,617,923
Building	12,484,326	12,484,326
Equipment	378,633	371,814
Accumulated depreciation	<u>(17,772,642)</u>	<u>(17,018,264)</u>
Total Capital Assets	<u>\$ 10,888,469</u>	<u>\$ 11,129,288</u>

During the year, depreciation was \$754,378 and additions to equipment was \$6,819, construction in progress was, \$461,379 and improvements other than buildings was, \$45,361.

General Fund Budgetary Highlights

The budgeted expenditures exceeded actual amounts because of lower legal advertising and landscape expenditures than were anticipated.

The September 30, 2023 budget was not amended.

Debt Management

Governmental Activities debt includes the following:

- ◆ In November 2012, the District issued \$13,835,000 of Special Assessment Refunding Bonds, Series 2012. These bonds were issued as part of the current refunding of the Series 2002 Special Assessment Refunding Bonds. The balance outstanding at September 30, 2023 was \$4,270,000.
- ◆ In October 2016, the District issued \$9,064,000 Series 2016 Special Assessment Refunding Bonds. These bonds were issued to refund and refinance the Series 2006 Special Assessment Bonds. The balance outstanding at September 30, 2023 was \$6,669,000.
- ◆ In May 2023, the District issued \$39,370,000 Series 2023 Special Assessment Revenue Bonds. These bonds were issued to finance all or a portion of the costs of The Series 2023 Project and pay certain costs associated with the issuance of the bonds. The balance outstanding at September 30, 2023 was \$39,370,000.

**Julington Creek Plantation Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2023**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Economic Factors and Next Year's Budget

Other than the ongoing costs associated with the Series 2023 Project, Julington Creek Plantation 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 2024.

Request for Information

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

Julington Creek Plantation Community Development District
STATEMENT OF NET POSITION
September 30, 2023

	Governmental Activities
ASSETS	
Current Assets	
Cash and equivalents	\$ 773,223
Investments	4,824,470
Accounts receivables	8,864
Assessment receivables	158
Due from other governments	66,874
Lease receivable	17,315
Prepays and deposits	187,344
Total Current Assets	5,878,248
Non-current Assets	
Restricted	
Investments	39,701,406
Lease receivable	55,228
Prepaid bond insurance, net	945,963
Capital assets, not being depreciated	
Land and improvements	2,555,406
Construction in progress	461,379
Capital assets, being depreciated	
Improvements other than building	9,163,444
Infrastructure	3,617,923
Building	12,484,326
Equipment	378,633
Accumulated depreciation	(17,772,642)
Total Non-current Assets	51,591,066
Total Assets	57,469,314
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amount on refunding, net	238,836
LIABILITIES	
Current Liabilities	
Accounts payable and accrued expenses	51,395
Contracts payable	149,570
Unearned revenues	2,100
Accrued interest	459,807
Bonds payable	1,442,000
Total Current Liabilities	2,104,872
Non-current Liabilities	
Bonds payable, net	49,524,802
Total Liabilities	51,629,674
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to leases	64,122
NET POSITION	
Net investment in capital assets	(98,630)
Restricted for debt service	173,666
Unrestricted	5,939,318
Total Net Position	\$ 6,014,354

See accompanying notes to financial statements.

Julington Creek Plantation Community Development District
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2023

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues Charges for Services</u>	<u>Net (Expense) Revenue and Changes in Net Position Governmental Activities</u>
Primary Government			
Governmental Activities			
General government	\$ (182,642)	\$ 185,597	\$ 2,955
Physical environment	(401,920)	197,561	(204,359)
Culture and recreation	(3,794,620)	4,766,756	972,136
Interest and other charges	(1,624,875)	1,811,053	186,178
Total Governmental Activities	<u>\$ (6,004,057)</u>	<u>\$ 6,960,967</u>	<u>956,910</u>
General Revenues			
			856,039
			2,762
			<u>858,801</u>
			1,815,711
			4,198,643
			<u>\$ 6,014,354</u>

See accompanying notes to financial statements.

