

**BEACH ROAD  
GOLF ESTATES  
COMMUNITY DEVELOPMENT  
DISTRICT**

**July 19, 2021**

**BOARD OF SUPERVISORS  
REGULAR MEETING  
AGENDA**

# Beach Road Golf Estates Community Development District

## OFFICE OF THE DISTRICT MANAGER

2300 Glades Road, Suite 410W • Boca Raton, Florida 33431

Phone: (561) 571-0010 • Toll-free: (877) 276-0889 • Fax: (561) 571-0013

July 12, 2021

### ATTENDEES:

Please identify yourself each time you speak to facilitate accurate transcription of meeting minutes.

Board of Supervisors  
Beach Road Golf Estates Community Development District

Dear Board Members:

The Board of Supervisors of the Beach Road Golf Estates Community Development District will hold a Regular Meeting on July 19, 2021, at 1:00 p.m., at the Bonita National Golf and Country Club, 2<sup>nd</sup> Floor of the Clubhouse, 17671 Bonita National Boulevard, Bonita Springs, Florida 34135 and via Zoom at <https://us02web.zoom.us/j/81142213094>, Meeting ID: **811 4221 3094** or telephonically at **1-929-205-6099**, Meeting ID: **811 4221 3094**. The agenda is as follows:

1. Call to Order/Roll Call
2. Public Comments
3. Update: Lake Bank Erosion Repair Project
4. Presentation of Audited Financial Statements for the Fiscal Year Ended September 30, 2020, Prepared by McDirmit Davis
5. Consideration of Resolution 2021-05, Hereby Accepting the Audited Financial Statements for the Fiscal Year Ended September 30, 2020
6. Update: Streetlight Installation Project on Bonita Beach Road
7. Continued Discussion: Fiscal Year 2022 Proposed Budget
8. Acceptance of Unaudited Financial Statements as of May 31, 2021
9. Approval of June 21, 2021 Regular Meeting Minutes
10. Staff Reports
  - A. District Counsel: *Coleman, Yovanovich & Koester, P.A.*
  - B. District Engineer: *Banks Engineering, Inc.*
  - C. District Manager: *Wrathell, Hunt & Associates, LLC*

- NEXT MEETING DATE: August 16, 2021 at 1:00 P.M. {Adoption of FY 2022 Budget}
- QUORUM CHECK

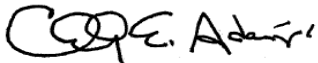
Joseph Grillo	<input type="checkbox"/>	IN PERSON	<input type="checkbox"/>	PHONE	<input type="checkbox"/>	NO
Barry Kove	<input type="checkbox"/>	IN PERSON	<input type="checkbox"/>	PHONE	<input type="checkbox"/>	NO
Daniel DiTommaso	<input type="checkbox"/>	IN PERSON	<input type="checkbox"/>	PHONE	<input type="checkbox"/>	NO
Denise Kempf	<input type="checkbox"/>	IN PERSON	<input type="checkbox"/>	PHONE	<input type="checkbox"/>	NO
Peter Leyon	<input type="checkbox"/>	IN PERSON	<input type="checkbox"/>	PHONE	<input type="checkbox"/>	NO

11. Audience Comments/Supervisors' Requests

12. Adjournment

Should you have any questions, please do not hesitate to contact me directly at 239-464-7114.

Sincerely,



Chesley "Chuck" Adams  
District Manager

**BEACH ROAD GOLF ESTATES  
COMMUNITY DEVELOPMENT DISTRICT**

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# **Financial Statements**

**September 30, 2020**

**Beach Road Golf Estates  
Community Development District**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors  
*Beach Road Golf Estates Community Development District*

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and each major fund of *Beach Road Golf Estates Community Development District*, (the "District") as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

The District's 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; this includes 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the District as of September 30, 2020, and the respective changes in financial position thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis starting on page 3, be presented to supplement the basic financial statements. Such information, 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 we 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 May 18, 2021, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, agreements and other matters. The purpose of that report is solely 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 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 the District's internal control over financial reporting and compliance.

*McDiarmid Davis*

Orlando, Florida  
May 18, 2021



Our discussion and analysis of *Beach Road Golf Estates Community Development District*, Lee County, Florida's (the "District") financial accomplishments provide an overview of the District's financial activities for the year ended September 30, 2020. Please read it in conjunction with the District's Independent Auditor's Report, financial statements and accompanying notes.

This information is being presented to provide additional information regarding the activities of the District and to meet the disclosure requirements of Government Accounting Standards Board Statement (GASB) No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* issued June 1999.

### **Financial Highlights**

- The liabilities of the District exceeded its assets at September 30, 2020 by \$591,120, an increase in net position of \$661,159 in comparison with the prior year.
- At September 30, 2020, the District's governmental funds reported fund balances of \$5,141,897, a decrease of \$1,582,775 in comparison with the prior year.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to *Beach Road Golf Estates Community Development District's* financial statements. The District's financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to financial statements.

### **Government-Wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

The government-wide financial statements include all governmental activities that are principally supported by special assessment revenues. The District does not have any business-type activities. The governmental activities of the District include general government, and maintenance and operations related functions.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has one fund category: Governmental Funds.

#### **Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, debt service fund and capital projects fund, all of which are considered to be major funds.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

**Notes to Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Government-Wide Financial Analysis**

Statement of Net Position - The District's net position was \$(591,120) at September 30, 2020. The analysis that follows focuses on the net position of the District's governmental activities.

**Statement of Net Position**

	<u>2020</u>	<u>2019</u>
Assets, excluding capital assets	\$ 5,250,512	\$ 7,376,874
Capital Assets, not being depreciated	<u>24,096,109</u>	<u>22,379,164</u>
<b>Total assets</b>	<u>29,346,621</u>	<u>29,756,038</u>
Liabilities, excluding long-term liabilities	676,609	1,206,262
Long-term Liabilities	<u>29,261,132</u>	<u>29,802,055</u>
<b>Total liabilities</b>	<u>29,937,741</u>	<u>31,008,317</u>
Net Position:		
Net investment in capital assets	(2,578,728)	(3,157,107)
Restricted for debt service	1,844,110	1,785,656
Unrestricted	<u>143,498</u>	<u>119,172</u>
<b>Total net position</b>	<u>\$ (591,120)</u>	<u>\$ (1,252,279)</u>

The following is a summary of the District's governmental activities for the fiscal years ended September 30, 2020 and 2019.

**Changes in Net Position**

	<u>2020</u>	<u>2019</u>
Revenues:		
Program revenues	\$ 2,259,636	\$ 2,350,345
General revenues	78,584	65,961
<b>Total revenues</b>	<u>2,338,220</u>	<u>2,416,306</u>
Expenses:		
General government	245,873	237,210
Maintenance and operations	7,636	4,025
Interest on long-term debt	1,423,552	1,442,603
<b>Total expenses</b>	<u>1,677,061</u>	<u>1,683,838</u>
<b>Change in net position</b>	661,159	732,468
Net position, beginning	<u>(1,252,279)</u>	<u>(1,984,747)</u>
<b>Net position, ending</b>	<u>\$ (591,120)</u>	<u>\$ (1,252,279)</u>

As noted above and in the statement of activities, the cost of all governmental activities during the year ended September 30, 2020 was \$1,677,061. The majority of these costs are interest on long-term debt.

**Financial Analysis of the Government's Funds**

The District uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The focus of the District's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. At September 30, 2020, the District's governmental funds reported combined ending fund balances of \$5,141,897. Of this total, \$5,021,190 is restricted, \$7,085 is nonspendable and the remainder of \$113,622 is unassigned.

The fund balance of the general fund increased \$46,208 due to an increase in assessment revenue and intergovernmental revenue. The debt service fund balance increased by \$50,506 due to assessment revenue in excess of debt service payments. The capital projects fund balance decreased by \$1,679,489 due to capital outlay expenditures.

