

**Rivers Edge
Community Development District**

ANNUAL FINANCIAL REPORT

September 30, 2024

Rivers Edge Community Development District

ANNUAL FINANCIAL REPORT

September 30, 2024

TABLE OF CONTENTS

	<u>Page Number</u>
REPORT OF INDEPENDENT AUDITORS	1-3
MANAGEMENT'S DISCUSSION AND ANALYSIS	4-9
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements:	
Statement of Net Position	10
Statement of Activities	11
Fund Financial Statements:	
Balance Sheet – Governmental Funds	12
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	13
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	14
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	15
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	16
Notes to Financial Statements	17-33
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	34-35
MANAGEMENT LETTER	36-39
INDEPENDENT ACCOUNTANTS' REPORT/COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES	40



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REPORT OF INDEPENDENT AUDITORS

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

Report on Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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



To the Board of Supervisors
Rivers Edge 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 judgment 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 judgment, 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
Rivers Edge Community Development District

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated October 6, 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 Rivers Edge Community Development District's internal control over financial reporting and compliance.

*Berger Toombs Elam
Gaines & Frank*

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

October 6, 2025

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

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

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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. Assets, liabilities, and net position are reported for all Governmental activities.

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

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

**Rivers Edge 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 Fund. *Fund financial statements* provide more detailed information about the District's activities. Individual funds are established by the District to track revenues that are restricted to certain uses or to comply with legal requirements.

The *government-wide financial statements* and the *fund financial statements* provide different pictures of the District. The *government-wide financial statements* provide an overall picture of the District's financial standing. These statements are comparable to private-sector companies and give a good understanding of the District's overall financial health and how the District paid for the various activities, or functions, provided by the District. All assets of the District, including capital assets, are reported in the **statement of net position**. All liabilities, including principal outstanding on bonds are included. In the **statement of activities**, 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 capital improvement bonds, are not included in the fund financial statements. To provide a link from the *fund financial statements* to the *government-wide financial statements*, reconciliation is provided from the *fund financial statements* to the *government-wide financial statements*.

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

Financial Highlights

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

- ◆ The District's total assets and deferred outflows of resources exceeded total liabilities by \$25,830,378 (net position). Net investment in capital assets was \$23,340,209, restricted net position was \$472,962 and unrestricted net position was \$2,017,207.
- ◆ Governmental activities revenues totaled \$5,541,431 while governmental activities expenses totaled \$6,367,675.

**Rivers Edge 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

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

Net Position

	Governmental Activities	
	2024	2023
Current assets	\$ 2,398,007	\$ 1,958,069
Restricted assets	1,208,635	1,130,792
Capital assets, net	42,940,197	44,907,994
Total Assets	46,546,839	47,996,855
Deferred Outflows of Resources	294,238	316,872
Current liabilities	1,417,239	1,390,098
Non-current liabilities	19,593,460	20,267,007
Total Liabilities	21,010,699	21,657,105
Net investment in capital assets	23,340,209	24,685,648
Net position - restricted	472,962	381,060
Net position - unrestricted	2,017,207	1,589,914
Total Net Position	\$ 25,830,378	\$ 26,656,622

The increase in current assets and restricted assets is primarily related to revenues exceeding expenditures at the fund level in the current year.

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

The decrease in total liabilities is primarily the result of the principal payments made in the current year.

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

Change in Net Position

	Governmental Activities	
	2024	2023
Program Revenues		
Charges for services	\$ 4,107,787	\$ 4,078,631
General Revenues		
Investment earnings	142,116	103,092
Miscellaneous	1,291,528	1,271,507
Total Revenues	<u>5,541,431</u>	<u>5,453,230</u>
Expenses		
General government	199,189	185,227
Physical environment	3,563,772	3,636,170
Culture/recreation	1,555,247	1,445,648
Interest and other charges	1,049,467	1,067,430
Total Expenses	<u>6,367,675</u>	<u>6,334,475</u>
Conveyance to other government	<u>-</u>	<u>(23,918,886)</u>
Change in Net Position	(826,244)	(24,800,131)
Net Position - Beginning of Year	<u>26,656,622</u>	<u>51,456,753</u>
Net Position - End of Year	<u>\$ 25,830,378</u>	<u>\$ 26,656,622</u>

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

The increase in miscellaneous revenues is related to the increase in cost sharing revenues in the current year.