Julington Creek Plantation Community Development District
BALANCE SHEET – GOVERNMENTAL FUNDS
September 30, 2023

	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 165,529	\$ 607,694	\$ -	\$ -	\$ 773,223
Investments	20,249	4,804,221	-	-	4,824,470
Accounts receivable	-	8,864	-	-	8,864
Assessment receivable	9	106	43	-	158
Due from other funds	6	236,365	-	-	236,371
Due from other governments	3,837	44,902	18,135	-	66,874
Lease receivable	-	72,543	-	-	72,543
Prepays and deposits	504	186,840	-	-	187,344
Restricted investments	-	-	4,725,420	34,975,986	39,701,406
	<u>-</u>	<u>-</u>	<u>4,725,420</u>	<u>34,975,986</u>	<u>39,701,406</u>
Total Assets	<u>\$ 190,134</u>	<u>\$ 5,961,535</u>	<u>\$ 4,743,598</u>	<u>\$34,975,986</u>	<u>\$ 45,871,253</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable and accrued expenses	\$ 12,276	\$ 39,119	\$ -	\$ -	\$ 51,395
Contracts payable	-	-	-	149,570	149,570
Due to other funds	81,846	-	14	154,511	236,371
Unearned revenues	-	2,100	-	-	2,100
Total Liabilities	<u>94,122</u>	<u>41,219</u>	<u>14</u>	<u>304,081</u>	<u>439,436</u>
Deferred Inflows of Resources					
Leases	-	64,122	-	-	64,122
Fund Balances					
Nonspendable prepaids/deposits/leases	504	195,261	-	-	195,765
Restricted for debt service	-	-	4,743,584	-	4,743,584
Restricted for capital projects	-	-	-	34,671,905	34,671,905
Committed for recreation	-	5,660,933	-	-	5,660,933
Unassigned	95,508	-	-	-	95,508
Total Fund Balances	<u>96,012</u>	<u>5,856,194</u>	<u>4,743,584</u>	<u>34,671,905</u>	<u>45,367,695</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 190,134</u>	<u>\$ 5,961,535</u>	<u>\$ 4,743,598</u>	<u>\$34,975,986</u>	<u>\$ 45,871,253</u>

See accompanying notes to financial statements.

**Julington Creek Plantation Community Development District
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2023**

Total Governmental Fund Balances	\$45,367,695
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets not being depreciated, land and improvements, \$2,555,406, and construction in progress, \$461,379, used in governmental activities are not current financial resources and; therefore, are not reported at the fund level.	3,016,785
Capital assets being depreciated, improvements other than buildings, \$9,163,444, infrastructure, \$3,617,923, buildings, \$12,484,326, and equipment, \$378,633; net of accumulated depreciation, \$(17,772,642), used in governmental activities are not current financial resources and; therefore, are not reported at the fund level.	7,871,684
Prepaid bond insurance is recognized as an other debt service cost in the year of issuance at the fund level; however, at the government-wide level it is recognized as a non-current asset and amortized over the life of the bonds.	945,963
Deferred outflows of resources, deferred amounts on refunding, used in governmental activities are not current financial resources and, therefore, are not reported at the fund level.	238,836
Long-term liabilities, including bonds payable, \$50,309,000, and bond premium, net, \$657,802, are not due and payable in the current period and, therefore, are not reported at the fund level.	(50,966,802)
Accrued interest expense is not a current financial use and, therefore, is not reported at the fund level.	<u>(459,807)</u>
Net Position of Governmental Activities	<u><u>\$ 6,014,354</u></u>

See accompanying notes to financial statements.