**General Fund Budgetary Highlights**

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget to actual comparison for the general fund, including the original budget and final adopted budget, is shown on page 12. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control is at the fund level.

**Capital Asset and Debt Administration**

*Capital Assets*

At September 30, 2020, the District had \$24,096,109 invested in construction in process.

*Capital Debt*

At September 30, 2020, the District had \$29,360,000 in bonds outstanding. More detailed information about the District's capital debt is presented in the notes to financial statements.

**Requests for Information**

If you have questions about this report or need additional financial information, contact *Beach Road Golf Estates Community Development District's* Finance Department at 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431.

## FINANCIAL STATEMENTS

Beach Road Golf Estates Community Development District  
**Statement of Net Position**  
September 30, 2020

	<b>Governmental Activities</b>
<b>Assets:</b>	
Cash	\$ 127,549
Due from other governments	25,174
Due from developer	138,291
Assessments receivables	1,972
Prepaid expenses	6,803
Deposits	282
Restricted Assets:	
Temporarily restricted investments	4,950,441
Capital Assets:	
Capital assets not being depreciated	24,096,109
<b>Total assets</b>	<b>29,346,621</b>
<b>Liabilities:</b>	
Accounts payable and accrued expenses	83,842
Due to developers	1,982
Accrued interest payable	590,785
Noncurrent Liabilities:	
Due within one year	570,000
Due in more than one year	28,691,132
<b>Total liabilities</b>	<b>29,937,741</b>
<b>Net Position:</b>	
Net investment in capital assets	(2,578,728)
Restricted for debt service	1,844,110
Unrestricted	143,498
<b>Total net position</b>	<b>\$ (591,120)</b>



Beach Road Golf Estates Community Development District  
**Balance Sheet - Governmental Funds**  
September 30, 2020

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
<b>Assets:</b>				
Cash	\$ 127,549	\$ -	\$ -	\$ 127,549
Investments	-	2,294,809	2,655,632	4,950,441
Due from other governments	25,174	-	-	25,174
Due from developer	-	138,291	-	138,291
Assessments receivable	177	1,795	-	1,972
Prepaid costs	6,803	-	-	6,803
Deposits	282	-	-	282
<b>Total assets</b>	<u>\$ 159,985</u>	<u>\$ 2,434,895</u>	<u>\$ 2,655,632</u>	<u>\$ 5,250,512</u>
<b>Liabilities and Fund Balances:</b>				
Liabilities:				
Accounts payable and accrued expenses	\$ 14,505	\$ -	\$ 69,337	\$ 83,842
Due to developers	1,982	-	-	1,982
<b>Total liabilities</b>	<u>16,487</u>	<u>-</u>	<u>69,337</u>	<u>85,824</u>
Deferred Inflows:				
Unavailable revenue	22,791	-	-	22,791
Fund Balances:				
Nonspendable	7,085	-	-	7,085
Restricted for:				
Debt service	-	2,434,895	-	2,434,895
Capital projects	-	-	2,586,295	2,586,295
Unassigned	113,622	-	-	113,622
<b>Total fund balances</b>	<u>120,707</u>	<u>2,434,895</u>	<u>2,586,295</u>	<u>5,141,897</u>
<b>Total liabilities and fund balances</b>	<u>\$ 159,985</u>	<u>\$ 2,434,895</u>	<u>\$ 2,655,632</u>	

**Amounts reported for governmental activities in the statement of net position are different because:**

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	24,096,109
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds	22,791
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Accrued interest payable	(590,785)
Bonds payable	<u>(29,261,132)</u>
<b>Net Position of Governmental Activities</b>	<u>\$ (591,120)</u>



Beach Road Golf Estates Community Development District  
**Statement of Revenues, Expenditures and Changes in the Fund Balances**  
**Governmental Funds**  
Year Ended September 30, 2020

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>				
Assessment revenue	\$ 199,251	\$ 2,003,544	\$ -	\$ 2,202,795
Intergovernmental	40,861	-	-	40,861
Investment and miscellaneous income	59,605	19,385	37,456	116,446
<b>Total revenues</b>	<u>299,717</u>	<u>2,022,929</u>	<u>37,456</u>	<u>2,360,102</u>
<b>Expenditures:</b>				
Current:				
General government	245,873	-	-	245,873
Maintenance and operations	7,636	-	-	7,636
Debt Service:				
Interest	-	1,427,423	-	1,427,423
Principal	-	545,000	-	545,000
Capital outlay	-	-	1,716,945	1,716,945
<b>Total expenditures</b>	<u>253,509</u>	<u>1,972,423</u>	<u>1,716,945</u>	<u>3,942,877</u>
<b>Excess (Deficit) of Revenues Over Expenditures</b>	<u>46,208</u>	<u>50,506</u>	<u>(1,679,489)</u>	<u>(1,582,775)</u>
<b>Net change in fund balances</b>	46,208	50,506	(1,679,489)	(1,582,775)
Fund balances, beginning of year	<u>74,499</u>	<u>2,384,389</u>	<u>4,265,784</u>	<u>6,724,672</u>
<b>Fund balances, end of year</b>	<u>\$ 120,707</u>	<u>\$ 2,434,895</u>	<u>\$ 2,586,295</u>	<u>\$ 5,141,897</u>

Beach Road Golf Estates Community Development District  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of  
 Governmental Funds to the Statement of Activities**  
 Year Ended September 30, 2020

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Net Change in Fund Balances - Total Governmental Funds (page 10) \$ (1,582,775)

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources; however, in the statement of net position the cost of those assets is recorded as capital assets. Depreciation of capital assets is not recognized in the governmental fund statements but is reported as an expense in the statement of activities.

Capital outlay 1,716,945

Repayments of long-term liabilities are reported as expenditures in governmental funds, while repayments reduce long-term liabilities in the statement of net position.

Repayment of bonds payable 545,000

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 22,791

Revenue reported in the funds must be eliminated from the statement of activities since revenue was recognized in a prior year. (44,673)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in accrued interest	7,948	
Amortization of bond discount	(4,077)	3,871

**Change in Net Position of Governmental Activities (page 8)** **\$ 661,159**

Beach Road Golf Estates Community Development District  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual - General Fund**  
Year Ended September 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Special assessment revenue	\$ 195,440	\$ 195,440	\$ 199,251	\$ 3,811
Intergovernmental	78,300	78,300	40,861	(37,439)
Investment and miscellaneous income	-	-	59,605	59,605
<b>Total revenues</b>	<u>273,740</u>	<u>273,740</u>	<u>299,717</u>	<u>25,977</u>
<b>Expenditures:</b>				
Current:				
General government	102,338	102,338	245,873	(143,535)
Maintenance and operations	145,000	145,000	7,636	137,364
<b>Total expenditures</b>	<u>247,338</u>	<u>247,338</u>	<u>253,509</u>	<u>(6,171)</u>
<b>Excess (deficit) of revenues over expenditures</b>	26,402	26,402	46,208	19,806
Fund balance, beginning	74,499	74,499	74,499	-
<b>Fund balance, ending</b>	<u>\$ 100,901</u>	<u>\$ 100,901</u>	<u>\$ 120,707</u>	<u>\$ 19,806</u>

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1                      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity**

*Beach Road Golf Estates Community Development District*, (the "District") was established on February 20, 2008 by the City of Bonita Springs, Florida, Ordinance 08-03 pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes. The Act provides, among other things, the power to manage basic services for community development, the power to borrow money and issue bonds, and the power to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure. The District was established for the purpose of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District.

The District is governed by the Board of Supervisors (the "Board"), which is composed of five members. Ownership of land within the District entitles the owner to one vote per acre. The Board of Supervisors of the District exercises all powers granted to the District pursuant to Chapter 190, Florida Statutes. Two members are qualified electors living within the District and three are landowner elected and are affiliated with the Developer.