The decrease in physical environment is primarily related to the decrease in landscape and irrigation expenditures in the current year.

The increase in culture/recreation is primarily related to the increase in electric and street lighting expenditures in the current year.

**Rivers Edge 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	
	2024	2023
Construction in progress	\$ 185,318	\$ -
Buildings and improvements	4,603,449	4,603,449
Infrastructure	59,266,566	59,266,566
Equipment	120,574	120,574
Less: accumulated depreciation	(21,235,710)	(19,082,595)
Total	<u>\$ 42,940,197</u>	<u>\$ 44,907,994</u>

Current year activity consisted of additions to construction in progress, \$185,318, and depreciation of \$2,153,115.

General Fund Budgetary Highlights

Budgeted expenditures exceeded actual expenditures primarily due to less landscape maintenance expenditures than were anticipated.

The September 30, 2024 budget was amended primarily to increase landscape contingency and irrigation maintenance/repairs which were higher than originally anticipated.

Debt Management

Governmental Activities debt includes the following:

- ◆ In October 2016, the District issued \$10,765,000 Series 2016 Capital Improvement Revenue and Refunding Bonds. These bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the property owners within the District and to refund and redeem a portion of the Series 2008 Capital Improvement Revenue Bonds. As of September 30, 2024, the balance outstanding was \$9,150,000.
- ◆ In May 2018, the District issued \$7,050,000 Series 2018 Capital Improvement Revenue Bonds. These bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the property owners within the District. As of September 30, 2024, the balance outstanding was \$6,430,000.

**Rivers Edge 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 July 2018, the District issued \$3,940,000 Series 2018A-1 Capital Improvement Revenue Refunding Bonds. These bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the property owners within the District and to refund and redeem a portion of the Series 2008 Capital Improvement Revenue Bonds. As of September 30, 2024, the balance outstanding was \$2,880,000.
- ◆ In July 2018, the District issued \$2,335,000 Series 2018A-2 Capital Improvement Revenue Refunding Bonds. These bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the property owners within the District and to refund and redeem a portion of the Series 2008 Capital Improvement Revenue Bonds. As of September 30, 2024, the balance outstanding was \$1,750,000.
- ◆ In March 2023, the District entered into a finance purchase agreement for certain gym equipment. The balance outstanding as of September 30, 2024, was \$72,065.

Economic Factors and Next Year's Budget

Rivers Edge Community Development District does not expect any economic factors to have a significant effect on the financial position or results of operations of the District in fiscal year 2025.

Request for Information

The financial report is designed to provide a general overview of Rivers Edge 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 Rivers Edge Community Development District, Governmental Management Services, 475 West Town Place, Suite 114, St. Augustine, Florida 32092.

Rivers Edge Community Development District
STATEMENT OF NET POSITION
September 30, 2024

	Governmental Activities
ASSETS	
Current Assets	
Cash	\$ 1,257,790
Investments	851,936
Assessments receivable	44,506
Due from other governments	215,219
Due from developer	18,815
Prepaid expenses	2,500
Deposits	7,241
Total Current Assets	<u>2,398,007</u>
Non-current Assets	
Restricted assets	
Investments	1,208,635
Capital assets, not being depreciated	
Construction in progress	185,318
Capital assets, being depreciated	
Infrastructure	59,266,566
Buildings and improvements	4,603,449
Equipment	120,574
Less: accumulated depreciation	<u>(21,235,710)</u>
Total Non-current Assets	<u>44,148,832</u>
Total Assets	<u>46,546,839</u>
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred amount on refunding, net	<u>294,238</u>
 LIABILITIES	
Current Liabilities	
Accounts payable and accrued expenses	362,929
Bonds payable	615,000
Financed purchase payable	22,217
Accrued interest	417,093
Total Current Liabilities	<u>1,417,239</u>
Non-current Liabilities	
Bonds payable, net	19,543,612
Financed purchase payable	49,848
Total Non-current Liabilities	<u>19,593,460</u>
Total Liabilities	<u>21,010,699</u>
 NET POSITION	
Net investment in capital assets	23,340,209
Restricted for debt service	468,869
Restricted for capital projects	4,093
Unrestricted	2,017,207
Net Position	<u>\$ 25,830,378</u>

See accompanying notes to financial statements.

