

**Gateway Services Community  
Development District**

**ANNUAL FINANCIAL REPORT**

**September 30, 2024**

**Gateway Services Community Development District**

**ANNUAL FINANCIAL REPORT**

**September 30, 2024**

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## REPORT OF INDEPENDENT AUDITORS

To the Board of Supervisors  
Gateway Services Community Development District  
Lee County, Florida

### Report on Audit of the Financial Statements

#### ***Opinion***

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities and each major fund of Gateway Services Community Development District as of September 30, 2024, and the respective changes in financial position and the budgetary comparison for the General Fund, Pelican Preserve, Stoneybrook, Towne Lakes and Lake Bank Restoration Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

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

#### ***Responsibilities of Management for the Financial Statements***

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

Fort Pierce / Stuart

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To the Board of Supervisors  
Gateway Services 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  
Gateway Services 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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of Gateway Services Community Development District. The accompanying Schedule of Expenditures of Federal Awards and State Projects, as required by Title 2 U.S. *Code of Federal Regulations (CFR)*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* and the Florida Department of Financial Services Projects Compliance Supplement and Chapter 10.550, Rules of the Auditor General, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the Schedule of Expenditures of Federal Awards and State Projects are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

To the Board of Supervisors  
Gateway Services Community Development District

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated March 25, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts.

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



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

March 25, 2025

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

Management's discussion and analysis of Gateway Services 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 business-type activities and the change in net position. Governmental activities are primarily supported by special assessments. Business-type activities are supported by charges to the users of those activities, such as water and sewer service charges.

The **statement of net position** presents information on all assets and liabilities of the District, with the difference between assets and liabilities reported as net position. Net position is reported in three categories; 1) net investment in capital assets, 2) restricted and 3) unrestricted. Assets, liabilities, and net position are reported for all Governmental activities separate from the assets, liabilities, and net position of business-type 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 or business-type activities. Governmental activities financed by the District include general government, public safety, physical environment, public works, culture/recreation and debt service. Business-type activities financed by user charges include water and sewer services.

*Fund financial statements* present financial information for governmental funds and enterprise funds. These statements provide financial information for the major governmental funds of the District. All funds have been classified as major for reporting purposes. 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. The enterprise funds financial statements provide information on all assets and liabilities of the enterprise funds, changes in the economic resources (revenues and expenses), and total economic resources.

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

**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 and Special Revenue Funds. For the enterprise funds, a **statement of net position**, a **statement of revenues, expenses, and changes in fund net position**; and a **statement of cash flows** are presented. *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, split between Governmental Activities and Business-type Activities. 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, leases payable and future employee benefits obligated but not paid by the District, are included. The **statement of activities** includes depreciation on all long lived assets of the District, but transactions between the different functions of the District have been eliminated in order to avoid "doubling up" the revenues and expenses. The *fund financial statements* provide a picture of the major funds of the District. In the case of governmental activities, outlays for long lived assets are reported as expenditures and long-term liabilities, such as special assessment bonds, are not included in the fund financial statements. To provide a link from the *fund financial statements* to the *government-wide financial statements*, 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, long term debt, and pension plans are some of the items included in the *notes to financial statements*.

**Financial Highlights**

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

- ◆ The District's total assets and deferred outflows of resources exceeded total liabilities by \$48,574,878 (net position). Unrestricted net position for Governmental Activities was \$(1,950,683) and Business-type Activities was \$6,199,238. Restricted net position for Governmental Activities was \$12,029,600 and Business-type Activities was \$50,528. Net investment in capital assets for Governmental Activities was \$10,288,227 and Business-type Activities was \$21,957,968.

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

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Financial Highlights (Continued)**

- ◆ Governmental Activities revenues totaled \$10,869,014 while Governmental Activities expenses and transfers totaled \$13,008,535. Business-type Activities revenues and transfers totaled \$10,005,948 while Business-type Activities expenses totaled \$6,628,790.

**Financial Analysis of the District**

The following schedule provides a summary of the assets, liabilities, deferred outflows of resources, and net position of the District. It is not intended to be a complete presentation of government-wide financial activity.

**Net Position**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Current assets	\$ 12,175,721	\$ 10,226,224	\$ 6,936,660	\$ 6,516,675	\$ 19,112,381	\$ 16,742,899
Prepaid Insurance	72,636	76,329	-	-	72,636	76,329
Restricted assets	11,493,373	12,916,908	1,043,753	1,038,087	12,537,126	13,954,995
Capital assets	24,450,924	25,533,591	22,091,795	19,516,408	46,542,719	45,049,999
Total Assets	<u>48,192,654</u>	<u>48,753,052</u>	<u>30,072,208</u>	<u>27,071,170</u>	<u>78,264,862</u>	<u>75,824,222</u>
Deferred outflows of resources	27,673	30,897	-	-	27,673	30,897
Current liabilities	2,193,300	1,523,920	1,717,687	1,908,516	3,910,987	3,432,436
Non-current liabilities	25,659,883	24,753,364	146,787	332,078	25,806,670	25,085,442
Total Liabilities	<u>27,853,183</u>	<u>26,277,284</u>	<u>1,864,474</u>	<u>2,240,594</u>	<u>29,717,657</u>	<u>28,517,878</u>
Net Position						
Net investment in capital assets	10,288,227	305,972	21,957,968	19,197,660	32,246,195	19,503,632
Restricted	12,029,600	13,238,435	50,528	43,189	12,080,128	13,281,624
Unrestricted	(1,950,683)	8,962,258	6,199,238	5,589,727	4,248,555	14,551,985
Total Net Position	<u>\$ 20,367,144</u>	<u>\$ 22,506,665</u>	<u>\$ 28,207,734</u>	<u>\$ 24,830,576</u>	<u>\$ 48,574,878</u>	<u>\$ 47,337,241</u>

The increase in current assets for governmental activities and business-type activities is due to the increase in cash and investments.

The decrease in restricted assets for governmental activities is related to debt service payments and capital construction in the current year.

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

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Financial Analysis of the District (Continued)**

The decrease in capital assets for governmental activities is primarily due to depreciation in excess of capital additions in the current year.

The increase in capital assets for business-type activities is primarily due to capital additions in excess of depreciation in the current year.

The increase in total liabilities for governmental activities is the result of the issuance of long-term debt in the current year.

The decrease in non-current liabilities for business-type activities is the result of principal payments on long-term debt in the current year.

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

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Financial Analysis of the District (Continued)**

	<b>Financial Activity</b>					
	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Program Revenues						
Charges for services	\$ 9,544,211	\$ 8,643,728	\$ 7,023,065	\$ 6,740,379	\$ 16,567,276	\$ 15,384,107
Capital contributions	-	400,191	2,029,854	261,320	2,029,854	661,511
General Revenues						
Intergovernmental	-	-	27,764	-	27,764	-
Gain on sale of assets	-	-	19,747	-	19,747	-
Investment earnings	1,275,868	659,093	280,430	205,669	1,556,298	864,762
Miscellaneous	48,935	111,403	385,992	26,813	434,927	138,216
<b>Total Revenue</b>	<b>10,869,014</b>	<b>9,814,415</b>	<b>9,766,852</b>	<b>7,234,181</b>	<b>20,635,866</b>	<b>17,048,596</b>
Expenses						
General government	1,095,783	902,625	-	-	1,095,783	902,625
Public safety	876,499	-	-	-	876,499	-
Physical environment	8,604,065	10,698,610	-	-	8,604,065	10,698,610
Public works	541,068	-	-	-	541,068	-
Culture/recreation	977,939	785,923	-	-	977,939	785,923
Interest and other charges	674,085	1,031,989	-	-	674,085	1,031,989
Water and sewer	-	-	6,628,790	7,113,522	6,628,790	7,113,522
<b>Total Expenses</b>	<b>12,769,439</b>	<b>13,419,147</b>	<b>6,628,790</b>	<b>7,113,522</b>	<b>19,398,229</b>	<b>20,532,669</b>
Transfers	(239,096)	1,979,026	239,096	(1,979,026)	-	-
Conveyance of assets	-	-	-	(1,850,101)	-	(1,850,101)
<b>Change in Net Position</b>	<b>(2,139,521)</b>	<b>(1,625,706)</b>	<b>3,377,158</b>	<b>(3,708,468)</b>	<b>1,237,637</b>	<b>(5,334,174)</b>
Net Position -						
beginning of year	22,506,665	24,132,371	24,830,576	28,539,044	47,337,241	52,671,415
<b>Net Position - end of year</b>	<b>\$ 20,367,144</b>	<b>\$ 22,506,665</b>	<b>\$ 28,207,734</b>	<b>\$ 24,830,576</b>	<b>\$ 48,574,878</b>	<b>\$ 47,337,241</b>

The increase in general government for governmental activities is primarily due to an increase in salaries in the current year.

The decrease in physical environment and increase in public safety and public works for governmental activities is primarily the result of a change in expense classifications in the current year.

The increase in culture/recreation for governmental activities is primarily due to an increase in repairs and maintenance in the current year.

The decrease in interest and other charges is primarily due to the issuance costs related to the debt issued in the prior year.

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

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Capital Assets Activity**

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

Description	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land and improvements	\$ 6,300,859	\$ 6,300,859	\$ -	\$ -	\$ 6,300,859	\$ 6,300,859
Construction in progress	362,422	215,520	1,419,897	234,725	1,782,319	450,245
Building and improvements	2,615,505	2,615,505	3,093,547	3,083,947	5,709,052	5,699,452
Right-to-use leased building, net	6,309	13,191	9,079	18,982	15,388	32,173
Infrastructure	44,278,521	44,278,521	33,554,665	31,366,483	77,833,186	75,645,004
Equipment	1,190,849	1,030,281	3,079,065	2,615,142	4,269,914	3,645,423
Accumulated depreciation	(30,303,541)	(28,920,286)	(19,064,458)	(17,802,871)	(49,367,999)	(46,723,157)
Total Capital Assets (Net)	<u>\$ 24,450,924</u>	<u>\$ 25,533,591</u>	<u>\$ 22,091,795</u>	<u>\$ 19,516,408</u>	<u>\$ 46,542,719</u>	<u>\$ 45,049,999</u>

Governmental activities had current year additions of \$307,470 and depreciation of \$1,383,255.