The Board has final responsibility for:

1.        Allocating and levying assessments.
2.        Approving budgets.
3.        Exercising control over facilities and properties.
4.        Controlling the use of funds generated by the District.
5.        Approving the hiring and firing of key personnel.
6.        Financing improvements.

The financial statements were prepared in accordance with Governmental Accounting Standards Board ("GASB") Statements 14, 39, and 61. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the District Board of Supervisors is considered to be financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

**Government-Wide and Fund Financial Statements**

The financial statements include both government-wide and fund financial statements.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, 2) grants, contributions and investment earnings that are restricted to meeting the operational or capital requirements of a particular function or segment and 3) operating-type special assessments that are treated as charges for services (including assessments for maintenance and debt service). Other items not included among program revenues are reported instead as *general revenues*.

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the *economic resources measurement* focus and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Assessments are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

**NOTE 1                   SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the modified *accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough 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, except for Developer receivables for retainage, which are collected from the Developer when the amount is due to the contractor. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Assessments, including debt service assessments and operation and maintenance assessments, are non-ad valorem assessments imposed on all lands located within the District and benefited by the District's activities. Operation and maintenance special assessments are levied by the District prior to the start of the fiscal year which begins October 1<sup>st</sup> and ends on September 30<sup>th</sup>. These assessments are imposed upon all benefited lands located in the District. Debt service special assessments are imposed upon certain lots and lands as described in each resolution imposing the special assessment for each series of bonds issued by the District. Certain debt service assessments are collected upon the closing of those lots subject to short term debt and are used to prepay a portion of the bonds outstanding.

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 District.

The District reports the following major governmental funds:

*General Fund*- is the District's primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

*Debt Service Fund*- accounts for the accumulation of resources for the annual payment of principal and interest on long-term debt.

*Capital Project Fund*- accounts for the financial resources to be used for the acquisition or construction of major infrastructure within the District.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

**Assets, Liabilities Deferred Outflows/Inflows of Resources and Net Position/Fund Balance**

*Restricted Assets*

These assets represent cash and investments set aside pursuant to bond covenants.

*Investments*

The District's cash and cash equivalents are considered to be cash on hand and demand deposits.

Investments of the District are reported at fair value and are categorized within the fair value hierarchy established in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. The District's investments consist of investments authorized in accordance with Section 218.415, Florida Statutes.

*Prepaid Costs*

Prepaid costs are recorded as expenditures when consumed rather than when purchased in both government-wide and fund financial statements.

**NOTE 1                   SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, sidewalks and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

**Long Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bond issuance costs are reported as expenses. Bonds payable are reported net of premiums or discounts.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District does not have any item that qualifies for reporting in this category for the year ended September 30, 2020.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has one item that arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental fund balance sheet, these amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**Net Position Flow Assumption**

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted net position to have been depleted before unrestricted-net position is applied.

**Fund Balance Flow Assumptions**

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**Fund Balance Policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either commitment (committed fund balance) or an assignment (assigned fund balance).

**NOTE 1                   SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The committed fund balance classification includes fund balance amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The Board of Supervisors is the highest level of decision-making authority for the government that can, by adoption of an ordinance or resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance or resolution remains in place until a similar action is taken to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The Board of Supervisors has authorized the District Manager to assign amounts for specific purposes. The Board of Supervisors may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above an additional action is essential to either remove or revise a commitment.

**Other Disclosures**

*Use of Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

*New Accounting Standards Issued*

In fiscal year 2020, the District implemented Government Accounting Standards Board (GASB) Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. This statement provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic by postponing the effective dates of provisions in certain other statements. There was no effect on beginning balances of the District for implementation of this Statement.

**NOTE 2                   STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budgetary Information**

The District is required to establish a budgetary system and an approved annual budget for the General Fund. Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. All annual appropriations lapse at the fiscal year end. The legal level of budgetary control is at the fund level. Any budget amendments that increase the aggregate budgeted appropriations, at the fund level, must be approved by the Board of Supervisors. There were no budget amendments for the fiscal year ended September 30, 2020.

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
2. A public hearing is conducted to obtain comments.
3. Prior to October 1, the budget is legally adopted by the District Board.
4. All budget changes must be approved by the District Board.
5. The budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

**Expenditures in Excess of Appropriations**

Expenditures in the General Fund exceeded appropriations for the year ended September 30, 2020. These expenditures were funded with available fund balance.



**NOTE 3 DEPOSITS AND INVESTMENTS**

**Deposits**

The District's cash balances were entirely covered by federal depository insurance or by a collateral pool pledged to the State Treasurer. Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", requires all qualified depositories to deposit with the Treasurer or another banking institution eligible collateral equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. Governmental and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

**Investments**

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

Under GASB 72, assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted prices for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining quoted prices for identical or similar assets, or liabilities, in markets that are not active. Level 3 is the least reliable, and uses significant unobservable inputs that uses the best information available under the circumstances, which includes the District's own data in measuring unobservable inputs.

The District has the following recurring fair value measurements as of September 30, 2020:

- Wells Fargo Advantage Government MM Funds of \$4,950,441 are valued using Level 2 inputs.

Instead of establishing a written investment policy, the District elected to limit investments to those approved by Florida Statutes and the District Trust Indenture. Authorized District investments include, but are not limited to:

1. The Local Government Surplus Funds Trust Fund (SBA);
2. Securities and Exchange Commission Registered Money Market Funds with the highest credit quality rating from a nationally recognized rating agency;
3. Interest-bearing time deposits or savings accounts in qualified public depositories;
4. Direct obligations of the U.S. Treasury.

Investments made by the District at September 30, 2020 are summarized below. In accordance with GASB 31, investments are reported at fair value.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Weighted Average Maturity</u>
Wells Fargo Advantage Government MM Fund - Institutional Class	<u>\$ 4,950,441</u>	AAAm	37 Days

*Credit Risk:*

For investments, credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. Investments in U.S. Government securities and agencies must be backed by the full faith and credit of the United States Government. Short term bond funds shall be rated by a nationally recognized ratings agency and shall maintain the highest credit quality rating. Investment ratings by investment type are included in the preceding summary of investments.

**NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)**

*Custodial Credit Risk:*

In the case of deposits, this is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy requires that bank deposits be secured as provided by Chapter 280, Florida Statutes. This law requires local governments to deposit funds only in financial institutions designated as qualified public depositories by the Chief Financial Officer of the State of Florida, and creates the Public Deposits Trust Fund, a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a default or insolvency has occurred. At September 30, 2020, all of the District's bank deposits were in qualified public depositories.

For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At September 30, 2020, none of the investments listed are exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

*Concentration of Credit Risk:*

The District places no limit on the amount the District may invest in any one issuer.

*Interest Rate Risk:*

The District does not have a formal policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates. The District manages its exposure to declines in fair values by investing primarily in pooled investments that have a weighted average maturity of less than three months.

**NOTE 4 CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2020 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>				
Capital Assets Not Being Depreciated:				
Improvements under construction	\$ 22,379,164	\$ 1,716,945	\$ -	\$ 24,096,109
Total Capital Assets Not Being Depreciated	<u>22,379,164</u>	<u>1,716,945</u>	<u>-</u>	<u>24,096,109</u>
Governmental Activities Capital Assets, net	<u>\$ 22,379,164</u>	<u>\$ 1,716,945</u>	<u>\$ -</u>	<u>\$ 24,096,109</u>

**NOTE 5 LONG-TERM LIABILITIES**

**Series 2015 Special Assessment Bonds**

In January 2015, the District issued \$30,980,000 of Special Assessment Revenue Bonds, Series 2015. The Bonds consist of \$2,185,000 Term Bonds due on November 1, 2020 with a fixed interest rate of 3.5%; \$3,225,000 Term Bonds due on November 1, 2025 with a fixed interest rate of 4%; \$3,105,000 Term Bonds due on November 1, 2029 with a fixed interest rate of 4.7%; \$7,080,000 Term Bonds due on November 1, 2036 with a fixed interest rate of 5% and \$15,385,000 Term Bonds due on November 1, 2046 with a fixed interest rate of 5.05%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the property within the District. Interest is paid semiannually on each May 1 and November 1. Principal on the Bonds is to be paid serially commencing November 1, 2017 through November 1, 2046.