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

Functions/Programs	Expenses	Program Revenues Charges for Services	Net (Expense) Revenues and Changes in Net Position Governmental Activities
Governmental Activities			
General government	\$ (199,189)	\$ 153,840	\$ (45,349)
Physical environment	(3,563,772)	1,226,629	(2,337,143)
Culture/recreation	(1,555,247)	1,064,026	(491,221)
Interest and other charges	(1,049,467)	1,663,292	613,825
Total Governmental Activities	<u>\$ (6,367,675)</u>	<u>\$ 4,107,787</u>	<u>(2,259,888)</u>
General Revenues			
			142,116
			<u>1,291,528</u>
			<u>1,433,644</u>
			(826,244)
			<u>26,656,622</u>
			<u>\$ 25,830,378</u>

See accompanying notes to financial statements.

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

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash	\$ 1,257,790	\$ -	\$ -	\$ 1,257,790
Investments	851,936	-	-	851,936
Assessments receivable	26,635	17,871	-	44,506
Due from other governments	215,219	-	-	215,219
Due from developer	18,815	-	-	18,815
Prepaid expenses	2,500	-	-	2,500
Deposits	7,241	-	-	7,241
Restricted assets				
Investments	-	1,204,542	4,093	1,208,635
Total Assets	<u>\$ 2,380,136</u>	<u>\$ 1,222,413</u>	<u>\$ 4,093</u>	<u>\$ 3,606,642</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable and accrued expenses	\$ 362,929	\$ -	\$ -	\$ 362,929
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	96,068	-	-	96,068
FUND BALANCES				
Nonspendable - prepaids/deposits	9,741	-	-	9,741
Restricted				
Debt service	-	1,222,413	-	1,222,413
Capital projects	-	-	4,093	4,093
Assigned - capital projects	1,116,080	-	-	1,116,080
Unassigned	795,318	-	-	795,318
Total Fund Balances	<u>1,921,139</u>	<u>1,222,413</u>	<u>4,093</u>	<u>3,147,645</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances				
	<u>\$ 2,380,136</u>	<u>\$ 1,222,413</u>	<u>\$ 4,093</u>	<u>\$ 3,606,642</u>

See accompanying notes to financial statements.

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

Total Governmental Fund Balances	\$ 3,147,645
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets, construction in progress, \$185,318, buildings and improvements, \$4,603,449, infrastructure, \$59,266,566, and equipment, \$120,574, net of accumulated depreciation, \$(21,235,710), used in governmental activities are not current financial resources and therefore, are not reported at the fund level.	42,940,197
Deferred outflows of resources are not current financial resources and therefore, are not reported at the fund level.	294,238
Long-term liabilities, including bonds payable, \$(20,210,000), net of bond discount, net, \$51,388, and financed purchase payable, \$(72,065), are not due and payable in the current period and therefore, are not reported at the fund level.	(20,230,677)
Unavailable revenues are recognized as deferred inflows of resources at the fund level, but this amount is recognized as revenues when earned at the government-wide level.	96,068
Accrued interest expense for long-term debt is not a current financial use and therefore, is not reported at the fund level.	<u>(417,093)</u>
Net Position of Governmental Activities	<u><u>\$ 25,830,378</u></u>

See accompanying notes to financial statements.