Business-type activities had current year additions of \$3,881,900, depreciation of \$1,291,357, and disposals with a net value of \$5,253.

**General Fund Budgetary Highlights**

Budgeted expenditures exceeded actual expenditures primarily due to less capital outlay and stormwater system repairs and maintenance expenditures than were anticipated.

The September 30, 2024 budget was not amended.

**Debt Management**

Governmental Activities debt includes the following:

- ◆ In November 2013, the District issued \$2,630,000 Series 2013 Special Assessment Refunding Bonds. These bonds were issued to pay and redeem the outstanding Series 2003 bonds. The outstanding balance at September 30, 2024 was \$1,500,000.
- ◆ In March 2023, the District issued \$11,710,000 Series 2023-1 Special Assessment Bonds. These bonds were issued to finance the cost of acquisition and construction of the Series 2023-1 Project, including repayment of a portion of the interim bank loan. The outstanding balance at September 30, 2024 was \$11,710,000.
- ◆ In March 2023, the District issued \$1,255,000 Series 2023-2 Special Assessment Bonds. These bonds were issued to finance the cost of acquisition and construction of the Series 2023-2 Project, including repayment of a portion of the interim bank loan. The outstanding balance at September 30, 2024 was \$1,255,000.

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

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Debt Management (Continued)**

- ◆ In April 2018, the District obtained a \$3,855,181 loan from the State of Florida, through the Clean Water Revolving Loan Fund to fund certain costs of their lake bank restoration program. The balance outstanding at September 30, 2024 was \$2,846,489.
- ◆ In March 2018, the District obtained a \$3,896,698 loan from the State of Florida, through the Clean Water Revolving Loan Fund to fund certain costs of their lake bank restoration program. The balance outstanding at September 30, 2024 was \$2,868,254.
- ◆ In January 2019, the District obtained a \$116,907 loan from the State of Florida, through the Clean Water Revolving Loan Fund to fund certain costs of their lake bank restoration program. The balance outstanding at September 30, 2024 was \$102,520.
- ◆ In December 2019, the District obtained a \$187,860 loan from the State of Florida, through the Clean Water Revolving Loan Fund to fund certain costs of their lake bank restoration program. The balance outstanding at September 30, 2024 was \$168,408.
- ◆ In October 2020, the District obtained a \$2,229,594 loan from the State of Florida, through the Clean Water Revolving Loan Fund to fund certain costs of their lake bank restoration program. The balance outstanding at September 30, 2024 was \$1,925,129.
- ◆ In September 2023, the District obtained a loan from the State of Florida of \$3,706,873, to date the District has received \$2,830,394 to fund certain cost of their lake bank restoration program. The balance outstanding at September 30, 2024 was \$2,830,394.
- ◆ In February 2024, the District obtained a loan from the State of Florida of \$2,154,412, to date the District has received \$1,707,965 to fund certain cost of their lake bank restoration program. The balance outstanding at September 30, 2024 was \$1,707,965.
- ◆ In September 2022, the District entered into an agreement to lease building space. The outstanding balance at September 30, 2024 was \$6,776.

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

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

Business-type Activities debt includes the following:

- ◆ In October 2014, the District issued \$1,350,000 Series 2014-2 Water and Sewer Revenue Draw Down Bonds. These bonds were issued to fund certain construction projects within the District. The outstanding balance at September 30, 2024 was \$152,235.
- ◆ In October 2021, the District obtained a \$170,273 loan from the State of Florida, through the Clean Water Revolving Loan Fund to fund certain wastewater improvements within the District. The balance outstanding at September 30, 2024 was \$88,759.
- ◆ In September 2022, the District entered into an agreement to lease building space. The outstanding balance at September 30, 2024 was \$9,750.

**Economic Factors and Next Year's Budget**

The Lake Bank Restoration Projects will continue in fiscal year 2025 resulting in additional loans from the Clean Water State Revolving Loan Fund. Additionally, the district issued two water and sewer bonds in fiscal year 2025.

**Request for Information**

The financial report is designed to provide a general overview of Gateway Services 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 Gateway Services Community Development District, 11922 Fairway Lakes Drive, Fort Myers, Florida 33913.

**Gateway Services Community Development District**  
**STATEMENT OF NET POSITION**  
**September 30, 2024**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and investments	\$ 12,066,710	\$ 5,570,293	\$ 17,637,003
<b>Restricted Assets</b>			
Cash and investments - deposits	135,612	875,456	1,011,068
Accounts receivable and accrued revenues	77,079	1,364,988	1,442,067
Deposits	30,375	-	30,375
Due from other governments	2,936	-	2,936
Internal balances	(1,379)	1,379	-
Total Current Assets	<u>12,311,333</u>	<u>7,812,116</u>	<u>20,123,449</u>
<b>Non-current Assets</b>			
<b>Restricted Assets</b>			
Cash and investments	11,357,761	168,297	11,526,058
Prepaid bond insurance	72,636	-	72,636
<b>Capital assets</b>			
Land and improvements	6,300,859	-	6,300,859
Construction in progress	362,422	1,419,897	1,782,319
Buildings and improvements	2,615,505	3,093,547	5,709,052
Right-to-use leased building, net	6,309	9,079	15,388
Infrastructure	44,278,521	33,554,665	77,833,186
Equipment	1,190,849	3,079,065	4,269,914
Less: accumulated depreciation	(30,303,541)	(19,064,458)	(49,367,999)
Total Non-current Assets	<u>35,881,321</u>	<u>22,260,092</u>	<u>58,141,413</u>
Total Assets	<u>48,192,654</u>	<u>30,072,208</u>	<u>78,264,862</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred amount on refunding, net	<u>27,673</u>	<u>-</u>	<u>27,673</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued expenses	683,590	649,352	1,332,942
Due to other governments	1,930	-	1,930
Deposits, payable from restricted assets	135,612	875,456	1,011,068
Accrued interest payable	259,548	1,523	261,071
Lease payable	6,776	9,750	16,526
Bonds and notes payable	1,105,844	181,606	1,287,450
Total Current Liabilities	<u>2,193,300</u>	<u>1,717,687</u>	<u>3,910,987</u>
<b>Non-current Liabilities</b>			
Bonds and notes payable, net	25,655,859	59,388	25,715,247
Compensated absences	4,024	87,399	91,423
Total Non-current Liabilities	<u>25,659,883</u>	<u>146,787</u>	<u>25,806,670</u>
Total Liabilities	<u>27,853,183</u>	<u>1,864,474</u>	<u>29,717,657</u>
<b>NET POSITION</b>			
Net investment in capital assets	10,288,227	21,957,968	32,246,195
<b>Restricted</b>			
Debt service	863,621	50,528	914,149
Capital projects	11,165,979	-	11,165,979
<b>Unrestricted</b>			
	(1,950,683)	6,199,238	4,248,555
Total Net Position	<u>\$ 20,367,144</u>	<u>\$ 28,207,734</u>	<u>\$ 48,574,878</u>

See accompanying notes to financial statements

**Gateway Services Community Development District**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2024**

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Capital Contributions	Governmental Activities	Business-type Activities	
<b>Governmental Activities</b>						
General government	\$ (1,095,783)	\$ 850,571	\$ -	\$ (245,212)	\$ -	\$ (245,212)
Public safety	(876,499)	684,658	-	(191,841)	-	(191,841)
Physical environment	(8,604,065)	5,655,957	-	(2,948,108)	-	(2,948,108)
Public works	(541,068)	422,643	-	(118,425)	-	(118,425)
Culture/recreation	(977,939)	915,324	-	(62,615)	-	(62,615)
Interest and other charges	(674,085)	1,015,058	-	340,973	-	340,973
Total Governmental Activities	<u>(12,769,439)</u>	<u>9,544,211</u>	<u>-</u>	<u>(3,225,228)</u>	<u>-</u>	<u>(3,225,228)</u>
<b>Business-type Activities</b>						
Water and sewer utilities	<u>(6,628,790)</u>	<u>7,023,065</u>	<u>2,029,854</u>	<u>-</u>	<u>2,424,129</u>	<u>2,424,129</u>
<b>Total Primary Government</b>	<u>\$ (19,398,229)</u>	<u>\$ 16,567,276</u>	<u>\$ 2,029,854</u>	<u>(3,225,228)</u>	<u>2,424,129</u>	<u>(801,099)</u>
<b>General Revenues</b>						
Intergovernmental revenues				-	27,764	27,764
Gain on sale of capital assets				-	19,747	19,747
Investment earnings				1,275,868	280,430	1,556,298
Miscellaneous revenues				48,935	385,992	434,927
Total General Revenues				<u>1,324,803</u>	<u>713,933</u>	<u>2,038,736</u>
Transfers				<u>(239,096)</u>	<u>239,096</u>	<u>-</u>
Change in Net Position				(2,139,521)	3,377,158	1,237,637
Net Position - October 1, 2023				22,506,665	24,830,576	47,337,241
Net Position - September 30, 2024				<u>\$ 20,367,144</u>	<u>\$ 28,207,734</u>	<u>\$ 48,574,878</u>

See accompanying notes to financial statements.

