

**Wynnfield Lakes  
Community Development District**

**ANNUAL FINANCIAL REPORT**

**September 30, 2024**

**Wynnfield Lakes Community Development District**

**ANNUAL FINANCIAL REPORT**

**September 30, 2024**

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# Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue  
Suite 200  
Fort Pierce, Florida 34950

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

## REPORT OF INDEPENDENT AUDITORS

To the Board of Supervisors  
Wynnfield Lakes Community Development District  
City of Jacksonville, Florida

### Report on Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of the governmental activities and each major fund of Wynnfield Lakes 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 Wynnfield Lakes 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  
Wynnfield Lakes 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  
Wynnfield Lakes 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 January 9, 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 Wynnfield Lakes Community Development District's internal control over financial reporting and compliance.

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

January 9, 2025

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

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

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

The **statement of net position** presents information on all assets and liabilities of the District, with the difference between assets and liabilities reported as net position. Net position is reported in three categories; 1) net investment in capital assets, 2) restricted, and 3) unrestricted. Assets, liabilities, and net position are reported for all Governmental activities.

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

**Wynnfield Lakes 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. 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, 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 were exceeded by total liabilities by \$(2,344,607) (net position). The District's net investment in capital assets was \$(2,961,747). Unrestricted net position was \$565,451 and restricted net position was \$51,689.
- ◆ Governmental activities revenues totaled \$1,253,255 while governmental activities expenses and conveyances totaled \$1,012,698.

**Wynnfield Lakes 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**

	<b>Governmental Activities</b>	
	<b>2024</b>	<b>2023</b>
Current assets	\$ 586,056	\$ 440,085
Restricted assets	395,812	395,237
Capital assets	1,350,136	1,546,902
Total Assets	<u>2,332,004</u>	<u>2,382,224</u>
Deferred outflows of resources	<u>172,801</u>	<u>187,719</u>
Current liabilities	416,990	415,497
Non-current liabilities	4,432,422	4,739,610
Total Liabilities	<u>4,849,412</u>	<u>5,155,107</u>
Net investment in capital assets	(2,961,747)	(2,896,229)
Net position - restricted	51,689	46,872
Net position - unrestricted	565,451	264,193
Total Net Position	<u><u>\$ (2,344,607)</u></u>	<u><u>\$ (2,585,164)</u></u>

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

The decrease in capital assets is primarily due to current year depreciation.

The decrease in noncurrent liabilities is due to the principal payments made in the current year.

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



**Wynnfield Lakes 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**

	<b>Governmental Activities</b>	
	<b>2024</b>	<b>2023</b>
Program Revenues		
Charges for services	\$ 1,179,822	\$ 1,116,026
General Revenues		
Investment earnings	65,001	39,071
Miscellaneous revenues	8,432	10,842
Total Revenues	<u>1,253,255</u>	<u>1,165,939</u>
Expenses		
General government	120,928	111,935
Physical environment	298,040	270,578
Culture/recreation	359,473	363,770
Interest and other charges	231,398	241,851
Total Expenses	<u>1,009,839</u>	<u>988,134</u>
Conveyance to other governments	<u>(2,859)</u>	<u>-</u>
Change in Net Position	240,557	177,805
Net Position - Beginning of Year	<u>(2,585,164)</u>	<u>(2,762,969)</u>
Net Position - End of Year	<u>\$ (2,344,607)</u>	<u>\$ (2,585,164)</u>

The increase in physical environment is related to the increase in landscape maintenance in the current year.

**Wynnfield Lakes 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 activity as of September 30, 2024 and 2023:

<b>Description</b>	<b>Governmental Activities</b>	
	<b>2024</b>	<b>2023</b>
Land	\$ 400,000	\$ 400,000
Improvements other than buildings	68,597	68,597
Infrastructure	1,615,771	1,615,771
Buildings	2,424,677	2,424,677
Equipment	114,008	121,805
Less: accumulated depreciation	(3,272,917)	(3,083,948)
Total Capital Assets, Net	<u>\$ 1,350,136</u>	<u>\$ 1,546,902</u>

Capital asset activity consisted of \$193,907 in depreciation and a net conveyance to other governments of \$2,859.