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

	General	Debt Service	Capital Projects	Total Governmental Funds
Revenues				
Special assessments	\$ 2,444,495	\$ 1,663,292	\$ -	\$ 4,107,787
Investment income	69,602	72,307	207	142,116
Miscellaneous income	1,193,984	-	-	1,193,984
Total Revenues	<u>3,708,081</u>	<u>1,735,599</u>	<u>207</u>	<u>5,443,887</u>
Expenditures				
Current				
General government	199,189	-	-	199,189
Physical environment	1,588,220	-	-	1,588,220
Culture and recreation	1,377,684	-	-	1,377,684
Capital outlay	185,318	-	-	185,318
Debt service				
Principal	20,588	630,000	-	650,588
Interest	7,333	1,026,683	-	1,034,016
Total Expenditures	<u>3,378,332</u>	<u>1,656,683</u>	<u>-</u>	<u>5,035,015</u>
Excess of revenues over/(under) expenditures	329,749	78,916	207	408,872
Other Financing Sources/(Uses)				
Insurance proceeds	<u>1,476</u>	<u>-</u>	<u>-</u>	<u>1,476</u>
Net Change in Fund Balances	331,225	78,916	207	410,348
Fund Balances - October 1, 2023	<u>1,589,914</u>	<u>1,143,497</u>	<u>3,886</u>	<u>2,737,297</u>
Fund Balances - September 30, 2024	<u><u>\$ 1,921,139</u></u>	<u><u>\$ 1,222,413</u></u>	<u><u>\$ 4,093</u></u>	<u><u>\$ 3,147,645</u></u>

See accompanying notes to financial statements.

Rivers Edge 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	\$ 410,348
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation. This is the amount that depreciation, \$(2,153,115), exceeded capital outlay, \$185,318, in the current period.	(1,967,797)
Repayments of principal are expenditures at the fund level, but the repayments reduce long-term liabilities in the Statement of Net Position.	650,588
The deferred amount on refunding is amortized at the government-wide level as interest over the life of the associated bonds payable. This is the current year amortization.	(22,634)
Bond discounts are amortized over the life of the bonds as interest. This is the current period amortization.	(3,670)
At the fund level, revenues are recognized when they become available, however revenues are recognized when they are earned at the government-wide level. This is the current year change in earned revenue that was not available.	96,068
At the fund level, interest is recognized when due. At the government-wide level interest is accrued on outstanding debt. This is the current year change in accrued interest.	10,853
Change in Net Position of Governmental Activities	<u>\$ (826,244)</u>

See accompanying notes to financial statements.

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Special assessments	\$ 2,402,218	\$ 2,417,861	\$ 2,444,495	\$ 26,634
Investment income	35,000	70,242	69,602	(640)
Miscellaneous revenues	1,124,967	1,158,072	1,193,984	35,912
Total Revenues	<u>3,562,185</u>	<u>3,646,175</u>	<u>3,708,081</u>	<u>61,906</u>
Expenditures				
Current				
General government	204,830	213,963	199,189	14,774
Physical environment	1,615,896	1,908,380	1,588,220	320,160
Culture/recreation	1,411,828	1,456,924	1,377,684	79,240
Capital outlay	150,000	150,000	185,318	(35,318)
Debt Service				
Principal	20,588	20,588	20,588	-
Interest	7,333	7,333	7,333	-
Total Expenditures	<u>3,410,475</u>	<u>3,757,188</u>	<u>3,378,332</u>	<u>378,856</u>
Excess of revenues over/(under) expenditures	151,710	(111,013)	329,749	440,762
Other Financing Sources/(Uses)				
Insurance proceeds	<u>-</u>	<u>1,476</u>	<u>1,476</u>	<u>-</u>
Net Change in Fund Balances	151,710	(109,537)	331,225	440,762
Fund Balances - October 1, 2023	<u>835,818</u>	<u>1,097,065</u>	<u>1,589,914</u>	<u>492,849</u>
Fund Balances - September 30, 2024	<u>\$ 987,528</u>	<u>\$ 987,528</u>	<u>\$ 1,921,139</u>	<u>\$ 933,611</u>

See accompanying notes to financial statements.