The Series 2015 Bonds are subject to redemption at the option of the District prior to maturity at a redemption price as set forth in the Bond Indenture. The Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Indenture. In the event of default, all principal and interest of the Bonds will become immediately due and payable.

The Bond Indenture requires that the District maintain adequate funds in a reserve account to meet the debt service reserve requirements as defined in the Indenture. The requirement has been met at September 30, 2020.

The Bond 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 agreed to levy special assessments in annual amounts adequate to provide payment of debt service. Payment of principal and interest on the 2015 Bonds is secured by a pledge of and a first lien upon the pledged special assessment revenue. The District is in compliance with the requirements of the Bond Indenture.

As of September 30, 2020, total principal and interest remaining on the Series 2015 Special Assessment Revenue Bonds was \$53,078,547. Principal and interest paid in the current year was \$1,972,423. Special assessment revenue pledged for the current year was \$2,003,544.

Long-term liability activity for the year ended September 30, 2020 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
Bonds Payable: public offering					
Series 2015	\$ 29,905,000	\$ -	\$ (545,000)	\$ 29,360,000	\$ 570,000
Less: Discount	(102,945)	-	4,077	(98,868)	-
<b>Governmental activity long-term liabilities</b>	<u>\$ 29,802,055</u>	<u>\$ -</u>	<u>\$ (540,923)</u>	<u>\$ 29,261,132</u>	<u>\$ 570,000</u>

**NOTE 5 LONG-TERM LIABILITIES (CONTINUED)**

At September 30, 2020, the scheduled debt service requirements on the bonds payable were as follows:

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2021	\$ 570,000	\$ 1,407,910
2022	595,000	1,386,035
2023	620,000	1,361,735
2024	645,000	1,336,435
2025	670,000	1,310,135
2026 - 2030	3,800,000	6,075,047
2031 - 2035	4,805,000	5,037,375
2036 - 2040	6,135,000	3,676,875
2041 - 2045	7,820,000	1,939,750
2046 - 2047	3,700,000	187,250
	<u>\$ 29,360,000</u>	<u>\$ 23,718,547</u>

**NOTE 6 RELATED PARTY TRANSACTIONS**

**Developer Transaction**

The Developer owns a portion of land within the District; therefore assessment revenue in the general and debt service funds include assessments levied on those lots owned by the Developer. The Developer contributed approximately \$96,000 or 5% of the assessment revenue for the year ended September 30, 2020. The District's activity is dependent upon the continued involvement of the Developer, the loss of which could have a material adverse effect on the District's operations.

**NOTE 7 MANAGEMENT COMPANY**

The District has contracted with a management company to perform management advisory services, which include financial advisory and accounting services as well as clubhouse management services. Certain employees of the management company also serve as officers (Board appointed non-voting positions) of the District. Under the agreements, the District compensates the management company for management, accounting, financial reporting and other administrative costs.

**NOTE 8 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. These risks are covered by commercial insurance from independent third parties. The District has not filed any claims under this commercial coverage during the last three years.

**COMPLIANCE SECTION**

**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**

To the Board of Supervisors  
*Beach Road Golf Estates Community Development District*

We have audited, in accordance with 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 of the governmental activities and each major fund of *Beach Road Golf Estates Community Development District* (the "District") as of and for the year ended September 30, 2020 and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated May 18, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 a 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from 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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*McDermitt Davis*

Orlando, Florida  
May 18, 2021

## MANAGEMENT LETTER

Board of Supervisors  
*Beach Road Golf Estates Community Development District*

### Report on the Financial Statements

We have audited the financial statements of *Beach Road Golf Estates Community Development District*, (the "District") as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated May 18, 2021.

### 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 Auditor General.

### Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated May 18, 2021, should be considered in conjunction with this management letter.

### Prior Audit Findings

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

### Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information has been disclosed in the notes to the financial statements.

### Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the District did not meet any 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 condition assessment procedures for the District. It is management's responsibility to monitor the District's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

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

### Additional Matters

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

**Purpose of this Letter**

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

*McDiarmid Davis*

Orlando, Florida  
May 18, 2021





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www.mcdermittdavis.com

**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH  
THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES**

To the Board of Supervisors  
*Beach Road Golf Estates Community Development District*

We have examined *Beach Road Golf Estates Community Development District's* (the "District") compliance with the requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2020. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on 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 the standards applicable to attestation engagements contained in Government Auditing Standards* issued by the *Comptroller General of the United States*, and, accordingly, included examining, on a test basis, evidence about the 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 the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2020.

*McDermitt Davis*

Orlando, Florida  
May 18, 2021

**BEACH ROAD GOLF ESTATES  
COMMUNITY DEVELOPMENT DISTRICT**

**5**

**RESOLUTION 2021-05**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE BEACH ROAD GOLF ESTATES COMMUNITY DEVELOPMENT DISTRICT HEREBY ACCEPTING THE AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

**WHEREAS**, the District's Auditor, McDirmit Davis, has heretofore prepared and submitted to the Board, for accepting, the District's Audited Financial Statements for Fiscal Year 2020;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE BEACH ROAD GOLF ESTATES COMMUNITY DEVELOPMENT DISTRICT;**

1. The Audited Financial Statements for Fiscal Year 2020, heretofore submitted to the Board, is hereby accepted for Fiscal Year 2020, for the period ending September 30, 2020; and

2. A verified copy of said Audited Financial Statements for Fiscal Year 2020 shall be attached hereto as an exhibit to this Resolution, in the District's "Official Record of Proceedings".

**PASSED AND ADOPTED** this 19<sup>th</sup> day of July, 2021.

**BEACH ROAD GOLF ESTATES COMMUNITY DEVELOPMENT DISTRICT**

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Secretary/Assistant Secretary

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Chair/Vice Chair, Board of Supervisors

**BEACH ROAD GOLF ESTATES  
COMMUNITY DEVELOPMENT DISTRICT**

**7**

**BEACH ROAD GOLF ESTATES  
COMMUNITY DEVELOPMENT DISTRICT  
FISCAL YEAR 2022  
PROPOSED BUDGET**

**BEACH ROAD GOLF ESTATES  
COMMUNITY DEVELOPMENT DISTRICT  
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**BEACH ROAD GOLF ESTATES  
COMMUNITY DEVELOPMENT DISTRICT  
GENERAL FUND BUDGET  
FISCAL YEAR 2022**