**Gateway Services Community Development District**  
**BALANCE SHEET -**  
**GOVERNMENTAL FUNDS**  
**September 30, 2024**

	Special Revenue				Debt Service				Capital Projects			Total Governmental Funds	
	General	Pelican Preserve	Stoneybrook	Towne Lakes	Lake Bank Restoration	Series 2013	Lake Bank Restoration	Series 2023-1	Series 2023-2	Series 2013	Series 2023-1		Series 2023-2
<b>ASSETS</b>													
Cash and investments	\$ 6,069,289	\$ 4,868,023	\$ 143,224	\$ 93,014	\$ -	\$ -	\$ 1,020,181	\$ -	\$ -	\$ -	\$ 8,591	\$ -	\$ 12,202,322
Accrued interest receivable	34,970	42,109	-	-	-	-	-	-	-	-	-	-	77,079
Due from other funds	891,766	7,424	13,029	-	-	2,446	-	-	-	4,412	129,605	7,845	1,056,527
Due from other governments	1,457	1,039	116	6	-	73	245	-	-	-	-	-	2,936
Deposits	375	-	30,000	-	-	-	-	-	-	-	-	-	30,375
Restricted assets													
Investments	-	-	-	-	-	261,689	-	-	-	323,704	10,283,550	488,818	11,357,761
Total Assets	<u>\$ 6,997,857</u>	<u>\$ 4,918,595</u>	<u>\$ 186,369</u>	<u>\$ 93,020</u>	<u>\$ -</u>	<u>\$ 264,208</u>	<u>\$ 1,020,426</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 328,116</u>	<u>\$10,421,746</u>	<u>\$ 496,663</u>	<u>\$ 24,727,000</u>
<b>LIABILITIES AND FUND BALANCES</b>													
Liabilities:													
Accounts payable/accrued expenses	\$ 312,035	\$ 185,293	\$ 25,467	\$ -	\$ 88,237	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 72,369	\$ 189	\$ 683,590
Due to other funds	142,892	224,623	4,464	-	566,669	1,552	109,718	-	-	7,424	564	-	1,057,906
Due to other governments	898	719	116	2	-	63	132	-	-	-	-	-	1,930
Deposits payable	135,612	-	-	-	-	-	-	-	-	-	-	-	135,612
Total Liabilities	<u>591,437</u>	<u>410,635</u>	<u>30,047</u>	<u>2</u>	<u>654,906</u>	<u>1,615</u>	<u>109,850</u>	<u>-</u>	<u>-</u>	<u>7,424</u>	<u>72,933</u>	<u>189</u>	<u>1,879,038</u>
Fund Balances:													
Nonspendable													
Deposits	375	-	30,000	-	-	-	-	-	-	-	-	-	30,375
Restricted													
Debt service	-	-	-	-	-	262,593	910,576	-	-	-	-	-	1,173,169
Capital projects	-	-	-	-	-	-	-	-	-	320,692	10,348,813	496,474	11,165,979
Assigned													
Emergency reserve	700,000	-	-	-	-	-	-	-	-	-	-	-	700,000
Capital projects	2,230,441	-	-	-	-	-	-	-	-	-	-	-	2,230,441
Special revenue	-	4,507,960	126,322	93,018	-	-	-	-	-	-	-	-	4,727,300
Unassigned	3,475,604	-	-	-	(654,906)	-	-	-	-	-	-	-	2,820,698
Total Fund Balances	<u>6,406,420</u>	<u>4,507,960</u>	<u>156,322</u>	<u>93,018</u>	<u>(654,906)</u>	<u>262,593</u>	<u>910,576</u>	<u>-</u>	<u>-</u>	<u>320,692</u>	<u>10,348,813</u>	<u>496,474</u>	<u>22,847,962</u>
Total Liabilities and Fund Balances	<u>\$ 6,997,857</u>	<u>\$ 4,918,595</u>	<u>\$ 186,369</u>	<u>\$ 93,020</u>	<u>\$ -</u>	<u>\$ 264,208</u>	<u>\$ 1,020,426</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 328,116</u>	<u>\$10,421,746</u>	<u>\$ 496,663</u>	<u>\$ 24,727,000</u>

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

Total Governmental Fund Balances	\$ 22,847,962
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets (land, \$6,300,859, construction in progress, \$362,422, buildings and improvements, \$2,615,505, infrastructure, \$44,278,521, and equipment, \$1,190,849, net of accumulated depreciation, \$(30,303,541), and right-to-use leased building, net, \$6,309) used in governmental activities are not current financial resources and therefore, are not reported at the fund level.	24,450,924
Prepaid bond insurance is not a current financial resource and therefore, is not recognized at the fund level.	72,636
Deferred outflows of resources, deferred amount on refunding, net, are not current financial resources and therefore, are not reported at the fund level.	27,673
Long-term liabilities, including bonds payable, \$(14,465,000), net of bond discount, \$152,456, notes payable, \$(12,449,159), lease payable, \$(6,776), and accrued compensated absences, \$(4,024), are not due and payable in the current period and therefore, are not reported at the fund level.	(26,772,503)
Accrued interest expense for long-term debt is not a current financial use and therefore, is not reported at the fund level.	<u>(259,548)</u>
Net Position of Governmental Activities	<u><u>\$ 20,367,144</u></u>

*See accompanying notes to financial statements.*

**Gateway Services Community Development District**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**For the Year Ended September 30, 2024**

	Special Revenue				Debt Service				Capital Projects			Total Governmental Funds	
	General	Pelican Preserve	Stoneybrook	Towne Lakes	Lake Bank Restoration	Lake Bank Restoration	Series 2023-1	Series 2023-2	Series 2013	Series 2023-1	Series 2023-2		
<b>Revenues</b>													
Special assessments	\$ 4,652,753	\$ 3,319,888	\$ 370,532	\$ 18,970	\$ -	\$ 232,765	\$ 782,293	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,377,201
Charges for services	167,010	-	-	-	-	-	-	-	-	-	-	-	167,010
Investment earnings	296,583	272,966	16,717	4,384	-	13,155	46,629	-	-	15,588	564,952	44,894	1,275,868
Miscellaneous revenues	48,935	-	-	-	-	-	-	-	-	-	-	-	48,935
<b>Total Revenues</b>	<b>5,165,281</b>	<b>3,592,854</b>	<b>387,249</b>	<b>23,354</b>	<b>-</b>	<b>245,920</b>	<b>828,922</b>	<b>-</b>	<b>-</b>	<b>15,588</b>	<b>564,952</b>	<b>44,894</b>	<b>10,869,014</b>
<b>Expenditures</b>													
<b>Current</b>													
General government	599,544	453,559	27,505	41	-	287	7,965	-	-	-	-	-	1,088,901
Public safety	23,860	654,795	197,844	-	-	-	-	-	-	-	-	-	876,499
Physical environment	1,948,002	1,981,861	331,539	9,245	2,268,198	-	-	-	-	701,883	-	29	7,240,757
Public works	541,068	-	-	-	-	-	-	-	-	-	-	-	541,068
Culture/recreation	902,596	-	-	-	-	-	-	-	-	-	55,396	-	957,992
Capital outlay	97,607	74,296	-	-	-	-	-	-	-	129,281	-	6,286	307,470
<b>Debt service</b>													
Principal	4,545	2,357	-	-	-	130,000	501,244	-	-	-	-	-	638,146
Interest	-	86	-	-	-	93,725	74,816	444,131	47,166	-	-	-	659,924
<b>Total Expenditures</b>	<b>4,117,222</b>	<b>3,166,954</b>	<b>556,888</b>	<b>9,286</b>	<b>2,268,198</b>	<b>224,012</b>	<b>584,025</b>	<b>444,131</b>	<b>47,166</b>	<b>-</b>	<b>886,560</b>	<b>6,315</b>	<b>12,310,757</b>
<b>Excess of revenues over/(under) expenditures</b>	<b>1,048,059</b>	<b>425,900</b>	<b>(169,639)</b>	<b>14,068</b>	<b>(2,268,198)</b>	<b>21,908</b>	<b>244,897</b>	<b>(444,131)</b>	<b>(47,166)</b>	<b>15,588</b>	<b>(321,608)</b>	<b>38,579</b>	<b>(1,441,743)</b>
<b>Other financing sources/(uses)</b>													
Issuance of long-term debt	-	-	-	-	2,011,387	-	-	-	-	-	-	-	2,011,387
Transfers in	723,488	-	-	-	-	-	-	444,131	47,166	-	-	10,000	1,224,785
Transfers out	(10,000)	(235,174)	-	-	-	-	-	-	-	-	(744,678)	(474,029)	(1,463,881)
<b>Total Other Financing Sources/(Uses)</b>	<b>713,488</b>	<b>(235,174)</b>	<b>-</b>	<b>-</b>	<b>2,011,387</b>	<b>-</b>	<b>-</b>	<b>444,131</b>	<b>47,166</b>	<b>-</b>	<b>(744,678)</b>	<b>(464,029)</b>	<b>1,772,291</b>
<b>Net change in fund balances</b>	<b>1,761,547</b>	<b>190,726</b>	<b>(169,639)</b>	<b>14,068</b>	<b>(256,811)</b>	<b>21,908</b>	<b>244,897</b>	<b>-</b>	<b>-</b>	<b>15,588</b>	<b>(1,066,286)</b>	<b>(425,450)</b>	<b>330,548</b>
<b>Fund Balances - October 1, 2023</b>	<b>4,644,873</b>	<b>4,317,234</b>	<b>325,961</b>	<b>78,950</b>	<b>(398,095)</b>	<b>240,685</b>	<b>665,679</b>	<b>-</b>	<b>-</b>	<b>305,104</b>	<b>11,415,099</b>	<b>921,924</b>	<b>22,517,414</b>
<b>Fund Balances - September 30, 2024</b>	<b>\$ 6,406,420</b>	<b>\$ 4,507,960</b>	<b>\$ 156,322</b>	<b>\$ 93,018</b>	<b>\$ (654,906)</b>	<b>\$ 262,593</b>	<b>\$ 910,576</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 320,692</b>	<b>\$ 10,348,813</b>	<b>\$ 496,474</b>	<b>\$ 22,847,962</b>

See accompanying notes to financial statements.