Rivers Edge Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. Reporting Entity

The District was established on November 1, 2006, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), by Rule 42FFF-1.001, et seq, Florida Administrative Code, of the Florida Land and Water Adjudicatory Commission as amended September 6, 2011, and June 27, 2017, as a community development district. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of the infrastructure necessary for community development within its jurisdiction. The District is authorized to issue bonds for the purpose, among others, of financing, funding, planning, establishing, acquiring, constructing district roads, landscaping, and other basic infrastructure projects within or outside the boundaries of the Rivers Edge Community Development District. The District contracted its boundaries by approximately 2500 acres to approximately 1677 acres on June 27, 2017. The District is governed by a Board of Supervisors who are elected on at large basis by the qualified electors within the District. The District operates within the criteria established by Chapter 190, Florida Statutes.

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

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

Rivers Edge 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)

a. Government-wide Financial Statements

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

Governmental activities are primarily supported by special assessments. 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.

Rivers Edge 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 in accordance with 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.

Rivers Edge 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.

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

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

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

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

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

Debt service expenditures are recorded only when payment is due.

3. Basis of Presentation

a. Governmental Major Funds

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

Rivers Edge 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 Major Funds (Continued)

Debt Service Fund – The Debt Service Fund accounts for debt service requirements to retire the Capital Improvement Revenue Bonds, which were used to finance the construction of certain improvements within the District.

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

b. Non-current Governmental Assets/Liabilities

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

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

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;

Rivers Edge Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

a. Cash and Investments (Continued)

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

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. Restricted Assets

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

c. Capital Assets

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

The District defines capital assets as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of 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.

Capital assets of the District are depreciated using the straight-line method over the following estimated useful lives:

Buildings and improvements	30 years
Infrastructure	30 years
Equipment	5 years

Rivers Edge Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

d. Deferred Outflows of Resources

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

e. Deferred Inflows of Resources

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

f. Unamortized Bond Discount

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

g. Budgets

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

Rivers Edge 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, \$3,147,645, differs from “net position” of governmental activities, \$25,830,378, 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 as follows:

Capital related items

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

Construction in progress	\$ 185,318
Buildings and improvements	4,603,449
Infrastructure	59,266,566
Equipment	120,574
Less: accumulated depreciation	<u>(21,235,710)</u>
Total	<u>\$ 42,940,197</u>

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 level liabilities. All liabilities (both current and long-term) are reported in the Statement of Net Position. Balances at September 30, 2024 were:

Bonds payable	\$ (20,210,000)
Bond discount, net	51,388
Financed purchase payable	<u>(72,065)</u>
Total	<u>\$ (20,230,677)</u>

Deferred amount on refunding

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

Deferred amount on refunding, net	<u>\$ 294,238</u>
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Rivers Edge 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)

Deferred inflows of resources

Unavailable revenues are recognized as deferred inflows at the fund level, however, revenues are recognized when earned at the government-wide level.

Unavailable revenues	\$ <u>96,068</u>
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Accrued interest

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

Accrued interest	\$ <u>(417,093)</u>
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2. Explanation of Differences Between the Governmental Fund Operating Statements and the Statement of Activities

The “net change in fund balances” for government funds, \$410,348, differs from the “change in net position” for governmental activities, \$(826,244), reported in the Statement of Activities. The differences arise primarily from the long-term economic focus of the Statement of Activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated as follows:

Capital related items

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

Depreciation	\$ (2,153,115)
Capital outlay	<u>185,318</u>
Total	<u>\$ (1,967,797)</u>

Rivers Edge 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 (Continued)

Deferred amount on refunding

Amortization expense of the deferred amount on refunding does not require the use of current financial resources and therefore, is not reported at the governmental fund level.

Amortization of deferred amount on refunding	\$ <u>(22,634)</u>
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Long-term debt transactions

Repayments of bond principal are reported as expenditures at the governmental fund level and, thus, have the effect of reducing fund balance because current financial resources have been used; however, the repayment reduces non-current liabilities at the government-wide level. Also, some expenses reported in the statement of activities do not require the use of current financial resources; and therefore, are not reported as expenditures at the governmental fund level.

Principal payments on long-term debt	\$ 650,588
Amortization of bond discount	(3,670)
Change in accrued interest	<u>10,853</u>
Total	<u>\$ 549,277</u>

Deferred inflows of resources

Unavailable revenues are recognized as deferred inflows at the fund level. Revenues are recognized when earned at the government-wide level.