	Fiscal Year 2021			Total Actual & Projected Revenue & Expenditures	Proposed Budget FY 2022
	Adopted Budget FY 2021	Actual through 3/31/2021	Projected through 9/30/2021		
<b>REVENUES</b>					
Assessment levy: on-roll - gross	\$ 167,836				\$ 243,551
Allowable discounts (4%)	(6,713)				(9,742)
Assessment levy: on-roll - net	161,123	\$ 192,049	\$ 4,013	\$ 196,062	233,809
Assessment levy: off-roll	34,289	-	-	-	-
Intergovernmental: Shared Costs Revenue	114,480	31,581	82,899	114,480	78,840
Interest	-	25	-	25	-
Total revenues	<u>309,892</u>	<u>223,655</u>	<u>86,912</u>	<u>310,567</u>	<u>312,649</u>
<b>EXPENDITURES</b>					
<b>Professional &amp; administrative fees</b>					
Supervisors	-	1,722	-	1,722	-
Management advisory services	40,000	20,000	20,000	40,000	40,000
Financial accounting services	15,500	7,750	7,750	15,500	15,500
Audit	4,500	4,200	300	4,500	4,500
Dissemination agent	5,000	2,500	2,500	5,000	5,000
Trustee fees	10,850	10,077	-	10,077	10,850
Legal	10,000	2,731	7,269	10,000	10,000
Engineering	5,000	-	5,000	5,000	5,000
Postage	300	252	48	300	300
Insurance	6,200	6,098	-	6,098	6,200
Printing & reproduction	1,000	500	500	1,000	1,000
Legal advertising	1,000	936	64	1,000	1,000
Other current charges	650	725	-	725	650
Annual district filing fee	175	175	-	175	175
ADA website maintenance	210	210	-	210	210
Website	615	705	-	705	615
Total professional & admin	<u>101,000</u>	<u>58,581</u>	<u>43,431</u>	<u>102,012</u>	<u>101,000</u>
<b>Operations</b>					
Shared costs maintenance/monitoring	212,000	113,347	98,653	212,000	146,000
On-site other contractual services	-	4,179	-	4,179	92,000
Total operations	<u>212,000</u>	<u>117,526</u>	<u>98,653</u>	<u>216,179</u>	<u>238,000</u>
<b>Other fees and charges</b>					
Property appraiser	1,199	1,459	-	1,459	1,459
Tax collector	1,799	189	1,610	1,799	2,189
Total other fees and charges	<u>2,998</u>	<u>1,648</u>	<u>1,610</u>	<u>3,258</u>	<u>3,648</u>
Total expenditures	<u>315,998</u>	<u>177,755</u>	<u>43,431</u>	<u>102,012</u>	<u>342,648</u>
Net increase/(decrease) of fund balance	(6,106)	45,900	43,481	208,555	(29,999)
Fund balance - beginning (unaudited)	271,115	120,706	166,606	120,706	329,261
Assigned					
Lake bank erosion repair <sup>1</sup>	150,000	150,000	150,000	150,000	150,000
Unassigned	115,009	16,606	60,087	179,261	149,262
Fund balance - ending (projected)	<u>\$ 265,009</u>	<u>\$ 166,606</u>	<u>\$ 210,087</u>	<u>\$ 329,261</u>	<u>\$ 299,262</u>

<sup>1</sup>Intended to fund long term lake bank erosion repairs in District owned ponds.

**BEACH ROAD GOLF ESTATES  
COMMUNITY DEVELOPMENT DISTRICT  
DEFINITIONS OF GENERAL FUND EXPENDITURES**

**EXPENDITURES**

Management advisory services	\$ 40,000
<p><b>Wrathell, Hunt and Associates, LLC</b>, specializes in managing community development districts in the State of Florida by combining the knowledge, skills and experience of a team of professionals to ensure compliance with all governmental requirements of the District, develop financing programs, oversee the issuance of tax exempt bonds, and operate and maintain the assets of the community. The \$40,000 annual fee is inclusive of district management and recording services.</p>	
Financial accounting services	15,500
<p>Preparation of all of the District's financial items, including monthly financial statement preparation and the annual budget, are provided by <b>Wrathell, Hunt &amp; Associates, LLC</b>. The annual fee for this service is \$8,000 for the general fund, \$7,500 per capital projects fund and \$4,500 per debt service fund.</p>	
Audit	4,500
<p>The District is required to complete annual, independent examinations of its accounting records and procedures. This audit is conducted pursuant to Florida Law and the Rules of the Auditor General.</p>	
Dissemination agent	5,000
<p>The District must annually disseminate financial information in order to comply with the requirements of Rule 15c2-12 under the Securities Exchange Act of 1934.</p>	
Trustee fees	10,850
<p>Annual fees paid for services provided as trustee, paying agent and registrar.</p>	
Legal	10,000
<p>Fees for on-going general counsel and legal representation on behalf of the District. Coleman, Yovanovich and Koester, PA, serves as the District's general counsel.</p>	
Engineering	5,000
<p>Banks Engineering will provide engineering and consulting services to the District in addition to advice on bids for yearly contracts and operating policy.</p>	
Postage	300
<p>Mailing of agenda packages, overnight deliveries, correspondence, etc.</p>	
Insurance	6,200
Printing & reproduction	1,000
<p>Letterhead, envelopes, copies, etc.</p>	
Legal advertising	1,000
<p>The District will advertise in The Fort Myers News-Press for monthly meetings, special meetings, public hearings, bidding, etc.</p>	
Other current charges	650
<p>Bank charges and other miscellaneous expenses incurred throughout the year.</p>	
Annual district filing fee	175
<p>Annual fee paid to the Florida Department of Economic Opportunity.</p>	
ADA website maintenance	210
Website	615



**BEACH ROAD GOLF ESTATES  
COMMUNITY DEVELOPMENT DISTRICT  
DEFINITIONS OF GENERAL FUND EXPENDITURES**

**EXPENDITURES (CONTINUED)**

**Operations**

Shared costs maintenance/monitoring 146,000

Starting in Fiscal Year 2017, the District became responsible for the maintenance and monitoring of the panther mitigation property in Labelle. The establishment and perpetual responsibility to maintain the property and provide a five year monitoring and reporting program (which ended in 2020) is a development order requirement for not only this District but also for 3 other neighboring communities. Additionally, in Fiscal Year 2018, the District became responsible for the costs of maintaining the common infrastructure along Bonita Beach Road serving the same communities, including landscaping, roadway and storm water maintenance. All of the costs are shared with the other communities by interlocal agreement and based upon previously agreed upon percentages. For Fiscal Year 2021, the District will be installing LED streetlighting on both sides of the roadway as a part of a lease, power and maintenance agreement with FPL. The initial capital costs of \$67,000 as well as the ongoing operating cost's per the aforementioned agreement, of \$25,000, will be shared with the other 3 communities per the shared costs agreement.

Panther Mit and Monitoring	25,000
Streetlighting	26,000
Common Infrastructure Maint.	<u>95,000</u>
Total	146,000

On-site other contractual services 92,000

Starting in Fiscal year 2022 the District will be assuming the lake and conservation area maintenance previously provided by the mater association pursuant to the facilities maintenance assignment agreement.

Property appraiser

The property appraiser's fee is \$1.00 per parcel. 1,459

Tax collector

The tax collector's fee is \$1.50 per parcel. 2,189

Total expenditures \$ 342,648

**BEACH ROAD GOLF ESTATES  
COMMUNITY DEVELOPMENT DISTRICT  
DEBT SERVICE FUND - SERIES 2015 BONDS  
FISCAL YEAR 2022**

	Fiscal Year 2021			Total Actual & Projected Revenue & Expenditures	Proposed Budget FY 2022
	Adopted Budget FY 2021	Actual through 3/31/2021	Projected through 9/30/2021		
<b>REVENUES</b>					
Assessment levy: on-roll - gross	\$1,693,187				\$2,079,967
Allowable discounts (4%)	(67,727)				(83,199)
Assessment levy: on-roll - net	1,625,460	\$ 1,953,752	\$ 40,964	\$ 1,994,716	1,996,768
Assessment levy: off-roll	371,308	-	-	-	-
Interest	-	104	-	104	-
Total revenues	<u>1,996,768</u>	<u>1,953,856</u>	<u>40,964</u>	<u>1,994,820</u>	<u>1,996,768</u>
<b>EXPENDITURES</b>					
<b>Debt service</b>					
Principal	570,000	570,000	-	570,000	595,000
Interest	1,407,910	708,943	698,967	1,407,910	1,386,035
Total expenditures	<u>1,977,910</u>	<u>1,278,943</u>	<u>698,967</u>	<u>1,977,910</u>	<u>1,981,035</u>
<b>Other fees &amp; charges</b>					
Tax collector	-	1,926	-	1,926	-
Total other fees & charges	-	1,926	-	1,926	-
Total expenditures	<u>1,977,910</u>	<u>1,280,869</u>	<u>698,967</u>	<u>1,979,836</u>	<u>1,981,035</u>
Excess/(deficiency) of revenues over/(under) expenditures	18,858	672,987	(658,003)	14,984	15,733
Beginning fund balance (unaudited)	2,425,403	2,434,895	3,107,882	2,434,895	2,449,879
Ending fund balance (projected)	<u>\$2,444,261</u>	<u>\$3,107,882</u>	<u>\$ 2,449,879</u>	<u>\$ 2,449,879</u>	<u>2,465,612</u>
<b>Use of fund balance</b>					
Debt service reserve account balance (required)					(997,500)
Principal & Interest expense - November 1, 2022					(1,307,068)
Projected fund balance surplus/(deficit) as of September 30, 2022					<u>\$ 161,044</u>