Julington Creek Plantation Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023

	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
Revenues					
Special assessments	\$ 383,158	\$ 4,484,164	\$ 1,811,053	\$ -	\$ 6,678,375
Charges for services	-	272,592	-	-	272,592
Investment earnings	908	256,197	111,911	487,023	856,039
Lease revenues	-	16,728	-	-	16,728
Miscellaneous revenues	-	2,762	-	-	2,762
Total Revenues	<u>384,066</u>	<u>5,032,443</u>	<u>1,922,964</u>	<u>487,023</u>	<u>7,826,496</u>
Expenditures					
Current					
General government	165,494	17,148	-	-	182,642
Physical environment	176,162	-	-	-	176,162
Culture/recreation	-	3,233,070	-	32,930	3,266,000
Capital outlay	-	52,180	-	461,379	513,559
Debt service					
Principal	-	-	1,433,000	-	1,433,000
Interest	-	-	383,828	-	383,828
Other debt service	-	-	1,866,100	-	1,866,100
Total Expenditures	<u>341,656</u>	<u>3,302,398</u>	<u>3,682,928</u>	<u>494,309</u>	<u>7,821,291</u>
Excess of revenues over/(under) expenditures	<u>42,410</u>	<u>1,730,045</u>	<u>(1,759,964)</u>	<u>(7,286)</u>	<u>5,205</u>
Other Financing Sources/(Uses)					
Issuance of long-term debt	-	-	4,560,000	34,810,000	39,370,000
Bond premium	-	-	666,764	-	666,764
Transfers in	-	130,809	-	-	130,809
Transfers out	-	-	-	(130,809)	(130,809)
Total Other Financing Sources/(Uses)	<u>-</u>	<u>130,809</u>	<u>5,226,764</u>	<u>34,679,191</u>	<u>40,036,764</u>
Net change in fund balances	42,410	1,860,854	3,466,800	34,671,905	40,041,969
Fund Balances - October 1, 2022	<u>53,602</u>	<u>3,995,340</u>	<u>1,276,784</u>	<u>-</u>	<u>5,325,726</u>
Fund Balances - September 30, 2023	<u>\$ 96,012</u>	<u>\$ 5,856,194</u>	<u>\$ 4,743,584</u>	<u>\$34,671,905</u>	<u>\$ 45,367,695</u>

See accompanying notes to financial statements.

Julington Creek Plantation 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, 2023

Net Change in Fund Balances - Total Governmental Funds \$ 40,041,969

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 depreciation,
\$(754,378), exceeded by capital outlay, \$513,559, in the current period. (240,819)

The issuance of bond insurance is recognized as other debt service costs at the
fund level, however it is reconized as a non-current asset at the
government-wide level and amortized over the life of the bond. 958,851

Amortization of deferred amount on refunding is not recognized in the governmental
fund statements, but is reported as interest in the Statement of Activities. (30,210)

The issuance of long-term debt, \$(39,370,000), and associated bond premium,
\$(666,764), is recognized as an other financing source at the fund level, however,
they increase liabilities at the government-wide level. (40,036,764)

Repayments of bond principal are expenditures at the fund level but the repayment
reduces long-term liabilities at the government-wide level. 1,433,000

The amortization of bond premium, \$8,962, and prepaid bond insurance, \$(12,888),
are not recognized at the fund level, however, they are reported as interest at the
government-wide level. (3,926)

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. (6,728)

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. (299,662)

Change in Net Position of Governmental Activities \$ 1,815,711

See accompanying notes to financial statements.

**Julington Creek Plantation Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND
For the Year Ended September 30, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Special assessments	\$ 381,338	\$ 381,338	\$ 383,158	\$ 1,820
Investment earnings	250	250	908	658
Total Revenues	<u>381,588</u>	<u>381,588</u>	<u>384,066</u>	<u>2,478</u>
Expenditures				
Current				
General government	183,876	183,876	165,494	18,382
Physical environment	197,712	197,712	176,162	21,550
Total Expenditures	<u>381,588</u>	<u>381,588</u>	<u>341,656</u>	<u>39,932</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>42,410</u>	<u>42,410</u>
Fund Balances - October 1, 2022	<u>-</u>	<u>-</u>	<u>53,602</u>	<u>53,602</u>
Fund Balances - September 30, 2023	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 96,012</u>	<u>\$ 96,012</u>

See accompanying notes to financial statements.