Net change in unavailable revenues	\$ <u>96,068</u>
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Rivers Edge 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 \$1,302,225 and the carrying value was \$1,257,790. 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>Investment</u>	<u>Maturity</u>	<u>Fair Value</u>
First American Treasury Obligations	31 Days*	\$ 58,891
Florida PRIME	39 Days*	793,045
First American Government Obligations	31 Days*	1,208,635
Total		<u>\$ 2,060,571</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 use the best information available under the circumstances, which includes the District's own data in measuring unobservable inputs.

Based on the criteria in the preceding paragraph, the investments in First American Treasury Obligations and First American Government Obligations are Level 1 assets.

Rivers Edge 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. The investment in Florida PRIME is measured at amortized cost. Florida PRIME has established policies and guidelines regarding participant transactions and the authority to limit or restrict withdrawals or impose a penalty for an early withdrawal. As of September 30, 2024, there were no redemption fees, maximum transaction amounts, or any other requirements that would limit daily access to 100% of the account value.

Interest Rate Risk

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

Credit Risk

The District's investments 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 First American Treasury Obligations, Florida PRIME and First American Government Obligations were rated AAAM by Standards and Poor's.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one fund. The investments in First American Treasury Obligations represent 3% of the District's total investments. The investments in Florida PRIME represent 38% of the District's total investments. The investments in First American Government Obligations represent 59% 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.

Rivers Edge Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE D – CAPITAL ASSETS

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

	Balance 10/1/23	Additions	Deletions	Balance 09/30/24
<u>Governmental Activities:</u>				
Capital assets, not depreciated:				
Construction in progress	\$ -	\$ 185,318	\$ -	\$ 185,318
Capital assets, being depreciated:				
Infrastructure	59,266,566	-	-	59,266,566
Equipment	120,574	-	-	120,574
Buildings and improvements	4,603,449	-	-	4,603,449
Total Capital Assets, Being Depreciated	63,990,589	-	-	63,990,589
Less accumulated depreciation for:				
Infrastructure	(17,830,895)	(1,975,552)	-	(19,806,447)
Equipment	(24,115)	(24,115)	-	(48,230)
Buildings and improvements	(1,227,585)	(153,448)	-	(1,381,033)
Total Accumulated Depreciation	(19,082,595)	(2,153,115)	-	(21,235,710)
Total Capital Assets Depreciated, Net	44,907,994	(2,153,115)	-	42,754,879
Governmental Activities Capital Assets	<u>\$ 44,907,994</u>	<u>\$ (1,967,797)</u>	<u>\$ -</u>	<u>\$ 42,940,197</u>

During the year, depreciation of \$1,975,552 was charged to physical environment and \$177,563 was charged to culture/recreation.

NOTE E – LONG-TERM DEBT

Long-term debt is comprised of the following:

Governmental Activities

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

Long-term debt at October 1, 2023	\$ 20,932,653
Principal payments	<u>(650,588)</u>
Long-term debt at September 30, 2024	20,282,065
Less: bond discount, net	<u>(51,388)</u>
Long-term Debt, Net at September 30, 2024	<u>\$ 20,230,677</u>

Rivers Edge Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE E – LONG-TERM DEBT (CONTINUED)

Bonded debt for Governmental Activities is comprised of the following:

Capital Improvement Revenue and Refunding Bonds

\$10,765,000 Series 2016 Capital Improvement Revenue and Refunding Bonds are due in annual principal installments beginning May 2017 maturing May 2046. Interest at various rates between 4.5% and 5.3% is due May and November beginning May 2017. Current portion is \$230,000. \$ 9,150,000

\$7,050,000 Series 2018 Capital Improvement Revenue Bonds are due in annual principal installments beginning May 2020 maturing May 2049. Interest at various rates between 4.1% and 5.35% is due May and November beginning November 2018. Current portion is \$130,000. 6,430,000

\$3,940,000 Series 2018A-1 Capital Improvement Revenue Bonds are due in annual principal installments beginning May 2019 maturing May 2038. Interest at various rates between 2% and 3.75% is due May and November beginning November 2018. Current portion is 165,000. 2,880,000