# BEACH ROAD GOLF ESTATES

Community Development District

Series 2015

\$30,980,000

## Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+i
11/01/2021	595,000.00	4.000%	698,967.50	1,293,967.50
05/01/2022			687,067.50	687,067.50
11/01/2022	620,000.00	4.000%	687,067.50	1,307,067.50
05/01/2023			674,667.50	674,667.50
11/01/2023	645,000.00	4.000%	674,667.50	1,319,667.50
05/01/2024			661,767.50	661,767.50
11/01/2024	670,000.00	4.000%	661,767.50	1,331,767.50
05/01/2025			648,367.50	648,367.50
11/01/2025	695,000.00	4.000%	648,367.50	1,343,367.50
05/01/2026			634,467.50	634,467.50
11/01/2026	725,000.00	4.700%	634,467.50	1,359,467.50
05/01/2027			617,430.00	617,430.00
11/01/2027	755,000.00	4.700%	617,430.00	1,372,430.00
05/01/2028			599,687.50	599,687.50
11/01/2028	795,000.00	4.700%	599,687.50	1,394,687.50
05/01/2029			581,005.00	581,005.00
11/01/2029	830,000.00	4.700%	581,005.00	1,411,005.00
05/01/2030			561,500.00	561,500.00
11/01/2030	870,000.00	5.000%	561,500.00	1,431,500.00
05/01/2031			539,750.00	539,750.00
11/01/2031	915,000.00	5.000%	539,750.00	1,454,750.00
05/01/2032			516,875.00	516,875.00
11/01/2032	960,000.00	5.000%	516,875.00	1,476,875.00
05/01/2033			492,875.00	492,875.00
11/01/2033	1,005,000.00	5.000%	492,875.00	1,497,875.00
05/01/2034			467,750.00	467,750.00
11/01/2034	1,055,000.00	5.000%	467,750.00	1,522,750.00
05/01/2035			441,375.00	441,375.00
11/01/2035	1,110,000.00	5.000%	441,375.00	1,551,375.00
05/01/2036			413,625.00	413,625.00

**BEACH ROAD GOLF ESTATES**

Community Development District

Series 2015

\$30,980,000

**Debt Service Schedule**

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total P+I</b>
11/01/2036	1,165,000.00	5.000%	413,625.00	1,578,625.00
05/01/2037			384,500.00	384,500.00
11/01/2037	1,225,000.00	5.000%	384,500.00	1,609,500.00
05/01/2038			353,875.00	353,875.00
11/01/2038	1,285,000.00	5.000%	353,875.00	1,638,875.00
05/01/2039			321,750.00	321,750.00
11/01/2039	1,350,000.00	5.000%	321,750.00	1,671,750.00
05/01/2040			288,000.00	288,000.00
11/01/2040	1,415,000.00	5.000%	288,000.00	1,703,000.00
05/01/2041			252,625.00	252,625.00
11/01/2041	1,485,000.00	5.000%	252,625.00	1,737,625.00
05/01/2042			215,500.00	215,500.00
11/01/2042	1,560,000.00	5.000%	215,500.00	1,775,500.00
05/01/2043			176,500.00	176,500.00
11/01/2043	1,640,000.00	5.000%	176,500.00	1,816,500.00
05/01/2044			135,500.00	135,500.00
11/01/2044	1,720,000.00	5.000%	135,500.00	1,855,500.00
05/01/2045			92,500.00	92,500.00
11/01/2045	1,805,000.00	5.000%	92,500.00	1,897,500.00
05/01/2046			47,375.00	47,375.00
11/01/2046	1,895,000.00	5.000%	47,375.00	1,942,375.00
<b>Total</b>	<b>\$28,790,000.00</b>		<b>\$22,311,637.50</b>	<b>\$51,101,637.50</b>

**BEACH ROAD GOLF ESTATES  
COMMUNITY DEVELOPMENT DISTRICT  
PROJECTED ASSESSMENTS  
GENERAL FUND AND DEBT SERVICE FUND  
FISCAL YEAR 2022**

<b>On-Roll Payment</b>
------------------------

Number of Units		Projected Fiscal Year 2022			FY 21 Assessment
		GF	DSF	GF & DSF	
	<b><u>Single-Family Units</u></b>				
165	SF Executive	\$ 166.93	\$1,756.37	\$1,923.30	\$ 1,896.37
37	52'	166.93	1,792.91	1,959.84	1,932.91
173	53'	166.93	1,811.18	1,978.11	1,951.18
72	SF Manor	166.93	1,829.45	1,996.38	1,969.45
82	63'	166.93	1,920.79	2,087.72	2,060.79
128	SF Estate	166.93	1,957.33	2,124.26	2,097.33
	<b><u>Multi-Family Units</u></b>				
280	Coach Home	166.93	1,171.78	1,338.71	1,311.78
252	Veranda Condo	166.93	1,062.17	1,229.10	1,202.17
270	Terrace Condo	166.93	1,025.64	1,192.57	1,165.64
<b>1,459</b>					

**BEACH ROAD GOLF ESTATES  
COMMUNITY DEVELOPMENT DISTRICT**

**8**

**BEACH ROAD GOLF ESTATES  
COMMUNITY DEVELOPMENT DISTRICT  
FINANCIAL STATEMENTS  
UNAUDITED  
MAY 31, 2021**

**BEACH ROAD GOLF ESTATES  
COMMUNITY DEVELOPMENT DISTRICT  
GENERAL FUND  
BALANCE SHEET  
MAY 31, 2021**

	General Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
<b>ASSETS</b>				
Cash	\$ 156,991	\$ -	\$ -	\$ 156,991
Investments				
Revenue	-	1,380,611	-	1,380,611
Reserve	-	1,048,768	-	1,048,768
Sinking	-	27	-	27
Prepayment	-	14	-	14
Construction	-	-	1,998,352	1,998,352
Due from general fund	-	9,142	-	9,142
Due from other governments	52,439	-	-	52,439
Utility deposit	282	-	-	282
Total assets	<u>\$ 209,712</u>	<u>\$ 2,438,562</u>	<u>\$ 1,998,352</u>	<u>\$ 4,646,626</u>
<b>LIABILITIES</b>				
<b>Liabilities</b>				
Accounts payable	\$ 1,000	\$ -	\$ -	\$ 1,000
Developer advance	1,983	-	-	1,983
Accrued taxes payable	367	-	-	367
Due to debt service	9,142	-	-	9,142
Total liabilities	<u>12,492</u>	<u>-</u>	<u>-</u>	<u>12,492</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred receipts	52,439	-	-	52,439
Total deferred inflows of resources	<u>52,439</u>	<u>-</u>	<u>-</u>	<u>52,439</u>
<b>FUND BALANCES</b>				
Restricted for:				
Debt service	-	2,438,562	-	2,438,562
Capital projects	-	-	1,998,352	1,998,352
Unassigned	144,781	-	-	144,781
Total fund balances	<u>144,781</u>	<u>2,438,562</u>	<u>1,998,352</u>	<u>4,581,695</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 209,712</u>	<u>\$ 2,438,562</u>	<u>\$ 1,998,352</u>	<u>\$ 4,646,626</u>



**BEACH ROAD GOLF ESTATES  
COMMUNITY DEVELOPMENT DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
GENERAL FUND  
FOR THE PERIOD ENDED MAY 31, 2021**