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

Net Change in Fund Balances - Total Governmental Funds	\$ 330,548
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 are allocated over their estimated useful lives as depreciation. This is the amount that depreciation/amortization, \$(1,390,137), exceeded capital outlay, \$307,470.	(1,082,667)
Issuance of long-term debt is recognized as an other financing source at the fund level, but increase liabilities at the government-wide level.	(2,011,387)
Repayments of principal are expenditures in the governmental funds, but the repayments reduce long-term liabilities in the Statement of Net Position.	638,146
Prepaid bond insurance is amortized over the life of the bonds as interest expense. This is the current year amortization.	(3,693)
Bond discount is amortized over the life of the bonds as interest expense. This is the current year amortization.	(7,752)
The deferred outflows of resources for refunding debt is recognized as a component of interest expense in the Statement of Activities, but not in the governmental funds. This is the amount of interest in the current period.	(3,224)
In the Statement of Activities, interest is accrued on outstanding bonds; whereas in the governmental funds, interest is reported when due. This is the change in accrued interest in the current period.	<u>508</u>
Change in Net Position of Governmental Activities	<u><u>\$ (2,139,521)</u></u>

*See accompanying notes to financial statements.*

**Gateway Services Community Development District**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND**  
**For the Year Ended September 30, 2024**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Revenues				
Special assessments	\$ 4,635,612	\$ 4,635,612	\$ 4,652,753	\$ 17,141
Charges for services	72,000	72,000	167,010	95,010
Investment earnings	45,000	45,000	296,583	251,583
Miscellaneous revenues	7,500	7,500	48,935	41,435
Total Revenues	<u>4,760,112</u>	<u>4,760,112</u>	<u>5,165,281</u>	<u>405,169</u>
Expenditures				
Current				
General government	584,704	584,704	599,544	(14,840)
Public safety	152,000	152,000	23,860	128,140
Physical environment	2,983,924	2,983,924	1,948,002	1,035,922
Public works	454,386	454,386	541,068	(86,682)
Culture/recreation	1,132,198	1,132,198	902,596	229,602
Capital outlay	6,548,560	6,548,560	97,607	6,450,953
Debt Service				
Principal	-	-	4,545	(4,545)
Total Expenditures	<u>11,855,772</u>	<u>11,855,772</u>	<u>4,117,222</u>	<u>7,738,550</u>
Excess/(deficiency) of revenues over/(under) expenditures	<u>(7,095,660)</u>	<u>(7,095,660)</u>	<u>1,048,059</u>	<u>8,143,719</u>
Other Financing Sources/(Uses)				
Transfers in	6,070,200	6,070,200	723,488	(5,346,712)
Transfers out	-	-	(10,000)	(10,000)
Total Other Financing Sources/(Uses)	<u>6,070,200</u>	<u>6,070,200</u>	<u>713,488</u>	<u>(5,356,712)</u>
Net change in fund balances	(1,025,460)	(1,025,460)	1,761,547	2,787,007
Fund Balances - October 1, 2023	<u>1,025,460</u>	<u>1,025,460</u>	<u>4,644,873</u>	<u>3,619,413</u>
Fund Balances - September 30, 2024	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,406,420</u>	<u>\$ 6,406,420</u>

See accompanying notes to financial statements.

**Gateway Services Community Development District**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - PELICAN PRESERVE FUND**  
**For the Year Ended September 30, 2024**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Revenues				
Special assessments	\$ 3,307,675	\$ 3,307,675	\$ 3,319,888	\$ 12,213
Investment earnings	10,000	10,000	272,966	262,966
Total Revenues	<u>3,317,675</u>	<u>3,317,675</u>	<u>3,592,854</u>	<u>275,179</u>
Expenditures				
Current				
General government	579,175	579,175	453,559	125,616
Public safety	611,500	611,500	654,795	(43,295)
Physical environment	1,690,000	1,690,000	1,981,861	(291,861)
Capital outlay	437,000	437,000	74,296	362,704
Debt Service				
Principal	-	-	2,357	(2,357)
Interest	-	-	86	(86)
Total Expenditures	<u>3,317,675</u>	<u>3,317,675</u>	<u>3,166,954</u>	<u>150,721</u>
Excess of revenues over/(under) expenditures	<u>-</u>	<u>-</u>	<u>425,900</u>	<u>425,900</u>
Other Financing Sources/(Uses)				
Transfers out	<u>-</u>	<u>-</u>	<u>(235,174)</u>	<u>(235,174)</u>
Net change in fund balances	-	-	190,726	190,726
Fund Balances - October 1, 2023	<u>-</u>	<u>-</u>	<u>4,317,234</u>	<u>4,317,234</u>
Fund Balances - September 30, 2024	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,507,960</u>	<u>\$ 4,507,960</u>

See accompanying notes to financial statements.

**Gateway Services Community Development District**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - STONEYBROOK FUND**  
**For the Year Ended September 30, 2024**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Revenues				
Special assessments	\$ 369,165	\$ 369,165	\$ 370,532	\$ 1,367
Investment earnings	-	-	16,717	16,717
Total Revenues	<u>369,165</u>	<u>369,165</u>	<u>387,249</u>	<u>18,084</u>
Expenditures				
Current				
General government	21,415	21,415	27,505	(6,090)
Public safety	188,000	188,000	197,844	(9,844)
Physical environment	110,000	110,000	331,539	(221,539)
Capital outlay	49,750	49,750	-	49,750
Total Expenditures	<u>369,165</u>	<u>369,165</u>	<u>556,888</u>	<u>(187,723)</u>
Net change in fund balances	-	-	(169,639)	(169,639)
Fund Balances - October 1, 2023	-	-	325,961	325,961
Fund Balances - September 30, 2024	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 156,322</u>	<u>\$ 156,322</u>

*See accompanying notes to financial statements.*

**Gateway Services Community Development District**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - TOWNE LAKES FUND**  
**For the Year Ended September 30, 2024**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Revenues				
Special assessments	\$ 18,900	\$ 18,900	\$ 18,970	\$ 70
Investment earnings	-	-	4,384	4,384
Total Revenues	<u>18,900</u>	<u>18,900</u>	<u>23,354</u>	<u>4,454</u>
Expenditures				
Current				
General government	170	170	41	129
Physical environment	<u>18,730</u>	<u>18,730</u>	<u>9,245</u>	<u>9,485</u>
Total Expenditures	<u>18,900</u>	<u>18,900</u>	<u>9,286</u>	<u>9,614</u>
Net change in fund balances	-	-	14,068	14,068
Fund Balances - October 1, 2023	<u>-</u>	<u>-</u>	<u>78,950</u>	<u>78,950</u>
Fund Balances - September 30, 2024	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 93,018</u>	<u>\$ 93,018</u>

*See accompanying notes to financial statements.*

**Gateway Services Community Development District**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL - LAKE BANK RESTORATION FUND**  
**For the Year Ended September 30, 2024**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Expenditures				
Current				
Physical environment	<u>\$ 3,600,000</u>	<u>\$ 3,600,000</u>	<u>\$ 2,268,198</u>	<u>\$ 1,331,802</u>
Other Financing Sources/(Uses)				
Issuance of long-term debt	<u>3,600,000</u>	<u>3,600,000</u>	<u>2,011,387</u>	<u>(1,588,613)</u>
Net change in fund balances	-	-	(256,811)	(256,811)
Fund Balances - October 1, 2023	<u>-</u>	<u>-</u>	<u>(398,095)</u>	<u>(398,095)</u>
Fund Balances - September 30, 2024	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (654,906)</u>	<u>\$ (654,906)</u>

*See accompanying notes to financial statements.*

**Gateway Services Community Development District**  
**STATEMENT OF NET POSITION –**  
**WATER & SEWER FUND**  
**September 30, 2024**

<b>ASSETS</b>	
Current Assets	
Cash and investments	\$ 5,570,293
Restricted Assets	
Cash and investments - customer deposits	875,456
Accounts receivable and accrued revenues	1,314,317
Accrued interest receivable	50,671
Due from other funds	1,379
Total Current Assets	<u>7,812,116</u>
Non-current Assets	
Restricted Assets	
Cash and investments	168,297
Capital Assets	
Construction in progress	1,419,897
Buildings and improvements	3,093,547
Right-to-use leased building, net	9,079
Infrastructure	33,554,665
Equipment	3,079,065
Accumulated depreciation	(19,064,458)
Total Non-current Assets	<u>22,260,092</u>
Total Assets	<u>30,072,208</u>
 <b>LIABILITIES</b>	
Current Liabilities	
Accounts payable and accrued expenses	649,352
Customer deposits, payable from restricted assets	875,456
Accrued interest payable	1,523
Lease payable	9,750
Bonds payable	181,606
Total Current Liabilities	<u>1,717,687</u>
Non-current Liabilities	
Bonds payable, net	59,388
Compensated absences	87,399
Total Non-current Liabilities	<u>146,787</u>
Total Liabilities	<u>1,864,474</u>
 <b>NET POSITION</b>	
Net investment in capital assets	21,957,968
Restricted	
Debt service	50,528
Unrestricted	
	<u>6,199,238</u>
Total Net Position	<u>\$ 28,207,734</u>

See accompanying notes to financial statements.