Julington Creek Plantation Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL – RECREATION FUND
For the Year Ended September 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Special assessments	\$ 4,462,700	\$4,462,700	\$ 4,484,164	\$ 21,464
Charges for services	240,700	240,700	272,592	31,892
Investment earnings	8,504	8,504	256,197	247,693
Lease revenues	-	-	16,728	16,728
Miscellaneous revenues	-	-	2,762	2,762
Total Revenues	<u>4,711,904</u>	<u>4,711,904</u>	<u>5,032,443</u>	<u>320,539</u>
Expenditures				
Current				
General government	35,749	35,749	17,148	18,601
Culture/recreation	3,008,834	3,008,834	3,233,070	(224,236)
Capital outlay	<u>1,802,419</u>	<u>1,802,419</u>	<u>52,180</u>	<u>1,750,239</u>
Total Expenditures	<u>4,847,002</u>	<u>4,847,002</u>	<u>3,302,398</u>	<u>1,544,604</u>
Excess of revenues over/(under) expenditures	<u>(135,098)</u>	<u>(135,098)</u>	<u>1,730,045</u>	<u>1,865,143</u>
Other Financing Sources/(Uses)				
Transfers in	<u>-</u>	<u>-</u>	<u>130,809</u>	<u>130,809</u>
Net change in fund balances	(135,098)	(135,098)	1,860,854	1,995,952
Fund Balances - October 1, 2022	<u>3,200,685</u>	<u>3,200,685</u>	<u>3,995,340</u>	<u>794,655</u>
Fund Balances - September 30, 2023	<u><u>\$ 3,065,587</u></u>	<u><u>\$3,065,587</u></u>	<u><u>\$ 5,856,194</u></u>	<u><u>\$ 2,790,607</u></u>

See accompanying notes to financial statements.

Julington Creek Plantation Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

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 15, 1994, 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 Julington Creek Plantation Community Development District. The District is governed by a five-member Board of Supervisors who were elected by qualified electors of the District for four year terms. 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 Julington Creek Plantation Community Development District (the primary government) as a stand-alone government.

Based upon the application of the above-mentioned criteria as set forth in 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

Julington Creek Plantation Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

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.

Julington Creek Plantation Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

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 implemented the 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.

Committed Fund Balance – This classification consists of amounts that can only be used for specific purposes pursuant to the constraints imposed by a formal action of the government's highest level of decision making authority.

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 – 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.

Julington Creek Plantation Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds (Continued)

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

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

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of “available spendable resources”. Governmental fund operating statements present increases (revenues and other financial 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 were 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.

Julington Creek Plantation Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

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.

Recreation Fund – Accounts for revenues and expenditures related to the recreation facilities of the District.

Debt Service Fund – Accounts for debt service requirements to retire the special assessment bonds which were used to refinance previously issued bonds.

Capital Projects Fund – The Capital Projects Fund accounts for the construction of infrastructure 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/Inflows 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.

Julington Creek Plantation Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

a. Cash and Investments (Continued)

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

1. Negotiable direct or indirect obligations which are secured by the United States Government;
2. The Local Government Surplus Funds Trust as created by Section 218.415, Florida Statutes;
3. Interest-bearing time deposits or savings accounts in authorized financial institutions;
4. Obligations guaranteed by the Government National Mortgage Association or similarly structured and secured associations or corporations.

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

b. Restricted Assets

Certain net positions of the District will be classified as restricted assets 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 assets, 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, construction in progress improvements other than buildings, buildings, infrastructure 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 10 to 40 years for improvements, 10 to 30 years for infrastructure, 15-30 years for buildings and 10-15 years for equipment.