	Current Month	Year to Date	Budget	% of Budget
<b>REVENUES</b>				
On-roll assessments	\$ 899	\$ 194,958	\$ 161,123	121%
Off-roll assessments	-	-	34,289	0%
Intergovernmental mitigation and monitoring	-	31,581	114,480	28%
Interest	2	28	-	N/A
Total revenues	<u>901</u>	<u>226,567</u>	<u>309,892</u>	73%
<b>EXPENDITURES</b>				
Supervisors	1,077	4,306	-	N/A
Management/recording	3,333	26,667	40,000	67%
Financial accounting services	1,292	10,333	15,500	67%
Audit	-	4,200	4,500	93%
Dissemination agent	417	3,333	5,000	67%
Trustee fees	-	10,077	10,850	93%
Legal	350	4,422	10,000	44%
Engineering	-	-	5,000	0%
Postage	89	457	300	152%
Printing & reproduction	83	667	1,000	67%
Legal advertising	-	1,207	1,000	121%
Annual district filing fee	-	175	175	100%
Insurance	-	6,098	6,200	98%
Other current charges	68	858	650	132%
ADA website maintenance	-	210	210	100%
Website	-	705	615	115%
Total professional & admin	<u>6,709</u>	<u>73,715</u>	<u>101,000</u>	73%
<b>Operations</b>				
Mitigation maintenance and monitoring	4,818	122,950	212,000	58%
On-site operations and maintenance	-	4,179	-	N/A
Total operations	<u>4,818</u>	<u>127,129</u>	<u>212,000</u>	60%
<b>Other fees and charges</b>				
Property appraiser	-	1,459	1,199	122%
Tax collector	-	189	1,799	11%
Total other fees and charges	<u>-</u>	<u>1,648</u>	<u>2,998</u>	55%
Total expenditures	<u>11,527</u>	<u>202,492</u>	<u>315,998</u>	64%
Excess/(deficiency) of revenues over/(under) expenditures	(10,626)	24,075	(6,106)	
Fund balance - beginning	155,407	120,706	271,115	
Assigned				
Lake bank erosion repair <sup>1</sup>	150,000	150,000	150,000	
Unassigned	(5,219)	(5,219)	115,009	
Fund balance - ending	<u>\$ 144,781</u>	<u>\$ 144,781</u>	<u>\$ 265,009</u>	

**BEACH ROAD GOLF ESTATES  
COMMUNITY DEVELOPMENT DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
DEBT SERVICE FUND SERIES 2015  
FOR THE PERIOD ENDED MAY 31, 2021**

	<u>Current Month</u>	<u>Year to Date</u>	<u>Budget</u>	<u>% of Budget</u>
<b>REVENUES</b>				
Assessment levy: on-roll - net	\$ 9,142	\$ 1,983,348	\$ 1,625,460	122%
Assessment levy: off-roll	-	-	371,308	0%
Interest	26	154	-	N/A
Total revenues	<u>9,168</u>	<u>1,983,502</u>	<u>1,996,768</u>	99%
<b>EXPENDITURES</b>				
Principal	-	570,000	570,000	100%
Interest	698,968	1,407,910	1,407,910	100%
Total expenditures	<u>698,968</u>	<u>1,977,910</u>	<u>1,977,910</u>	100%
<b>Other fees and charges</b>				
Tax collector	-	1,925	-	N/A
Total other fees and charges	<u>-</u>	<u>1,925</u>	<u>-</u>	N/A
Total expenditures	<u>698,968</u>	<u>1,979,835</u>	<u>1,977,910</u>	100%
Excess/(deficiency) of revenues over/(under) expenditures	(689,800)	3,667	18,858	
Fund balance - beginning	<u>3,128,362</u>	<u>2,434,895</u>	<u>2,425,403</u>	
Fund balance - ending	<u><u>\$ 2,438,562</u></u>	<u><u>\$ 2,438,562</u></u>	<u><u>\$ 2,444,261</u></u>	

**BEACH ROAD GOLF ESTATES  
COMMUNITY DEVELOPMENT DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
CAPITAL PROJECTS FUND SERIES 2015  
FOR THE PERIOD ENDED MAY 31, 2021**

	Current Month	Year to Date
<b>REVENUES</b>		
Interest	\$ 18	\$ 183
Total revenues	18	183
 <b>EXPENDITURES</b>		
Capital outlay	238,612	588,126
Total expenditures	238,612	588,126
 Net increase/(decrease), fund balance	(238,594)	(587,943)
Beginning fund balance	2,236,946	2,586,295
Ending fund balance	\$ 1,998,352	\$ 1,998,352

**BEACH ROAD GOLF ESTATES  
COMMUNITY DEVELOPMENT DISTRICT**

**9**

**DRAFT**

**MINUTES OF MEETING  
BEACH ROAD GOLF ESTATES  
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Beach Road Golf Estates Community Development District held a Regular Meeting on June 21, 2021, at 1:00 p.m., at the Bonita National Golf and Country Club, 2<sup>nd</sup> Floor of the Clubhouse, 17671 Bonita National Boulevard, Bonita Springs, Florida 34135 and via Zoom at <https://us02web.zoom.us/j/81142213094> and telephonically at 1-929-205-6099, Meeting ID 811 4221 3094, for both.

**Present at the meeting were:**

Barry Kove	Chair
Daniel DiTommaso	Vice Chair
Joseph Grillo	Assistant Secretary
Peter Leyon	Assistant Secretary
Denise Kempf	Assistant Secretary

**Also present were:**

Chuck Adams	District Manager
Greg Urbancic (via telephone)	District Counsel
James Mason	Club General Manager
Sal Dona	Resident/HOA President
Mark Lonewe	Resident/HOA Assistant Manager
Steve Ludwinski	Resident

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Mr. Adams called the meeting to order at 1:00 p.m. All Supervisors were present in person.

▪ **Chair's Remarks: CDD Accomplishments at Bonita National In the Last 30 Days**

**This item was an addition to the agenda.**

Mr. Kove gave the following update:

➤ A more efficient means of watering the recently installed sod was established.

37 ➤ The left turn sign in front of the community was moved; resident feedback was  
38 excellent. The existing post would be removed.

39 ➤ SOLitude would continue spraying areas that need additional weed control.

40 ➤ Some residents added riprap behind their homes, which is an issue for the CDD. Those  
41 residents would be required to remove the riprap and, if they fail to do so, the District will hire  
42 a contractor to remove the riprap at the resident's expense. An HOA communication was sent  
43 to advise residents about this issue, as well as an issue pertaining to cypress trees.

44 ➤ Approximately 25 residents performed unauthorized cypress removal or trimming.

45 Mr. Adams stated he would examine the areas and noted that it may be necessary for  
46 the CDD to "self-report" itself to the South Florida Water Management District (SFWMD)  
47 depending on the magnitude of vegetation removed because the Environmental Resources  
48 Permit (ERP) states that native natural vegetation is not to be touched. While SOLitude  
49 manages invasives and exotic vegetation, native vegetation and cypress, in particular, are off  
50 limits. If the SFWMD fines the CDD for what those residents did, the CDD may seek financial  
51 recovery from those residents. The HOA can assist in communicating that conservation areas  
52 are off limits and all removals or trimming must be addressed by the CDD.

53 Mr. Adams stated that, by Florida law, residents may cut any vegetation hanging over  
54 their property line, including vegetation in conservation areas; however, no cutting is permitted  
55 within the conservation/preserve areas. Discussion ensued regarding the tree count and the  
56 original permitted plan for the lake. The man-made swale provided by the United States Army  
57 Corps of Engineers (USACE) was required to remain in its natural state, despite homeowner  
58 complaints regarding obstruction of their views. Mr. Adams stated he would forward the ERP  
59 permit and drawings to Mr. Mason. He discussed the District's five-year monitoring and  
60 reporting requirements and noted that, in limited instances, the District may treat vegetation  
61 from preserves to prevent property damage. Threatening or dying trees are not removed;  
62 rather, they are felled and left in place as wildlife habitat. Mr. Adams stated he would survey  
63 the areas to make further determinations regarding trees that were removed. The HOA may  
64 contact homeowners responsible for removal of vegetation in the conservation areas.