\$2,335,000 Series 2018A-2 Capital Improvement Revenue Bonds are due in annual principal installments beginning May 2019 maturing May 2038. Interest at various rates between 4.375% and 5% is due May and November beginning November 2018. Current portion is \$90,000. 1,750,000

Bonds payable 20,210,000

Bond discount, net (51,388)

Bonds Payable, Net \$ 20,158,612

Rivers Edge Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE E – LONG-TERM DEBT (CONTINUED)

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

Year Ending September 30,	Principal	Interest	Total
2025	\$ 615,000	\$ 1,001,021	\$ 1,616,021
2026	640,000	975,796	1,615,796
2027	670,000	949,100	1,619,100
2028	700,000	919,315	1,619,315
2029	725,000	887,951	1,612,951
2030-2034	4,225,000	3,886,818	8,111,818
2035-2039	4,925,000	2,766,540	7,691,540
2040-2044	4,345,000	1,614,735	5,959,735
2045-2049	3,365,000	444,650	3,809,650
Totals	<u>\$ 20,210,000</u>	<u>\$ 13,445,926</u>	<u>\$ 33,655,926</u>

Summary of Significant Bond Resolution Terms and Covenants

Capital Improvement Revenue and Refunding Bonds

Significant Bond Provisions

The Series 2016 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, 2026 at a redemption price set forth in the Trust Indenture. The Series 2016 Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Trust Indenture.

The Series 2018 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, 2028 at a redemption price set forth in the Trust Indenture. The Series 2018 Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Trust Indenture.

The Series 2018A-1 and Series 2018A-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, 2028 at a redemption price equal to the principal amount of the Series 2018A-1 Bonds and Series 2018A-2 Bonds to be redeemed, together with accrued interest to the date of redemption. The Series 2018A-1 and Series 2018A-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.

Rivers Edge Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE E – LONG-TERM DEBT (CONTINUED)

Summary of Significant Bond Resolution Terms and Covenants (Continued)

Capital Improvement Revenue and Refunding Bonds (Continued)

Significant Bond Provisions (Continued)

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

Depository Funds

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

Reserve Funds – The Series 2016 Reserve Account shall not exceed 50% of the maximum annual debt service requirement. As of September 30, 2024, the reserve account balance for the Series 2016 was \$215,631. As of September 30, 2024, the maximum reserve account balance for the Series 2016 was \$215,631. The Series 2018 Reserve Accounts were funded from the proceeds of the Series 2018 Bonds in amounts equal to 25 percent of the outstanding maximum annual debt service of the Series 2018 Bonds. The Series 2018A-1 and Series 2018A-2 Reserve Accounts were funded from the proceeds of the Series 2018A-1 and Series 2018A-2 Bonds in amounts equal to 50 percent of the outstanding Series 2018A-1 and Series 2018A-2 Bonds. Monies held in the reserve accounts will be used only for the purposes established in the Trust Indenture.

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

	Reserve Balance	Reserve Requirement
Capital Improvement Revenue Bonds, Series 2018	\$ 116,783	\$ 116,678
Capital Improvement Revenue Refunding Bonds, Series 2018A-1	\$ 137,838	\$ 132,125
Capital Improvement Revenue Refunding Bonds, Series 2018A-2	\$ 87,773	\$ 87,648

Rivers Edge Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE E – LONG-TERM DEBT (CONTINUED)

Financed Purchase - Gym Equipment

During the year ended September 30, 2023, the District entered into a financed purchase agreement for certain gym equipment. The agreement has an end of finance purchase option which qualifies it as a financed purchase; therefore, the asset has been recorded at the present value of future minimum payments.

The annual requirements to amortize the principal and interest of the financed purchase as of September 30, 2024 was as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2025	\$ 27,921
2026	27,921
2027	27,921
Total minimum lease payments	83,763
Less: amount representing interest	(11,698)
Present value of minimum lease payments	<u>\$ 72,065</u>

NOTE F – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. There were no claims or settled claims from these risks that exceeded commercial insurance coverage in the last three years.