Julington Creek Plantation Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

d. Deferred Amount on Refunding

Deferred costs of refunding associated with the issuance of refunding bonds are presented on the financial statements and amortized over the life of the bonds using the straight line method of accounting. For financial reporting, the deferred costs of refunding are reported as a deferred outflow of resources on the statement of net position, in accordance with GASB No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.

e. 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 item that qualifies for reporting in this 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.

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 debt service fund and the recreational 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.

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 is assets that do not meet definitions of the classifications previously described.

h. Leases

Lessor arrangements are included as lease receivable and deferred inflows of resources. These leases are reflected in the Statement of Net Position and fund financial statements.

**Julington Creek Plantation Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

i. Prepaid Bond Insurance

Prepaid bond insurance is a non-current asset related to bond insurance purchased when a new debt is issued. The amount purchased is amortized over the life of the bonds

j. Unamortized Bond Premium

Bond premiums are presented on the government-wide financial statements. The costs are amortized over the life of the bonds using the straight-line method of accounting. For financial reporting, the unamortized bond premium is netted against the applicable long-term debt.

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, \$45,367,695, differs from “net position” of governmental activities, \$6,014,354, 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 at the fund level. However, at the government-wide level capital assets are included as assets of the District as a whole.

Land and improvements	\$ 2,555,406
Construction in progress	461,379
Improvements other than buildings	9,163,444
Infrastructure	3,617,923
Building	12,484,326
Equipment	378,633
Accumulated depreciation	<u>(17,772,642)</u>
Total	<u>\$ 10,888,469</u>

Julington Creek Plantation Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

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)

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 at the government-wide level. Balances at September 30, 2023 were:

Bonds payable	<u>\$ (50,309,000)</u>
Bond premium	<u>\$ (657,802)</u>

Accrued interest

Accrued liabilities in the Statement of Net Position differ from the accrued interest on bonds, which are not reported on the fund level because they do not use current resources.

Accrued interest	<u>\$ (459,807)</u>
------------------	---------------------

Prepaid Bond Insurance

At the fund level, prepaid bond insurance is recognized as other debt service costs, however, it is recorded as a non-current asset and amortized over the life of the bonds at the government-wide level.

Prepaid bond insurance	<u>\$ 945,963</u>
------------------------	-------------------

Deferred outflow of resources

Deferred outflow of resources applicable to the District's governmental activities are not financial resources and therefore, are not reported as deferred outflow of resources at the fund level.

Deferred amount on refunding, net	<u>\$ 238,836</u>
-----------------------------------	-------------------

Julington Creek Plantation Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

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, \$40,041,969, differs from the “change in net position” for governmental activities, \$1,815,711, 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 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	\$ (754,378)
Capital outlay	513,559
Total	<u>\$ (240,819)</u>

Long-term debt transactions

Issuance of long-term debt	<u>\$ (39,370,000)</u>
Bond premium	<u>\$ (666,764)</u>
Debt principal payments	<u>\$ 1,433,000</u>
Prepaid bond insurance	<u>\$ 958,851</u>

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>\$ 299,662</u>
Amortization of bond premium	<u>\$ 8,962</u>
Amortization of prepaid bond insurance	<u>\$ (12,888)</u>

Deferred inflows of resources

Revenues that are not available at year end are recognized as deferred inflows of resources at the fund level, however, revenues are recognized as earned at the government-wide level. This is the amount of change in unavailable revenues in the current year.

Unavailable revenues	<u>\$ (6,728)</u>
----------------------	-------------------

Julington Creek Plantation Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

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)

Deferred outflows of resources

Deferred amounts 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 \$ (30,210)

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 does not have a formal deposit policy for custodial credit risk; however, they follow the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2023, the District's bank balance was \$998,522 and the carrying value was \$773,223. Exposure to custodial credit risk was as follows. The District maintains all deposits in a qualified public depository in accordance with the provisions of Chapter 280, Florida Statutes, which means that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes.