**Gateway Services Community Development District**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN**  
**FUND NET POSITION - WATER & SEWER FUND**  
**For The Year Ended September 30, 2024**

Operating revenues:	
Water and sewer charges	\$ 7,023,065
Miscellaneous revenues	385,992
Total Operating Revenues	7,409,057
Operating Expenses:	
Water purchases	2,006,364
Administrative and other	885,174
Depreciation and amortization	1,301,260
Personnel services	1,309,930
Repairs and maintenance	780,920
Utilities	214,916
Insurance	91,363
Total Operating Expenses	6,589,927
Operating Income/(Loss)	819,130
Non-operating Revenues/(Expenses):	
Intergovernmental revenues	27,764
Interest earnings	280,430
Gain on disposal of capital assets	19,747
Interest expense and other debt service costs	(38,863)
Total Non-operating Revenues/(Expenses)	289,078
Income before contributions and transfers	1,108,208
Capital contribution	2,029,854
Transfers in	239,096
Total Contributions and Transfers	2,268,950
Change in Net Position	3,377,158
Net Position - October 1, 2023	24,830,576
Net Position - September 30, 2024	\$ 28,207,734

*See accompanying notes to financial statements.*

**Gateway Services Community Development District**  
**STATEMENT OF CASH FLOWS –**  
**WATER & SEWER FUND**  
**For The Year Ended September 30, 2024**

	Water & Sewer Fund
Cash Flows From Operating Activities	
Cash received from customers	\$ 7,461,294
Cash paid to suppliers	(4,167,729)
Cash paid for employee services	(1,287,431)
Net Cash Provided by Operating Activities	2,006,134
Cash Flows From Noncapital Financing Activities	
Interfund transfers in	239,096
Intergovernmental revenues	27,764
Net Cash Provided by Noncapital Financing Activities	266,860
Cash Flows From Capital Activities and Related Financing Activities	
Investment in capital assets	(1,852,046)
Interest paid on capital debt	(40,340)
Proceeds from sale of equipment	25,000
Principal payments on long-term debt	(184,950)
Net Cash Used by Capital Activities and Related Financing Activities	(2,052,336)
Cash Flows From Investing Activities	
Interest income	266,977
Net increase in cash and investments	487,635
Cash and investments, October 1, 2023	6,126,411
Cash and investments, September 30, 2024	\$ 6,614,046
Reconciliation of Net Operating Income to Net Cash Provided By Operating Activities	
Cash Flows From Operating Activities:	
Operating income	\$ 819,130
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization	1,301,260
Changes in assets and liabilities:	
Increase in accounts receivable	(63,770)
Decrease in due from other funds	116,203
Decrease in prepaid expenses	23,004
Decrease in accounts payable	(211,996)
Decrease in customer deposits	(196)
Increase in accrued compensation	22,499
Total Adjustments	1,187,004
Net Cash Provided By Operating Activities	\$ 2,006,134

See accompanying notes to financial statements.

**Gateway Services Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE A – SUMMARY OF ACCOUNTING POLICIES**

The financial statements of Gateway Services Community Development District (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 May 22, 1986 by the Florida Land and Water Adjudicatory Commission Chapter 42F-1, pursuant to the provisions of Chapter 190, Florida Statutes, for the purpose of planning, financing, constructing, operating, and maintaining certain community-wide infrastructure. The District consists of approximately 4,488 acres located in Lee County, Florida, and is governed by a five-member Board of Supervisors, who are elected to a term of four years, by qualified electors.

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

Based upon the application of the above-mentioned criteria as set forth in Governmental Accounting Standards, 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

**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 separate columns for the governmental and business-type activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

**Gateway Services Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE A – SUMMARY OF ACCOUNTING POLICIES (CONTINUED)**

**2. Measurement Focus and Basis of Accounting (Continued)**

**a. Government-wide Financial Statements (Continued)**

Governmental activities which normally are supported by special assessments, rents and interest, are reported separately from business-type activities. Program revenues include charges for services, special assessments 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.

**Gateway Services Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2. Measurement Focus and Basis of Accounting (Continued)**

**b. Fund Financial Statements (Continued)**

**Governmental Funds**

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

The District has various policies governing the fund balance classifications.

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

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

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

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

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

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.

**Gateway Services Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**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.

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, as well as expenditures related to compensated absences, are recorded only when payment is due.

**Enterprise Funds**

In the fund financial statements, the enterprise fund is presented using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when the related goods or services are delivered. In the fund financial statements, enterprise funds are presented using the economic resources measurement focus. This means that all assets and all liabilities (whether current or non-current) associated with their activity are included on their balance sheets. Enterprise fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

**Gateway Services Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2. Measurement Focus and Basis of Accounting (Continued)**

**b. Fund Financial Statements (Continued)**

**Enterprise Funds (Continued)**

Enterprise fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as investment earnings, result from non-exchange transactions or ancillary activities. Amounts paid to acquire capital assets are capitalized as assets in the fund financial statements, rather than reported as expenditures. Proceeds of long-term debt are recorded as a liability in the fund financial statements, rather than as other financing sources.

Amounts paid to reduce long-term indebtedness are reported as a reduction of the related liabilities, rather than as an expense.

**3. Basis of Presentation**

**a. Governmental Funds**

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

Special Revenue Fund – Pelican Preserve – This special revenue fund is used to account for the activity of Pelican Preserve, which is located within the boundaries of the District.

Special Revenue Fund – Stoneybrook – This special revenue fund is used to account for the activity of Stoneybrook, which is located within the boundaries of the District.

Special Revenue Fund – Towne Lakes – This special revenue fund is used to account for the activity of Towne Lakes, which is located within the boundaries of the District.

Special Revenue Fund – Lake Bank Restoration – This special revenue fund is used to account for the activity of the lake bank restoration project.

Debt Service Funds – The Debt Service Funds are used to account for the accumulation of resources for the annual payment of principal and interest on long-term special assessment debt on the Series 2013 and Series 2023-1 and 2023-2 Bonds and the payment of principal and interest on the lake bank restoration notes.

**Gateway Services Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3. Basis of Presentation (Continued)**

**a Governmental Funds (Continued)**

Capital Project Funds – The Capital Project Funds account for construction of infrastructure improvements located within the boundaries of the District.

**b. Enterprise Funds**

Water and Sewer Fund – The Water and Sewer Fund accounts for the operations of the water and sewer plant, which are funded by proceeds from operations of these facilities, including user fees, meter fees and connection fees.

**c. Non-current Governmental Assets/Liabilities**

GASB Statement 34 requires that non-current governmental assets, such as capital assets, and non-current governmental liabilities, such as long-term debt and accrued compensated absences be reported in the governmental activities column in the government-wide statement of net position.

**4. Assets, Liabilities, Deferred Outflows of Resources, 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.

**Gateway Services Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**a. Cash and Investments (Continued)**

For purposes of the statement of cash flows, cash and investments include time deposits, certificates of deposit, money market funds, and all highly liquid debt instruments with original maturities of three months or less.

**b. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds”. Any residual balances outstanding between the governmental activities and business-type activities are reported as “internal balances”.

**c. Restricted Net Position**

Certain net position of the District are 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.

**d. Capital Assets**

Capital assets, which include land, construction in progress, building and improvements, infrastructure and equipment, are reported in the applicable governmental or business-type activities column.

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

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

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

**Gateway Services Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**d. Capital Assets (Continued)**

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

Buildings and improvements	7-39 years
Infrastructure	10-40 years
Equipment	5-20 years

**e. Deferred Outflows/Inflows of Resources**

Deferred outflows of resources represent a consumption of net position/fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District only has one item that qualifies for reporting in this category. It is the deferred amount on refunding reported on the Statement of Net Position. A deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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. Accrued Compensated Absences**

The District accrues unused portions of vacation pay in the period the fund liability is incurred. As permitted by Governmental Accounting Standards Board Statement No. 16, the vesting method is used to accrue sick leave liability. The liability is based on the sick leave accumulated at year-end by those employees who are currently eligible to receive termination payments as well as other employees who are expected to become eligible to receive such payments.

Even though the District has accumulated and earmarked expendable available fund resources for these amounts, the portion not normally expected to be liquidated with expendable available financial resources is not reported as a fund liability in the governmental fund financial statements.

**Gateway Services Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**g. Leases**

The District determines if an arrangement is a lease at inception. Lessee arrangements for governmental funds are included as right-to-use lease assets and lease liabilities in the Statement of Net Position, however, these leases are not reflected in the fund financial statements since they are not payable from available resources. Lessee arrangements for proprietary funds are included as right-to-use lease assets and lease liabilities in the Statement of Net Position.

Payment for short-term leases with a lease term of twelve months or less are recognized as expenses as incurred. The District has a \$5,000 threshold, for total annual payments, for leases subject to GASB 87. Short-term leases and leases under the threshold are not included as lease liabilities or right-to-use lease assets on the Statement of Net Position. The right-to-use assets are amortized on a straight-line basis over the terms of the related leases.

**h. Budget**

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

**i. Unamortized Bond Discount**

Bond discount associated with the issuance of revenue bonds are amortized according to the straight-line method of accounting over the life of the bonds. For financial reporting, unamortized bond discount is netted with the applicable long-term debt.

**Gateway Services Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2024

**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, \$22,847,962, differs from “net position” of governmental activities, \$20,367,144, 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 (property, plant 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 included those capital assets among the assets of the District as a whole.

Land	\$	6,300,859
Construction in progress		362,422
Buildings and improvements		2,615,505
Right-to-use leased building, net		6,309
Infrastructure		44,278,521
Equipment		1,190,849
Accumulated depreciation		<u>(30,303,541)</u>
Total		<u>\$ 24,450,924</u>

**Deferred amount on refunding**

Deferred outflows of resources are not current financial resources, and therefore, are not recognized at the governmental fund level.

Deferred amount on refunding, net	\$	<u>27,673</u>
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**Prepaid bond insurance**

Prepaid bond insurance is not a current financial resource and therefore, is not recognized at the fund level.

Prepaid bond insurance, net	\$	<u>72,636</u>
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**Gateway Services Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**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 in the Statement of Net Position.