**General Fund Budgetary Highlights**

Budgeted expenditures exceeded actual expenditures primarily due to less capital outlay, utilities, and repairs than were anticipated.

The September 30, 2024 budget was not amended.

**Debt Management**

Governmental Activities debt includes the following:

- In August 2014, the District issued \$7,490,000 Special Assessment Refunding Bonds. These bonds were issued to refund the Series 2005 Special Assessment Bonds. As of September 30, 2024, the balance outstanding for the Series 2014 Bonds was \$4,775,000.

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

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

**Request for Information**

The financial report is designed to provide a general overview of Wynnfield Lakes 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 Wynnfield Lakes Community Development District, GMS-NF, LLC, 475 West Town Place, Suite 114, St. Augustine, Florida 32092.

**Wynnfield Lakes Community Development District**  
**STATEMENT OF NET POSITION**  
**September 30, 2024**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Current Assets	
Cash and equivalents	\$ 33,363
Investments	544,549
Prepaid expenses	8,144
Total Current Assets	<u>586,056</u>
Non-current Assets	
Restricted	
Investments, at fair value	395,812
Capital assets, not being depreciated	
Land	400,000
Capital assets, being depreciated	
Improvements other than buildings	68,597
Infrastructure	1,615,771
Buildings	2,424,677
Equipment	114,008
Less: accumulated depreciation	<u>(3,272,917)</u>
Total Non-Current Assets	<u>1,745,948</u>
Total Assets	<u>2,332,004</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred amount on refunding, net	<u>172,801</u>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts payable and accrued expenses	20,605
Accrued interest	86,385
Bonds payable	310,000
Total Current Liabilities	<u>416,990</u>
Non-current Liabilities	
Bonds payable, net	<u>4,432,422</u>
Total Liabilities	<u>4,849,412</u>
<b>NET POSITION</b>	
Net investment in capital assets	(2,961,747)
Restricted for debt service	51,689
Unrestricted	565,451
Total Net Position	<u><u>\$ (2,344,607)</u></u>

See accompanying notes.

**Wynnfield Lakes Community Development District**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2024**

<b><u>Functions/Programs</u></b>	<b><u>Expenses</u></b>	<b><u>Program Revenues Charges for Services</u></b>	<b><u>Net (Expense) Revenue and Changes in Net Position Governmental Activities</u></b>
<b>Primary Government</b>			
Governmental Activities			
General government	\$ (120,928)	\$ 136,680	\$ 15,752
Physical environment	(298,040)	270,117	(27,923)
Culture/recreation	(359,473)	253,880	(105,593)
Interest and other charges	(231,398)	519,145	287,747
Total Governmental Activities	<u><u>\$ (1,009,839)</u></u>	<u><u>\$ 1,179,822</u></u>	<u><u>169,983</u></u>
		<b>General Revenues</b>	
		Investment earnings	65,001
		Miscellaneous revenues	8,432
		Total General Revenues	<u><u>73,433</u></u>
		Conveyance to other governments	<u><u>(2,859)</u></u>
		Change in Net Position	240,557
		Net Position - October 1, 2023	<u><u>(2,585,164)</u></u>
		Net Position - September 30, 2024	<u><u>\$ (2,344,607)</u></u>

See accompanying notes.

**Wynnfield Lakes Community Development District**  
**BALANCE SHEET – GOVERNMENTAL FUNDS**  
**September 30, 2024**

	General	Debt Service	Total Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 33,363	\$ -	\$ 33,363
Investments	544,549	-	544,549
Prepaid expenses	8,144	-	8,144
Restricted			
Investments, at fair value	-	395,812	395,812
Total Assets	<u>\$ 586,056</u>	<u>\$ 395,812</u>	<u>\$ 981,868</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Accounts payable and accrued expenses	<u>\$ 20,605</u>	<u>\$ -</u>	<u>\$ 20,605</u>
Fund Balances			
Nonspendable-prepaid expenses	8,144	-	8,144
Restricted			
Debt service	-	395,812	395,812
Assigned			
Capital reserve	82,724	-	82,724
Unassigned	474,583	-	474,583
Total Fund Balances	<u>565,451</u>	<u>395,812</u>	<u>961,263</u>
Total Liabilities and Fund Balances	<u>\$ 586,056</u>	<u>\$ 395,812</u>	<u>\$ 981,868</u>

See accompanying notes.