Investments

As of September 30, 2023, the District had the following investments and maturities:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
First American Government Obligation Fund	24 Days*	\$ 39,232,706
First American Treasury Obligation Fund	15 Days*	2,897,056
Florida PRIME	35 Days*	1,927,414
Goldman Sachs Government Fund	36 Days*	468,700
Total		<u>\$ 44,525,876</u>

* Weighted Average Maturity

The District categorizes its fair value measurement within the fair value hierarchy 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.

Julington Creek Plantation Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE C – CASH AND INVESTMENTS (CONTINUED)

Assets or liabilities are classified into one of three levels. Level 1 is the most realizable and is based on quoted price for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtained 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 investments listed above are level 1 assets except for Florida PRIME which is not subject to fair value hierarchy.

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, 2023, there were no redemption fees, maximum transaction amounts, or any other requirement 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.

Credit Risk

The District's investments in treasury funds, commercial paper, and government loans are limited by state statutory requirements and bond compliance. The District has no investment policy that would further limit its investment choices. All of the investments of the District were 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 District's investments in First American Government Obligation Fund are 88%, First American Treasury Obligation Fund are 7% and Goldman Sachs Government Fund are 4% of the District's total investments. The District's investments in Florida PRIME are 1% of the District's total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2023 were typical of these items during the fiscal year then ended.

The District considers any decline in fair value to be temporary.

Julington Creek Plantation Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

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 board. The District may collect assessments directly or utilize the uniform method of collection (Chapter 197.3632, Florida Statutes). Direct 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.

NOTE E – CAPITAL ASSETS

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

	Balance 10/1/2022	Additions	Deletions	Balance 9/30/2023
Capital assets, not depreciated:				
Land and improvements	\$ 2,555,406	\$ -	\$ -	\$ 2,555,406
Construction in progress	-	461,379	-	461,379
Total Capital Assets, not depreciated	2,555,406	461,379		3,016,785
Capital assets, being depreciated:				
Improvements other than building	9,118,083	45,361	-	9,163,444
Infrastructure	3,617,923	-	-	3,617,923
Building	12,484,326	-	-	12,484,326
Equipment	371,814	6,819	-	378,633
Total Capital Assets, Being Depreciated	25,592,146	52,180	-	25,644,326
Less accumulated depreciation for:				
Improvements other than building	(7,861,579)	(195,742)	-	(8,057,321)
Infrastructure	(2,982,054)	(93,515)	-	(3,075,569)
Building	(5,890,565)	(434,895)	-	(6,325,460)
Equipment	(284,066)	(30,226)	-	(314,292)
Total Accumulated Depreciation	(17,018,264)	(754,378)	-	(17,772,642)
Total Capital Assets Depreciated, Net	8,573,882	(702,198)	-	7,871,684
Governmental Activities Capital Assets	\$ 11,129,288	\$ (240,819)	\$ -	\$ 10,888,469

Depreciation, \$754,378, was allocated to physical environment \$225,758 and culture and recreation \$528,620.

Julington Creek Plantation Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE F – LONG-TERM DEBT

The following is a summary of debt activity for the District for the year ended September 30, 2023:

	Balance 10/1/2022	Additions	Deletions	Balance 9/30/2023	Due Within One Year
<u>Bonds Payable</u>					
Series 2012	\$ 5,275,000	\$ -	\$ (1,005,000)	\$ 4,270,000	\$ 1,015,000
Series 2016	7,097,000	-	(428,000)	6,669,000	427,000
Series 2023	-	39,370,000	-	39,370,000	-
Series 2023 Bond Premium	-	666,764	(8,962)	657,802	-
Total	<u>\$ 12,372,000</u>	<u>\$ 40,036,764</u>	<u>\$ (1,441,962)</u>	<u>\$ 50,966,802</u>	<u>\$ 1,442,000</u>

District debt is comprised of the following at September 30, 2023:

Special Assessment Bond

\$13,835,000 Series 2012 Special Assessment Refunding Bonds due in annual installments through May 1, 2027 with an interest rate of 3.25%. Current portion is \$1,015,000. \$ 4,270,000