Bonds and notes payable, net	\$ (26,761,703)
Lease payable	(6,776)
Accrued compensated absences	<u>(4,024)</u>
Total	<u>\$ (26,772,503)</u>

**Accrued interest**

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

Accrued interest	<u>\$ (259,548)</u>
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**Gateway Services Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2024

**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, \$330,548, differs from the “change in net position” for governmental activities, \$(2,139,521), 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 are 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. The following is the amount of depreciation, amortization and capital asset additions:

Capital outlay	\$ 307,470
Depreciation/amortization	<u>(1,390,137)</u>
Total	<u>\$ (1,082,667)</u>

**Long-term debt transactions**

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

Principal payments	\$ 638,146
Issuance of long-term debt	<u>(2,011,387)</u>
Total	<u>\$ (1,373,241)</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.

Change in accrued interest payable	\$ 508
Change in prepaid bond insurance	(3,693)
Change in bond discount	(7,752)
Change in deferred amount on refunding	<u>(3,224)</u>
Total	<u>\$ (14,161)</u>

**Gateway Services Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**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, 2024, the District's bank balance was \$9,991,396 and the carrying value was \$9,993,396. Exposure to custodial credit risk was as follows. The District maintains all deposits in a qualified public depository in accordance with the provisions of Chapter 280, Florida Statutes, which means that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes.

Investments

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

<u>Investments</u>	<u>Maturities</u>	<u>Fair Value</u>
First American Government Obligation Fund	31 days*	\$ 753,691
Goldman Sachs Financial Square Government Fund	39 days*	11,801,076
First Horizon United States Treasury Bills	10/2024 - 2/2025	6,451,593
Fidelity Government Cash Reserves	21 days*	1,174,373
		<u>\$ 20,180,733</u>

\*Maturity is a weighted average maturity.

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

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

Based on the criteria in the preceding paragraph, investments listed above are Level 1 assets.

**Gateway Services Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE C – CASH AND INVESTMENTS (CONTINUED)**

Investments (Continued)

The District's investment policy allows management to invest funds in investments permitted under Section 218.415, Florida Statutes.

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 are limited by state statutory requirements and bond compliance. The District has no investment policy that would further limit its investment choices. As of September 30, 2024, the District's investments in the First American Government Obligation Fund and the Goldman Sachs Financial Square Government Fund were rated AAAM by Standard & Poor's. The District's investments in the First Horizon United States Treasury Bills and Fidelity Government Cash Reserves were not rated.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one investment. The investments in First American Government Obligation Fund are 4% of the District's total investments, Goldman Sachs Financial Square Government Fund are 58% of the District's total investments, First Horizon United States Treasury Bills are 32% of the District's total investments, and the Fidelity Government Cash Reserves are 6% of the District's total investments.

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

**NOTE D – SPECIAL ASSESSMENT REVENUES**

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

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

**Gateway Services Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE E – INTERFUND ACTIVITY**

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

	<b>Payable Fund</b>								Total
	General Fund	Special Revenue Funds			Debt Service Funds		Capital Project Funds		
<b>Receivable Fund</b>		Pelican Preserve	Stoneybrook	Lake Bank Restoration	Series 2013	Lake Bank Restoration	Series 2013	Series 2023-2	
General Fund	\$ -	\$ 210,351	\$ 4,464	\$ 566,669	\$ -	\$ 109,718	\$ -	\$ 564	\$ 891,766
Special Revenue Funds:									
Pelican Preserve	-	-	-	-	-	-	7,424	-	7,424
Stoneybrook	-	13,029	-	-	-	-	-	-	13,029
Debt Service Fund:									
Series 2013	2,446	-	-	-	-	-	-	-	2,446
Capital Projects Funds:									
Series 2013	2,860	-	-	-	1,552	-	-	-	4,412
Series 2023-1	129,605	-	-	-	-	-	-	-	129,605
Series 2023-2	7,845	-	-	-	-	-	-	-	7,845
Enterprise Fund	136	1,243	-	-	-	-	-	-	1,379
<b>Total</b>	<b>\$ 142,892</b>	<b>\$ 224,623</b>	<b>\$ 4,464</b>	<b>\$ 566,669</b>	<b>\$ 1,552</b>	<b>\$ 109,718</b>	<b>\$ 7,424</b>	<b>\$ 564</b>	<b>\$ 1,057,906</b>

Interfund balances between governmental funds are eliminated at the government-wide level.

Interfund balances are primarily due to expenditures paid by one fund on behalf of another that have not been repaid as of year-end.

**Gateway Services Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE E – INTERFUND ACTIVITY (CONTINUED)**

Interfund transfers for the year-ended September 30, 2024, consisted of the following:

<b>Transfers Out</b>	<b>Transfers In</b>					
	General Fund	Debt Service Funds		Capital Projects Fund	Enterprise Fund	Total
		Series 2023-1	Series 2023-2	Series 2023-2		
General Fund	\$ -	\$ -	\$ -	\$ 10,000	\$ -	\$ 10,000
Special Revenue Fund:						
Pelican Preserve	-	-	-	-	235,174	235,174
Capital Projects Funds:						
Series 2023-1	296,625	444,131	-	-	3,922	744,678
Series 2023-2	426,863	-	47,166	-	-	474,029
<b>Total</b>	<b>\$ 723,488</b>	<b>\$ 444,131</b>	<b>\$ 47,166</b>	<b>\$ 10,000</b>	<b>\$ 239,096</b>	<b>\$ 1,463,881</b>

Interfund transfers between governmental funds are eliminated at the government-wide level.

Interfund transfers are primarily related to the long-term debt payments and related capital assets in the current year.

**Gateway Services Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE F – CHANGES IN CAPITAL ASSETS**

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

	Balance October 1, 2023	Additions	Deletions	Balance September 30, 2024
<u>Governmental Activities:</u>				
Capital assets, not depreciated:				
Land and improvements	\$ 6,300,859	\$ -	\$ -	\$ 6,300,859
Construction in progress	215,520	146,902	-	362,422
Total Capital Assets, Not Depreciated	<u>6,516,379</u>	<u>146,902</u>	<u>-</u>	<u>6,663,281</u>
Capital assets, being depreciated:				
Building and improvements	2,615,505	-	-	2,615,505
Right-to-use leased building, net	13,191	-	(6,882)	6,309
Infrastructure	44,278,521	-	-	44,278,521
Equipment	1,030,281	160,568	-	1,190,849
Total Capital Assets, Being Depreciated	<u>47,937,498</u>	<u>160,568</u>	<u>(6,882)</u>	<u>48,091,184</u>
Less accumulated depreciation for:				
Building and improvements	(2,321,938)	(46,325)	-	(2,368,263)
Infrastructure	(25,810,273)	(1,254,464)	-	(27,064,737)
Equipment	(788,075)	(82,466)	-	(870,541)
Total Accumulated Depreciation	<u>(28,920,286)</u>	<u>(1,383,255)</u>	<u>-</u>	<u>(30,303,541)</u>
Total Capital Assets Depreciated, Net	<u>19,017,212</u>	<u>(1,222,687)</u>	<u>(6,882)</u>	<u>17,787,643</u>
Governmental Activities Capital Assets	<u>\$ 25,533,591</u>	<u>\$ (1,075,785)</u>	<u>\$ (6,882)</u>	<u>\$ 24,450,924</u>

Depreciation of \$1,383,255 was charged to physical environment, \$1,363,308, and culture and recreation, \$19,947.

**Gateway Services Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE F – CHANGES IN CAPITAL ASSETS (CONTINUED)**

	Balance October 1, 2023	Additions	Deletions	Balance September 30, 2024
<u>Business-type Activities:</u>				
Capital assets, not being depreciated				
Construction in progress	\$ 234,725	\$ 1,185,172	\$ -	\$ 1,419,897
Capital assets, being depreciated				
Building and improvements	3,083,947	9,600	-	3,093,547
Right-to-use leased building, net	18,982	-	(9,903)	9,079
Infrastructure	31,366,483	2,188,182	-	33,554,665
Equipment	2,615,142	498,946	(35,023)	3,079,065
Total Capital Assets, Being Depreciated	<u>37,084,554</u>	<u>2,696,728</u>	<u>(44,926)</u>	<u>39,736,356</u>
Less accumulated depreciation for:				
Building and improvements	(1,202,558)	(116,257)	-	(1,318,815)
Infrastructure	(14,815,116)	(823,431)	-	(15,638,547)
Equipment	(1,785,197)	(351,669)	29,770	(2,107,096)
Total Accumulated Depreciation	<u>(17,802,871)</u>	<u>(1,291,357)</u>	<u>29,770</u>	<u>(19,064,458)</u>
Total Capital Assets Depreciated, Net	19,281,683	1,405,371	(15,156)	20,671,898
Business-type Activities Capital Assets	<u>\$ 19,516,408</u>	<u>\$ 2,590,543</u>	<u>\$ (15,156)</u>	<u>\$ 22,091,795</u>

Depreciation of \$1,291,357 was charged to Water and Sewer.