NOTE G – INTERLOCAL AGREEMENT

In November 2019, the District entered into an interlocal cost share agreement for shared improvement operation and maintenance services and providing for the joint use of amenity facilities with River's Edge II Community Development District and River's Edge III Community Development District. For the fiscal year ended September 30, 2024, the funding from this agreement with the District was \$750,197 from River's Edge II Community Development District and \$377,248 from River's Edge III Community Development District.

NOTE H – SUBSEQUENT EVENT

In November 2024, the District made prepayments of \$5,000 on each of Series 2018, Series 2018A-1, and Series 2018A-2 Capital Improvement Revenue Bonds.

In May 2025, the District made prepayments of \$5,000, \$40,000, and \$60,000 on the Series 2016, Series 2018, and Series 2018A-2 Capital Improvement Revenue Bonds, respectively.



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

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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
Rivers Edge Community Development District
St. Johns County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements, as listed in the table of contents, of Rivers Edge 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 October 6, 2025.

Report on Internal Control Over Financial Reporting

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Rivers Edge 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

October 6, 2025



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MANAGEMENT LETTER

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

Report on the Financial Statements

We have audited the financial statements of the Rivers Edge Community Development District as of and for the year ended September 30, 2024, and have issued our report thereon dated October 6, 2025.

Auditor's Responsibility

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

Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and our Independent Auditor's Report on an examination conducted in accordance with AICPA Professionals Standards, AT-C Section 315 regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in that report, which is dated October 6, 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
Rivers Edge Community Development District

Financial Condition

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 Rivers Edge 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 Rivers Edge 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 Rivers Edge Community Development District. It is management's responsibility to monitor the Rivers Edge 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, Rivers Edge Community Development District reported:

- 1) The total number of District elected officials receiving statutory compensation, reported as employees for the purposes of the audit: 5
- 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: 15
- 3) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: \$12,600
- 4) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: \$2,677,585.82
- 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: Pickleball Courts and Basketball Lighting Project - \$342,048.
- 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 Board amended the budget, see below.

To the Board of Supervisors
Rivers Edge Community Development District

	Original Budget	Actual	Variance with Original Budget Positive (Negative)
Revenues			
Special assessments	\$ 2,402,218	\$ 2,444,495	\$ 42,277
Investment income	35,000	69,602	34,602
Miscellaneous revenues	1,124,967	1,193,984	69,017
Total Revenues	3,562,185	3,708,081	145,896
Expenditures			
Current			
General government	204,830	199,189	5,641
Physical environment	1,615,896	1,588,220	27,676
Culture/recreation	1,411,828	1,377,684	34,144
Capital outlay	150,000	185,318	(35,318)
Debt service			
Principal	20,588	20,588	-
Interest	7,333	7,333	-
Total Expenditures	3,410,475	3,378,332	32,143
Excess of revenues over/(under) expenditures	151,710	329,749	178,039
Other Financing Sources/(Uses)			
Insurance proceeds	-	1,476	1,476
Net Change in Fund Balances	151,710	331,225	179,515
Fund Balances - October 1, 2023	835,818	1,589,914	754,096
Fund Balances - September 30, 2024	\$ 987,528	\$ 1,921,139	\$ 933,611

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

- 1) The rate or rates of non-ad valorem special assessments imposed by the District: \$1,145.84 – \$2,457.96 for the General Fund and \$723.16 – \$1,754.07 for the Debt Service Funds.
- 2) The amount of special assessments collected by or on behalf of the District was \$4,107,787.
- 3) The total amount of outstanding bonds issued by the District and the terms of such bonds are: \$9,150,000 Series 2016 maturing May 2046; \$6,430,000 Series 2018 maturing May 2049; \$2,880,000 Series 2018A-1 maturing May 2038; and \$1,750,000 Series 2018A-2 maturing May 2038.



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To the Board of Supervisors
Rivers Edge Community Development District

Additional Matters

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

Purpose of this Letter

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

*Berger Toombs Elam
Gaines & Frank*

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

October 6, 2025



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

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

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

In our opinion, Rivers Edge 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

October 6, 2025