\$9,064,000 Series 2016 Special Assessment Refunding Bonds due in annual installments beginning May 2017 and maturing May 2036 with interest at 3% due in May and November and starting in November 2016. Current portion is \$427,000. 6,669,000

\$39,370,000 Series 2023 Special Assessment Revenue Bonds due in annual installments beginning May 2025 and maturing May 2054 with interest ranging from 3.250% to 5.000% due in May and November beginning November 2023. 39,370,000

Long-term debt at September 30, 2023 \$ 50,309,000

Julington Creek Plantation Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE F – LONG-TERM DEBT (CONTINUED)

The annual requirements to amortize the principal and interest of bonded debt outstanding as of September 30, 2023 are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 1,442,000	\$ 2,134,348	\$ 3,576,348
2025	2,090,000	2,172,063	4,262,063
2026	2,163,000	2,100,738	4,263,738
2027	2,247,000	2,020,635	4,267,635
2028	1,176,000	1,937,225	3,113,225
2029-2033	6,648,000	8,903,905	15,551,905
2034-2038	6,758,000	7,570,410	14,328,410
2039-2043	6,515,000	5,993,775	12,508,775
2044-2048	8,350,000	4,169,469	12,519,469
2049-2053	10,510,000	2,060,438	12,570,438
2054	<u>2,410,000</u>	<u>111,463</u>	<u>2,521,463</u>
Totals	<u>\$ 50,309,000</u>	<u>\$ 39,174,469</u>	<u>\$ 89,483,469</u>

Summary of Significant Bonds Resolution Terms and Covenants

Special Assessment Bonds

The District levies special assessments pursuant to Section 190.022, Florida Statutes and the assessment rolls are approved by resolutions of the District Board. The collections are to be strictly accounted for and applied to the debt service of the bond series for which they were levied. The District covenants to levy special assessments in annual amounts adequate to provide for payment of principal and interest on the bonds. Payment of principal and interest is dependent on the money available in the debt service fund and the District's ability to collect special assessments levied.

The Bonds are subject to redemption at the option of the District and are also subject to extraordinary mandatory redemption prior to maturity as outlined in the Trust Indenture.

Julington Creek Plantation Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE F – LONG-TERM DEBT (CONTINUED)

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:

1. Reserve Fund – The Series 2012 Reserve Account is funded from the proceeds of the Bonds in an amount equal to fifty percent of the Maximum Annual Debt Service Requirement for the Series 2012 Bonds. The Series 2016 Reserve Account is funded from the proceeds of the Bonds in an amount equal to thirty percent of the Maximum Annual Debt Service Requirement for the Series 2016 Bonds calculated as of the date of original issuance thereof and thereafter, as of the date of such calculation. The Series 2023 Reserve Account is funded from the proceeds of the Bonds in an amount equal to fifty percent of the Maximum Annual Debt Service Requirement for the Series 2023 Bonds. Fifty percent of the requirement shall be satisfied by a prepaid reserve policy. Monies held in the reserve accounts will be used only for the purposes established in the Trust Indenture.

	Reserve Balance	Reserve Requirement
Special Assessment Refunding Bonds, Series 2012	\$ 569,891	\$ 569,516
Special Assessment Refunding Bonds, Series 2016	192,280	188,486
Special Assessment Revenue Bonds, Series 2023	1,575,950	1,234,195
	\$ 2,338,121	\$ 1,992,197

NOTE G – LEASES – LESSOR

In August of 2017, the District entered into a 10-year building lease. After 5 years, either party may terminate the term of the lease without reason, if a years notice is provided. The District is reasonably certain the full lease term will be exercised. The expected receipts are discounted using an imputed interest rate of 3 percent. After the first two years, the lease payments are to increase 3 percent, or an amount consistent with consumer price index, not to exceed 5 percent, every 12 months unless it is agreed by both parties to not apply the increase. During the fiscal year ended, September 30, 2023, both parties agree to not apply the increase. Payments made were applied accordingly and future payments were revised to reflect the change. The future minimum receipts under the lease agreement and the present value of the minimum receipts as of September 30, 2023, are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 17,315	\$ 1,941	\$ 19,256
2025	18,427	1,406	19,833
2026	19,591	837	20,428
2027	17,210	238	17,448
Total	\$ 72,543	\$ 4,422	\$ 76,965