**Gateway Services Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE G – LONG-TERM DEBT**

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

Governmental Activities

Long-term debt at October 1, 2023	\$ 25,534,016
Issuance of long-term debt	2,011,387
Principal payments	<u>(631,244)</u>
Long-term Debt at September 30, 2024	26,914,159
Bond discount, net	<u>(152,456)</u>
Long-term Debt, Net at September 30, 2024	<u>\$ 26,761,703</u>

Business-type Activities

Long-term debt at October 1, 2023	\$ 416,012
Principal payments	<u>(175,018)</u>
Long-term debt at September 30, 2024	<u>\$ 240,994</u>

Long-term debt is comprised of the following:

**Governmental Activities**

Bonds Payable

\$2,630,000 Series 2013 Special Assessment Revenue Refunding Bond, due in annual principal installments beginning May 2014 and maturing May 1, 2033. Interest payable in May and November at interest rates between 5.25% to 5.75% beginning in May 2014. Current portion is \$145,000.	\$ 1,500,000
\$11,710,000 Series 2023-1 Special Assessment Bonds, due in annual principal installments beginning May 2025 and maturing May 1, 2044. Interest payable in May and November at interest rates between 3.00% to 4.25% beginning in May 2023. Current portion is \$410,000.	11,710,000
\$1,255,000 Series 2023-2 Special Assessment Bonds, due in annual principal installments beginning May 2025 and maturing May 1, 2044. Interest payable in May and November at interest rates between 3.00% to 4.25% beginning in May 2023. Current portion is \$45,000.	<u>1,255,000</u>
Bonds Payable	<u>\$ 14,465,000</u>

**Gateway Services Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE G – LONG-TERM DEBT (CONTINUED)**

**Governmental Activities (Continued)**

Notes Payable

<p>\$3,855,181 State Revolving Loan Fund SW360401, due in semi-annual principal installments beginning December 2018 and maturing June 15, 2038. Interest payable in June and December at an interest rate of 1.1%. Current portion is \$189,143.</p>	<p>\$ 2,846,489</p>
<p>\$3,896,698 State Revolving Loan Fund SW360410, due in semi-annual principal installments beginning February 2019 and maturing August 15, 2038. Interest payable in February and August at interest rates between 1.07% and 1.68%. Current portion is \$189,235.</p>	<p>2,868,254</p>
<p>\$116,907 State Revolving Loan Fund SW360440, due in semi-annual principal installments beginning October 2020 and maturing April 15, 2040. Interest payable in April and October at an interest rate of 2.53%. Current portion is \$5,271.</p>	<p>102,520</p>
<p>\$187,860 State Revolving Loan Fund SW360441, due in semi-annual principal installments beginning June 2021 and maturing December 15, 2040. Interest payable in June and December at an interest rate of 1.66%. Current portion is \$8,952.</p>	<p>168,408</p>
<p>\$2,229,594 State Revolving Loan Fund SW360442, due in semi-annual principal installments beginning February 2022 and maturing August 15, 2041. Current portion is \$113,243.</p>	<p>1,925,129</p>
<p>\$3,706,873 authorized, State Revolving Loan Fund SW3604A0, due in semi-annual principal installments beginning February 2025. The District has drawn \$2,830,394 of the amount authorized.</p>	<p>2,830,394</p>
<p>\$2,154,412 authorized, State Revolving Loan Fund SW3604B1, due in semi-annual principal installments beginning March 2026. The District has drawn \$1,707,965 of the amount authorized.</p>	<p><u>1,707,965</u></p>
<p>Notes payable</p>	<p><u>\$ 12,449,159</u></p>

**Gateway Services Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE G – LONG-TERM DEBT (CONTINUED)**

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

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,105,844	\$ 647,764	\$ 1,753,608
2026	1,130,500	620,095	1,750,595
2027	1,155,214	591,594	1,746,808
2028	1,179,986	562,397	1,742,383
2029	1,209,818	532,365	1,742,183
2030-2034	6,288,701	2,188,847	8,477,548
2035-2039	5,824,304	1,384,707	7,209,011
2040-2044	4,481,433	555,058	5,036,491
Totals	<u>\$ 22,375,800</u>	<u>\$ 7,082,827</u>	<u>\$ 29,458,627</u>

State Revolving Loan Funds SW3604A0 and SW3604B1 are not reflected in the amortization schedule above as additional note proceeds will be received.

Summary of Significant Bond Resolution Terms and Covenant

The Series 2013 Bonds are subject to mandatory redemption at par on a schedule of annual redemptions through May 2033, the maturity date. The District is required to redeem the Bonds at par prior to schedule from the proceeds of any assessments prepaid or if certain events occur as outlined in the Bond Indenture. Only the bonds maturing on or after May 1, 2024 are subject to redemption at the option of the District.

The Series 2023-1 and Series 2023-2 Bonds are subject to redemption at the option of the District prior to their maturity, in whole or in part, at any time after May 1, 2033, at the redemption price of 100% of the principal amount to be rendered plus accrued interest to the date of redemption. The Series 2023-1 and Series 2023-2 Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Trust Indenture.

The Trust Indenture established certain amounts be maintained in a reserve account. In addition, the Trust Indenture has certain restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements.

**Gateway Services Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE G – LONG-TERM DEBT (CONTINUED)**

Summary of Significant Bond Resolution Terms and Covenant (Continued)

The following is a schedule of the debt service reserve requirement and balance in the reserve account at September 30, 2024:

	Reserve Balance	Reserve Requirement
Series 2013 Special Assessment Revenue Refunding Bond	\$ 50,000	\$ 50,000

Summary of Significant Note Resolution Terms and Covenants

The District is required to maintain and collect non-ad valorem assessment that will be sufficient to provide, in each fiscal year, pledged revenues equal to or exceeding 1.15 times the sum of the loan payments due in such fiscal year. The District levied net assessments of \$779,388 and budgeted the use of fund balance of \$115,708 which was 1.55 times the loan payments for the year ended September 30, 2024.

**Business-type Activities**

Revenue Bonds

The District issued Series 2014-2 Water and Sewer Draw Down Revenue Bonds on October 31, 2014, due in annual principal installments beginning October 2017 and maturing October 2024. Interest payable in April and October at a rate of 1.99% beginning April 2015. Current portion is \$152,235.

\$ 152,235

Notes Payable

\$170,505, State Revolving Loan Fund WW360490, due in semi-annual principal installments beginning February 2023. Interest payable in February and August at an interest rate of 0.73%. Current portion is \$29,371.

\$ 88,759

**Gateway Services Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE G – LONG-TERM DEBT (CONTINUED)**

**Business-type Activities (Continued)**

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

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 181,606	\$ 2,109	\$ 183,715
2026	29,586	380	29,966
2027	<u>29,802</u>	<u>163</u>	<u>29,965</u>
Totals	<u>\$ 240,994</u>	<u>\$ 2,652</u>	<u>\$ 243,646</u>

Summary of Significant Bond Resolution Terms and Covenant

The District pledged, as security for payment of the principal and interest on the Bonds, the net revenues (gross revenues less cost of operations and maintenance) derived from the operation of the District's water and sewer system. The Bond Indenture contains a rate covenant that requires net revenues to be at least 110% of the debt service requirements for that fiscal year. At September 30, 2024, the District is in compliance with the rate covenant.

The following is a schedule of the debt service reserve requirement and balance in the reserve account at September 30, 2024:

<u>Revenue Bonds</u>	<u>Reserve Balance</u>	<u>Reserve Requirement</u>
Series 2014-2 Water and Sewer Draw Down Revenue Bonds	<u>\$ 127,608</u>	<u>\$ 116,246</u>

**Gateway Services Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE H – LEASES**

In September 2022, the District entered into an agreement to lease building space for two years with two optional one-year renewals. The District is reasonably certain one of the optional renewals will be exercised and, therefore, one optional one-year renewal is included in the total lease term. Monthly payments under this agreement range from \$1,379.04 to \$1,520.39. The agreement qualifies as a lease under GASB 87 and, therefore, has been recorded at the present value of future minimum lease payments as of the date of inception. In addition, in accordance with the implementation of GASB 87, the District has recorded a right-to-use asset for leased building space. The lease liability was measured at a discount rate of 2.39%, which is the District's incremental borrowing rate. The right-to-use asset and related liability is allocated between governmental activities and business-type activities.

The future minimum payments under this lease agreement and the present value of the minimum payments as of September 30, 2024, are as follows:

Year Ending September 30, 2025	Governmental Activities		Business-type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
	\$ 6,776	\$ 81	\$ 9,750	\$ 117	\$ 16,526	\$ 198

The District recorded a right-to-use leased asset for building space. Right-to-use asset activity for the year ended September 30, 2024, was as follows:

	Balance October 1, 2023	Additions	Deletions	Balance September 30, 2024
<b><u>Governmental Activities</u></b>				
Right-to-use assets				
Building space	\$ 20,646	\$ -	\$ -	\$ 20,646
Less accumulated amortization:				
Building space	(7,455)	(6,882)	-	(14,337)
Right-to-use Assets, Net	<u>\$ 13,191</u>	<u>\$ (6,882)</u>	<u>\$ -</u>	<u>\$ 6,309</u>
<b><u>Business-type Activities</u></b>				
Right-to-use assets				
Building space	\$ 29,710	\$ -	\$ -	\$ 29,710
Less accumulated amortization:				
Building space	(10,728)	(9,903)	-	(20,631)
Right-to-use Assets, Net	<u>\$ 18,982</u>	<u>\$ (9,903)</u>	<u>\$ -</u>	<u>\$ 9,079</u>

**Gateway Services Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE I – INTERLOCAL AGREEMENT – BUSINESS-TYPE ACTIVITIES**

The District is obligated to Lee County under a wholesale wastewater treatment and reuse water service agreement. Future minimum required payments are as follows:

Year Ending September 30,	Payments
2025	\$ 172,335
2026	172,335
2027	172,335
2028	172,335
2029	172,335
2030-2033	689,340
Total	\$ 1,551,015

**NOTE J – RETIREMENT PLAN**

Under the provisions of IRS Code Section 457 and GASB Statement No. 32 *Accounting and Financial Reporting for IRS Code Section 547 Deferred Compensation Plans* all assets and income of the Plan are held in trust for the benefits of participants. Accordingly, the assets of the Plan are not included in the District's financial statements. The Plan is administered by ICMA Retirement Corporation.

**NOTE K – RISK MANAGEMENT**

The government is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. These risks are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for each of the past three fiscal years.

**NOTE L – CONTINGENCIES**

Various suits and claims arising in the ordinary course of District operations are pending. The District is party to litigation under which it is the opinion of the District's counsel that the potential amount of the District's liability in these matters will not be material to the financial statements. Accordingly, no provision has been made in the financial statements for these contingencies.