**Wynnfield Lakes Community Development District**  
**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE**  
**TO NET POSITION OF GOVERNMENTAL ACTIVITIES**  
**September 30, 2024**

Total Governmental Fund Balances	\$ 961,263
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets, land, \$400,000, improvements other than building, \$68,597, infrastructure, \$1,615,771, buildings, \$2,424,677, equipment, \$114,008, net of accumulated depreciation, \$(3,272,917), used in governmental activities are not current financial resources and therefore, are not reported at the fund level.	1,350,136
Long-term liabilities, including bonds payable, \$(4,775,000), net of bond discount, net, \$32,578, are not due and payable in the current period and therefore, are not reported at the fund level.	(4,742,422)
Deferred outflows of resources are not current financial resources and therefore, are not reported at the governmental fund level.	172,801
Accrued interest expense is not a current financial use and therefore, is not reported at the governmental fund level.	<u>(86,385)</u>
Net Position of Governmental Activities	<u><u>\$ (2,344,607)</u></u>

See accompanying notes.

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

	General	Debt Service	Total Governmental Funds
Revenues			
Special assessments	\$ 660,677	\$ 519,145	\$ 1,179,822
Investment earnings	36,391	28,610	65,001
Miscellaneous	8,432	-	8,432
Total Revenues	<u>705,500</u>	<u>547,755</u>	<u>1,253,255</u>
Expenditures			
Current			
General government	120,928	-	120,928
Physical environment	238,986	-	238,986
Culture/recreation	224,620	-	224,620
Debt service			
Principal	-	300,000	300,000
Interest	-	218,200	218,200
Total Expenditures	<u>584,534</u>	<u>518,200</u>	<u>1,102,734</u>
Excess of revenues over/(under) expenditures	<u>120,966</u>	<u>29,555</u>	<u>150,521</u>
Other Financing Sources/(Uses)			
Transfers in	28,980	-	28,980
Transfers out	-	(28,980)	(28,980)
Total Other Financing Sources/(Uses)	<u>28,980</u>	<u>(28,980)</u>	<u>-</u>
Net Change in Fund Balances	149,946	575	150,521
Fund Balances - October 1, 2023	<u>415,505</u>	<u>395,237</u>	<u>810,742</u>
Fund Balances - September 30, 2024	<u><u>\$ 565,451</u></u>	<u><u>\$ 395,812</u></u>	<u><u>\$ 961,263</u></u>

See accompanying notes.

**Wynnfield Lakes 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	\$ 150,521
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation. This is the amount of depreciation in the current period.	(193,907)
Repayments of bond principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	300,000
Amortization of bond discount does not require the use of current resources and therefore, is not reported at the fund level. This is the amount of amortization in the current period.	(2,812)
Deferred amount on refunding is recognized as a component of interest on long-term debt in the Statement of Activities, but in the governmental funds. This is the amount of interest in the current period.	(14,918)
In the Statement of Activities, interest is accrued on outstanding bonds; whereas in governmental funds, interest expenditures are reported when due. This is the net amount between the prior year and current year accruals.	4,532
Conveyances of capital assets to other governments do not use current resources and therefore, they are not recognized at the fund level.	(2,859)
Change in Net Position of Governmental Activities	<u>\$ 240,557</u>

See accompanying notes.