Julington Creek Plantation Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE H – INTERFUND ACTIVITY

Interfund balances as of September 30, 2023 was as follows:

Interfund Receivables	Interfund Payables			Total
	General Fund	Debt Service Fund	Capital Projects Fund	
General Fund	\$ -	\$ 6	\$ -	\$ 6
Special Revenue Fund	81,846	8	154,511	236,365
	\$ 81,846	\$ 14	\$ 154,511	\$ 236,371

The interfund activity relates to receipts and payments by one fund on behalf of another that have not been remitted as of year-end.

Interfund transfers for the year ended September 30, 2023, consisted of the following:

Transfers In	Transfers Out
	Capital Projects Fund
Special Revenue Fund	\$ 130,809
	\$ 130,809

Transfers to the Special Revenue Fund from the Capital Projects Fund relate to capital reserve funding.

NOTE I – 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. It should be noted that any suit or action brought or maintained against the District for damages arising out of tort, including, without limitation, any claim arising upon account of an act causing an injury or loss of property, personal injury, or death, shall be subject to the limitations provided in Section 768.28, Florida Statutes. There have been no claims that have exceeded insurance limits in the last three years.



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

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

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

To the Board of Supervisors
Julington Creek Plantation 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 Julington Creek Plantation Community Development District, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements and have issued our report thereon dated September 6, 2024.

Report on Internal Control Over Financial Reporting

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Julington Creek Plantation 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 6, 2024



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

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

MANAGEMENT LETTER

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

Report on the Financial Statements

We have audited the financial statements of the Julington Creek Plantation Community Development District as of and for the year ended September 30, 2023, and have issued our report thereon dated September 6, 2024.

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 September 6, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been made to address findings and recommendations made in the preceding financial audit report. There were no findings or recommendations in the preceding financial audit report.

To the Board of Supervisors
Julington Creek Plantation Community Development District

Financial Condition and Management

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

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial conditions assessment procedures as of September 30, 2023 for the Julington Creek Plantation Community Development District. It is management's responsibility to monitor the Julington Creek Plantation 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 Julington Creek Plantation Community Development District reported:

- 1) The total number of district employees compensated in the last pay period of the District's fiscal year: 0
- 2) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year: 6
- 3) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: \$0
- 4) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: \$480,449
- 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, 2022, together with the total expenditures for such project: The Series 2023 Project, \$461,379.
- 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.

To the Board of Supervisors
Julington Creek Plantation Community Development District

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

- 1) The rate or rates of non-ad valorem special assessments imposed by the District. The General Fund and Special Revenue Fund, \$198.68 – \$11,733.98 Debt Service Fund, \$99.66 – \$4,473.06.
- 2) The amount of special assessments collected by or on behalf of the District: Total special assessments collected was \$6,678,375.
- 3) The total amount of outstanding bonds issued by the District and the terms of such bonds. Series 2012, \$4,720,000 maturing May 2027, Series 2016, \$6,669,000 maturing May 2036 and Series 2023, \$39,370,000, maturing May 2054.

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 6, 2024



**Berger, Toombs, Elam,
Gaines & Frank**

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

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

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

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

We have examined Julington Creek Plantation Community Development District's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2023. Management is responsible for Julington Creek Plantation Community Development District's compliance with those requirements. Our responsibility is to express an opinion on Julington Creek Plantation 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 Julington Creek Plantation 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 Julington Creek Plantation Community Development District's compliance with the specified requirements.

In our opinion, Julington Creek Plantation Community Development District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2023.

*Berger Toombs Elam
Gaines + Frank*

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

September 6, 2024