**NOTE M – SUBSEQUENT EVENTS**

In October 2024, the District made the final payment on the Series 2014-2 Water and Sewer Draw Down Revenue Bonds. In November 2024, the District retired the Series 2013 Special Assessment Revenue Refunding Bonds. In March 2025, the District issued Water and Sewer Revenue Bonds, Series 2025, and Subordinate Water and Sewer Revenue Bonds, Taxable Series 2025, in amounts not to exceed \$1,800,000 and \$13,924,800, respectively.



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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  
Gateway Services Community Development District  
Lee 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 Gateway Services Community Development District, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the basic financial statements and have issued our report thereon dated March 25, 2025.

### **Report on Internal Control Over Financial Reporting**

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

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Gateway Services 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

March 25, 2025



# Berger, Toombs, Elam, Gaines & Frank

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## MANAGEMENT LETTER

To the Board of Supervisors  
Gateway Services Community Development District  
Lee County, Florida

### Report on the Financial Statements

We have audited the financial statements of the Gateway Services Community Development District as of and for the year ended September 30, 2024, and have issued our report thereon dated March 25, 2025.

### Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"); 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*, Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance, the Schedule of Findings and Questioned Costs, and 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 are dated March 25, 2025, should be considered in conjunction with this management letter.

### Prior Audit Findings

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

To the Board of Supervisors  
Gateway Services 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 Gateway Services 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 Gateway Services Community Development District has not met one of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial conditions assessment procedures as of September 30, 2024 for the Gateway Services Community Development District. It is management's responsibility to monitor the Gateway Services Community Development District's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same.

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

### **Specific Information**

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

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

- 1) The total number of District employees compensated in the last pay period of the District's fiscal year: 32
- 2) The total number of independent contractors, defined as individuals or entities that receive 1099s, to whom nonemployee compensation was paid in the last month of the District's fiscal year: 48
- 3) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: \$2,007,338
- 4) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: \$789,170
- 5) Each construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1, 2023, together with the total expenditures for such project: the Lower Hawthorn Well-in progress, \$949,168; Replace meter boxes before pilot project, \$199,650; Pavement conditioning – Stoneybrook \$189,995; Install drainage boxes in Pelican Preserve, \$182,400; Convert street signs on Gateway & Griffin, \$117,305; Hardwood tree trimming, \$98,400; 4 lift station panels, \$94,000; AMI pilot project oversight, \$73,566; Adjustable weirs, \$1,055,308; Stormwater system repairs, \$547,208; Lake bank point repairs, \$162,006; Public works storage building, \$820,000.

To the Board of Supervisors  
Gateway Services Community Development District

- 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)9, Rules of the Auditor General, the Gateway Services Community Development District reported:

- 1) The rate or rates of non-ad valorem special assessments imposed by the District: \$636.12 - \$822.99 for the General Fund, \$989.20 - \$1,125.29 for Pelican Preserve, \$494.28 for Stoneybrook, \$127.88 for Lake Bank Restoration, and \$154.97 - \$257.90 for the Debt Service Funds.
- 2) The amount of special assessments collected by or on behalf of the District: Total special assessments collected was \$9,377,201.
- 3) The total amount of outstanding bonds issued by the District and the terms of such bonds: See Note G for details.

#### **Additional Matters**

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

#### **2024-01**

**Finding:** The actual expenditures and transfers out in the Pelican Preserve and Stoneybrook Special Revenue Funds exceeded the budget which is not in compliance with Section 189.016, Florida Statutes.

**Response:** Management will review spending to ensure that expenditures and transfers out do not exceed appropriations in the future.

#### **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

March 25, 2025



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

Certified Public Accountants PL

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FAX: 772/468-9278

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

To the Board of Supervisors  
Gateway Services Community Development District  
Lee County, Florida

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

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

*Berger Toombs Elam  
Gaines & Frank*

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

March 25, 2025

**Gateway Services Community Development District**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE PROJECTS**  
**For the Year Ended September 30, 2024**

Description	AL/ CSFA No.	Contract/ Grant Number	Expenditures
<b>FEDERAL PROGRAMS:</b>			
<b><u>US ENVIRONMENTAL PROTECTION AGENCY</u></b>			
Passed Through Florida Department of Environmental Protection			
Capitalization Grants for Clean Water State Revolving Funds*	66.458	WW360491	\$ 825,669
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ 825,669</b>
<b>STATE PROJECTS:</b>			
<b><u>FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION</u></b>			
Wastewater Treatment Facility Construction*	37.077	SW3604A0	\$ 279,285
Wastewater Treatment Facility Construction*	37.077	SW3604B1	1,837,888
<b>TOTAL EXPENDITURES OF STATE PROJECTS</b>			<b>\$ 2,117,173</b>

\* denotes major program/project

See accompanying notes to schedule of expenditures of federal awards and state projects.

**Gateway Services Community Development District**  
**NOTES TO SCHEDULE OF EXPENDITURES OF**  
**FEDERAL AWARDS AND STATE PROJECTS**  
**September 30, 2024**

**NOTE 1 – BASIS OF PRESENTATION**

The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, Section 215.97, Florida Statutes, and Chapter 10.550, *Rules of the Auditor General*. Because the Schedule presents only a selected portion of the operations of Gateway Services Community Development District, it is not intended to and does not present the financial position, changes in net position, or cash flows of Gateway Services Community Development District.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported using the modified accrual basis of accounting. The modified accrual basis of accounting recognizes revenues when they become measurable and available as net current assets and expenditures are recognized when the related fund liability is incurred.

Gateway Services Community Development District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**NOTE 3 – SUB-RECIPIENT MONITORING**

Gateway Services Community Development District has provided no federal awards or state projects to subrecipients.

**NOTE 4 – CONTINGENCIES**

Amounts received, or receivable, from grantor agencies are subject to audit and adjustment by grantor agencies. If any expenditures are disallowed as a result of these audits, the claims for reimbursement to the grantor agency would become a liability of the District. In the opinion of Management, any such adjustment would not be significant.

**Gateway Services Community Development District  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS –  
FEDERAL PROGRAMS AND STATE PROJECTS  
September 30, 2024**

**SECTION I – SUMMARY OF AUDITOR’S RESULTS**

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	___ Yes	_X_ No
Significant deficiency(ies) identified?	___ Yes	_X_ None reported
Noncompliance material to financial statements noted?	___ Yes	_X_ No

Federal Program and State Projects

Internal Control over major programs/projects:

Material weakness(es) identified?	___ Yes	_X_ No
Significant deficiency(ies) identified?	___ Yes	_X_ None reported

Type of auditor's report issued on compliance for major programs/projects: Unmodified

Any audit findings disclosed that were required to be reported in accordance with Section 2 CFR 200.516(a) or Chapter 10.550? \_\_\_ Yes    \_X\_ No

Identification of major programs/projects:

Federal Program

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program(s) or Cluster</u>
66.458	Capitalization Grants for Clean Water State Revolving Funds

State Projects

<u>CSFA Number(s)</u>	<u>Name of State Project(s)</u>
37.077	Wastewater Treatment Facility Construction

Dollar threshold used to distinguish between Type A and B Federal Programs: \$750,000  
 Dollar threshold used to distinguish between Type A and B State Projects: \$635,152

Auditee qualified as low-risk auditee pursuant to the Uniform Guidance? \_\_\_ Yes    \_X\_ No

**Gateway Services Community Development District  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS –  
FEDERAL PROGRAMS AND STATE PROJECTS  
September 30, 2024**

**SECTION II – FINANCIAL STATEMENT FINDINGS**

There are no findings related to the financial statements which are required to be reported in accordance with *Government Auditing Standards*.

**SECTION III – MAJOR FEDERAL PROGRAMS FINDINGS AND QUESTION COSTS**

There were no audit findings related to federal programs required to be reported by Section 2 CFR 200.516(a), *Uniform Guidance*.

**SECTION IV – MAJOR STATE PROJECTS FINDINGS AND QUESTIONED COSTS**

There were no audit findings related to state projects required to be reported by Chapter 10.550, *Rules of the Auditor General*.

**SECTION V – SUMMARY OF PRIOR AUDIT FINDINGS**

There is no Summary of Prior Audit Findings or Corrective Action Plan required to be reported under Federal or Florida Single Audit Acts, as there were no prior year findings.

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND  
STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE  
AUDITOR GENERAL**

The Board of Supervisors  
Gateway Services Community Development District  
Lee County, Florida

**Report on Compliance for Each Major Federal Program and State Project**

***Opinion on Each Major Federal Program and State Project***

We have audited Gateway Services Community Development District's (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and Florida Department of Financial Services' *State Projects Compliance Supplement* that could have a direct and material effect on each of Gateway Services Community Development District's major federal programs and state projects for the year ended September 30, 2024. Gateway Services Community Development District's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Gateway Services Community Development District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2024.

***Basis for Opinion on Each Major Federal Program and State Project***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America (*Government Auditing Standards*); the audit requirements of Title 2 U.S Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

The Board of Supervisors  
Gateway Services Community Development District

We are required to be independent of Gateway Services Community Development District and to meet our ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of Gateway Services Community Development District's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management of the Gateway Services Community Development District is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Gateway Services Community Development District's federal programs and state projects.

***Auditor's Responsibility for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Gateway Services Community Development District's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about Gateway Services Community Development District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures to those risks. Such procedures include examining, on a test basis, evidence regarding Gateway Services Community Development District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

The Board of Supervisors  
Gateway Services Community Development District

- Obtain an understanding of Gateway Services Community Development District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of Gateway Services Community Development District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate to those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

***Report on Internal Control Over Compliance***

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The Board of Supervisors  
Gateway Services Community Development District

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

*Berger Toombs Elam  
Gaines + Frank*

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

March 25, 2025