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

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
Revenues				
Special assessments	\$ 659,082	\$ 659,082	\$ 660,677	\$ 1,595
Investment income	4,000	4,000	36,391	32,391
Miscellaneous revenues	500	500	8,432	7,932
Total Revenues	<u>663,582</u>	<u>663,582</u>	<u>705,500</u>	<u>41,918</u>
Expenditures				
Current				
General government	113,849	113,849	120,928	(7,079)
Physical environment	250,325	250,325	238,986	11,339
Culture/recreation	216,242	216,242	224,620	(8,378)
Capital outlay	100,000	100,000	-	100,000
Total Expenditures	<u>680,416</u>	<u>680,416</u>	<u>584,534</u>	<u>95,882</u>
Excess of revenues over/(under) expenditures	<u>(16,834)</u>	<u>(16,834)</u>	<u>120,966</u>	<u>137,800</u>
Other Financing Sources/(Uses)				
Transfers in	<u>18,234</u>	<u>18,234</u>	<u>28,980</u>	<u>10,746</u>
Net change in fund balances	1,400	1,400	149,946	148,546
Fund Balances - October 1, 2023	<u>109,646</u>	<u>109,646</u>	<u>415,505</u>	<u>305,859</u>
Fund Balances - September 30, 2024	<u>\$ 111,046</u>	<u>\$ 111,046</u>	<u>\$ 565,451</u>	<u>\$ 454,405</u>

See accompanying notes.

**Wynnfield Lakes 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 August 1, 2005, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes and the City of Jacksonville Ordinance 2005-580-E. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of the infrastructure necessary for community development within its jurisdiction. The District is authorized to issue bonds for the purpose, among others, of financing, funding, planning, establishing, acquiring, constructing or re-constructing, enlarging or extending, equipping, operating and maintaining water management, bridges or culverts, district roads, landscaping, street lights and other basic infrastructure projects within or without the boundaries of the Wynnfield Lakes Community Development District. The District is governed by a five-member Board of Supervisors who were elected by the qualified electors of the District. The District operates within the criteria established by Chapter 190, Florida Statutes.

As required by GAAP, these financial statements present the Wynnfield Lakes 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

**Wynnfield Lakes 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 supported by special assessments. Program revenues include charges for services and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the Statement of Activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets, rather than reported as an expenditure. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as another 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.

**Wynnfield Lakes 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**

When both restricted and unrestricted resources are combined in a fund, qualified expenses are considered to be paid first from restricted resources, and then from unrestricted resources. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collected within the current period or soon thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

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

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of “available spendable resources”. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

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

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources are expended, rather than as fund assets. The proceeds of long-term debt are recorded as another financing source rather than as a fund liability. Debt service expenditures are recorded only when payment is due.

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

**Wynnfield Lakes 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)**

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.

**3. Basis of Presentation**

**a. Governmental Major Funds**

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

Debt Service Fund – Accounts for debt service requirements to retire the outstanding bonds of the District

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

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

**Wynnfield Lakes Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

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

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

**b. Non-current Governmental Assets/Liabilities (Continued)**

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

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

**a. Cash and Investments**

Chapter 280, 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.

**b. Restricted Assets**

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

**Wynnfield Lakes 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)**

**c. Capital Assets**

Capital assets, which include land, buildings, improvements other than buildings, infrastructure, and equipment are reported in governmental activities.

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

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

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

Infrastructure	15-25 years
Buildings	20 years
Improvements other than buildings	15 years
Equipment	10-20 years

**d. Deferred Outflows 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.

**e. Net Position**

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

**Wynnfield Lakes 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)**

**f. Unamortized Bond Discount**

Bond discounts are presented on the government-wide financial statements. The costs are amortized over the life of the bonds 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 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.

**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, \$961,263, differs from “net position” of governmental activities, \$(2,344,607), 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 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	\$ 400,000
Improvements other than buildings	68,597
Infrastructure	1,615,771
Building	2,424,677
Equipment	114,008
Accumulated depreciation	(3,272,917)
Total	<u>\$ 1,350,136</u>



**Wynnfield Lakes 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. Balances at September 30, 2024 were:

Bonds payable	\$ (4,775,000)
Bond discount	<u>32,578</u>
Net bonds payable	<u><u>\$ (4,742,422)</u></u>

**Deferred outflows of resources**

Deferred outflows of resources applicable to the District's governmental activities are not financial resources, and therefore, are not recognized at the governmental fund level.

Deferred amount on refunding, net	<u><u>\$ 172,801</u></u>
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**Accrued interest**

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

Accrued interest	<u><u>\$ (86,385)</u></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, \$150,521, differs from the "change in net position" for governmental activities, \$240,557, 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.

**Wynnfield Lakes 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)**

**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 decreases by the amount of depreciation charged for the year.

Depreciation	\$ (193,907)
Conveyance	<u>(2,859)</u>
Total	<u>\$ (196,766)</u>

**Long-term debt transactions**

Repayment of long-term liabilities are reported as expenditures in the governmental fund statement but such repayments reduce liabilities in the Statement of Net Position and are eliminated in the Statement of Activities.

Debt principal payments	<u>\$ 300,000</u>
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Some expenses reported in the Statement of Activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds.

Net change in accrued interest payable	\$ 4,532
Decrease in bond discount	(2,812)
Decrease in deferred amount on refunding	<u>(14,918)</u>
Total	<u>\$ (13,198)</u>

**Wynnfield Lakes 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 \$42,358 and the carrying value was \$33,363. 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>Maturities</u>	<u>Fair Value</u>
US Bank Global Corporate Trusts	N/A	\$ 380,341
Fidelity Government Portfolio	21 days*	395,812
Florida PRIME	39 days*	164,208
Total		<u>\$ 940,361</u>

\*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 Fidelity Government Portfolio and the US Bank Global Corporate Trusts are Level 1 assets.

**Wynnfield Lakes Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE C – CASH AND 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 percent of the account value.

Interest Rate Risk

The formal investment policy of the District conforms with State statutory requirements and bond indentures for investment maturities as a means of managing its exposure to increasing interest rates. Direct obligations of the United States Treasury are held in a money market fund that allows daily demand withdrawals at par in the event of a decrease in 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. The Florida PRIME Fund is an authorized investment under Section 218.415, Florida Statutes. As of September 30, 2024, the District's investment in Florida PRIME and Fidelity Government Portfolio were rated AAAM by Standard & Poor's. The US Bank Global Corporate Trusts was not rated.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one issuer. The investment in Florida PRIME represents 18% of the District's total investments. The investment in the US Bank Global Corporate Trusts is 40% of the District's total investments and the investment in the Fidelity Government Portfolio is 42% 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 to be temporary.

**Wynnfield Lakes Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE D – SPECIAL ASSESSMENT REVENUES**

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

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

**NOTE E – CAPITAL ASSETS**

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

	Balance October 1, 2023	Additions	Deletions	Balance September 30, 2024
<b><u>Governmental Activities:</u></b>				
Capital assets, not being depreciated:				
Land	\$ 400,000	\$ -	\$ -	\$ 400,000
Capital assets, being depreciated:				
Improvements other than building	68,597	-	-	68,597
Infrastructure	1,615,771	-	-	1,615,771
Buildings	2,424,677	-	-	2,424,677
Equipment	121,805	-	(7,797)	114,008
Total capital assets, being depreciated	4,230,850	-	(7,797)	4,223,053
Less accumulated depreciation for:				
Improvements other than building	(15,243)	(4,573)	-	(19,816)
Infrastructure	(1,097,020)	(57,639)	-	(1,154,659)
Buildings	(1,933,378)	(121,234)	-	(2,054,612)
Equipment	(38,307)	(10,461)	4,938	(43,830)
Total accumulated depreciation	(3,083,948)	(193,907)	4,938	(3,272,917)
Total capital assets depreciated, net	1,146,902	(193,907)	(2,859)	950,136
Governmental activities capital assets	<u>\$ 1,546,902</u>	<u>\$ (193,907)</u>	<u>\$ (2,859)</u>	<u>\$ 1,350,136</u>

Depreciation of \$193,907 was allocated to the physical environment, \$59,054 and culture/recreation, \$134,853.

**Wynnfield Lakes Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE F – LONG-TERM DEBT**

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

Long-term debt at October 1, 2023	\$ 5,075,000
Principal payments	<u>(300,000)</u>
Long-term debt at September 30, 2024	\$ 4,775,000
Less: bond discount, net	<u>(32,578)</u>
Bonds Payable, Net at September 30, 2024	<u><u>\$ 4,742,422</u></u>

District debt is comprised of the following at September 30, 2024:

**Special Assessment Revenue Refunding Bonds**

\$7,490,000 Series 2014 Special Assessment Refunding Bonds are due in annual principal installments beginning May 2015 maturing May 2036. Interest at various rates between 3.5% and 4.5% is due May and November beginning November 2014. Current portion is \$310,000.

Bond payable	\$ 4,775,000
Less: bond discount, net	<u>(32,578)</u>
Bonds Payable, Net at September 30, 2024	<u><u>\$ 4,742,422</u></u>

**Wynnfield Lakes Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE F – 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	\$ 310,000	\$ 207,325	\$ 517,325
2026	325,000	195,700	520,700
2027	340,000	182,700	522,700
2028	350,000	168,250	518,250
2029	365,000	153,375	518,375
2030-2034	2,105,000	512,263	2,617,263
2035-2036	980,000	66,600	1,046,600
Totals	<u>\$ 4,775,000</u>	<u>\$ 1,486,213</u>	<u>\$ 6,261,213</u>

Significant Bond Provisions

The Series 2014 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, 2024, at a redemption price equal to the principal amount of the Series 2014 Bonds to be redeemed, together with accrued interest to the date of redemption. The Series 2014 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.

**Wynnfield Lakes Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

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

Depository Funds

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

Reserve Funds

The Series 2014 Reserve Accounts were funded from the proceeds of the Series 2014 Bonds in amounts equal to 50 percent of the maximum annual debt service on the outstanding Series 2014 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:

	<u>Reserve Balance</u>	<u>Reserve Requirement</u>
Special Assessment Refunding Bonds, Series 2014	\$ 257,738	\$ 257,738

**NOTE G – INTERFUND TRANSFERS**

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

<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	Debt Service fund
	<u>\$ 28,980</u>

Transfers from the Debt Service Fund into the General Fund were completed in accordance with the Trust Indenture.

**NOTE H – RISK MANAGEMENT**

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





# Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue  
Suite 200  
Fort Pierce, Florida 34950

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

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

To the Board of Supervisors  
Wynnfield Lakes Community Development District  
City of Jacksonville, 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 Wynnfield Lakes 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 January 9, 2025.

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

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

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

As part of obtaining reasonable assurance about whether Wynnfield Lakes 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

January 9, 2025



# Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue  
Suite 200  
Fort Pierce, Florida 34950

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

## MANAGEMENT LETTER

To the Board of Supervisors  
Wynnfield Lakes Community Development District  
City of Jacksonville, Florida

### Report on the Financial Statements

We have audited the financial statements of the Wynnfield Lakes Community Development District as of and for the year ended September 30, 2024, and have issued our report thereon dated January 9, 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 January 9, 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  
Wynnfield Lakes 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 Wynnfield Lakes 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 Wynnfield Lakes 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 Wynnfield Lakes Community Development District. It is management's responsibility to monitor the Wynnfield Lakes 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, Wynnfield Lakes 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: 21
- 3) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: \$5,200
- 4) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: \$563,766
- 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: N/A.
- 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 did not amend the budget.



To the Board of Supervisors  
Wynnfield Lakes Community Development District

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

- 1) The rate or rates of non-ad valorem special assessments imposed by the District:  
The amount of special assessments collected by or on behalf of the District was \$938.50 – \$1,400.72 for the General Fund and \$1,084.32 – \$1,518.48 for the Debt Service Fund.
- 2) Total special assessments collected was \$1,179,822.
- 3) The total amount of outstanding bonds issued by the District and the terms of such bonds as: There were no new bonds issued by the District. The bonds outstanding is \$4,775,000 due on May 1, 2036 at various rates from 3.5% to 4.5%.

#### **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 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  
Certified Public Accountants PL  
Fort Pierce, Florida

January 9, 2025



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

Certified Public Accountants PL

600 Citrus Avenue  
Suite 200  
Fort Pierce, Florida 34950

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

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

To the Board of Supervisors  
Wynnfield Lakes Community Development District  
City of Jacksonville, Florida

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

In our opinion, Wynnfield Lakes 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

January 9, 2025