65 ➤ M.R.I. Underwater Specialists (MRI) was inspecting storm drains.

66 Mr. Adams stated that two contracts were issued for inspections in Bonita National and  
67 on Bonita Beach Road. He described the areas being inspected. At Mr. Grillo's request, Mr.  
68 Adams would transmit a copy of the report prepared following the inspection of the pipes  
69 between the lakes to him.

70

71 **SECOND ORDER OF BUSINESS**

**Public Comments**

72

73 This item was addressed following the Third Order of Business.

74

75 **THIRD ORDER OF BUSINESS**

**Update: Lake Bank Erosion Repair Project**

76

77 Mr. Kove gave the following update:

78 ➤ M.R.I. Underwater Specialists (MRI) completed erosion repairs at single-family homes.  
79 Two or three slopes in front of three homes require additional work.

80 ➤ Evaluation of the west side of Wicklow and Longford was outstanding.

81 Mr. Adams stated that Mr. Underhill was addressing a plan for those repairs.

82 ➤ Work at the multi-family homes was scheduled to begin on June 30, 2021, once Banks  
83 Engineering signs off on the remediation plan.

84 Mr. Adams stated that the District Engineer was reevaluating the long linear catch berm;  
85 finalization was expected this week, in order to utilize MRI before they demobilize.

86 A Board Member asked about the next steps for the multi-unit coach homes and  
87 whether linear or horseshoe berms would be created and, given that Ms. Denise Germano has  
88 inquired several times, on behalf of residents, he asked if the CDD can commit to a plan by a  
89 certain date. He noted that MRI was waiting on the next steps for design. The consensus was  
90 that Banks Engineering was aware that a plan is needed in order to move forward. Discussion  
91 ensued regarding recurring erosion. Mr. Kove stated that MRI repaired recurrences on berm  
92 areas, when appropriate. Discussion ensued regarding runoff from pool overflow pipes and the  
93 need to inform residents that, while some berms have been widened due to excessive repairs  
94 between homes, such erosion repairs are not the CDD's responsibility.

95 **Public Comments**

96 **This item, previously the Second Order of Business, was presented out of order.**

97 There were no public comments.

98

99 **FOURTH ORDER OF BUSINESS**

**Update: Streetlight Installation Project on  
Bonita Beach Road**

100

101

102 Mr. Adams stated there were no additional updates. Florida Power & Light (FPL) was  
103 waiting on materials to be delivered. A tract of land was designated as a staging area when  
104 work begins. It was unknown when the project would commence.

105

106 **FIFTH ORDER OF BUSINESS**

**Consideration of Addendum to Agreement  
with Bonita National Master HOA to  
Transfer Lake and Preserve Maintenance  
to the CDD (to be provided under separate  
cover)**

107

108

109

110

111

112 Mr. Adams discussed the transfer of the lake and preserve maintenance to the CDD and  
113 the addendum to the Agreement with the Bonita National Master HOA. The proposed Fiscal  
114 Year 2022 budget anticipates the CDD taking these facilities back into its operating program.  
115 Ms. Kempf asked if the CDD would be responsible for riprap on the golf course. Mr. Adams  
116 stated those areas would be sprayed for weeds, in conjunction with the lake and preserve  
117 maintenance program. Discussion ensued regarding waterway treatment programs, providing  
118 residents notification regarding the treatment schedule and other considerations.

119

120

121

122

123

**On MOTION by Mr. Grillo and seconded by Mr. Kove with all in favor, the  
Addendum to the Agreement with the Bonita National Master HOA to transfer  
lake and preserve maintenance, in substantial form, and authorizing the Chair  
to execute, was approved.**

124

125

126 **SIXTH ORDER OF BUSINESS**

**Continued Discussion: Fiscal Year 2022  
Proposed Budget**

127

128

129 Mr. Adams discussed the annual budget preparation, deliberation, public hearing and  
130 adoption process and reviewed the proposed Fiscal Year 2022 budget, highlighting any line item  
131 increases, decreases, adjustments and new line items, compared to the Fiscal Year 2021



132 budget, and explained the reasons for any adjustments. As proposed, assessments were  
133 projected to increase slightly. A Mailed Notice would be sent to the property owners advising of  
134 the assessment increase and explaining that, while a decrease in costs was realized, the CDD  
135 would assume responsibility for maintenance of lakes, wetlands and interconnecting pipes. The  
136 Mailed Notices are mailed to addresses of record provided by the Property Appraiser.

137 Mr. Adams noted that the District had a healthy fund balance for lake bank erosion  
138 repair and unassigned expenses; upon closing out of the Construction fund, the remaining  
139 funds would be used to reduce principal in the Debt Service budget, further reducing debt  
140 service assessments.

141 Mr. Kove asked if any feedback was received regarding Lennar's ongoing lake bank  
142 remediation repairs. Mr. Adams stated Mr. Underhill would contact Lennar and report back.

143

144 **SEVENTH ORDER OF BUSINESS**

**Discussion: Results of Evaluation of Erosion  
on West Side of Wicklow Court and  
Longford Court**

145

146

147

148 This item was discussed during the Third Order of Business.

149

150 **EIGHTH ORDER OF BUSINESS**

**Acceptance of Unaudited Financial  
Statements as of April 30, 2021**

151

152

153 Mr. Adams presented the Unaudited Financial Statements as of April 30, 2021. He  
154 stated, as discussed at the last meeting, some units transferred from off-roll to on-roll  
155 assessment collections, subsequent to budget preparation. On-roll assessment collections were  
156 at 120% and off-roll collections were at zero. The financials were accepted.

157

158 **NINTH ORDER OF BUSINESS**

**Approval of May 17, 2021 Regular Meeting  
Minutes**

159

160

161 Mr. Adams presented the May 17, 2021 Regular Meeting Minutes. The following  
162 changes were made:

163 Line 135: Insert "not" after "does"

164 Lines 24 and 288: Change "Tanen" to "Tayman"

165 Line 188: Remove “none of”  
 166 Line 189: Change “should” to “must not”  
 167

168 **On MOTION by Mr. Grillo and seconded by Mr. Kove, with all in favor, the May**  
 169 **17, 2021 Regular Meeting Minutes, as amended, were approved.**

170  
 171

172 **TENTH ORDER OF BUSINESS**

**Staff Reports**

173  
 174

**A. District Counsel: *Coleman, Yovanovich & Koester, P.A.***

175 Mr. Urbancic stated, at some point, the Board may want to consider undertaking the  
 176 rulemaking process regarding the stormwater system. While the District does not have  
 177 permitting authority, rules may be enacted to educate residents and to prevent modifications  
 178 that impact the system, such as downspouts. Discussion ensued regarding drainage design,  
 179 communicating guidelines for contractors, coordination with the Architectural Review  
 180 Committee (ARC) and requirements for contractors.

181 **B. District Engineer: *Banks Engineering, Inc.***

182 There being no report, the next item followed.

183 **C. District Manager: *Wrathell, Hunt and Associates, LLC***

- 184 • **NEXT MEETING DATE: July 19, 2021 at 1:00 P.M.**
- 185 ○ **QUORUM CHECK**

186 The next meeting will be held July 19, 2021 at 1:00 p.m., unless canceled. The budget  
 187 Public Hearing would be held at the August meeting. The Mailed Notices would be sent.

188

189 **ELEVENTH ORDER OF BUSINESS**

**Audience  
 Requests**

**Comments/Supervisors’**

190  
 191

192 Mr. Kove asked if security measures may be implemented at Galway and Wicklow. Mr.  
 193 Adams stated, while a fence could be installed, the north side abuts environmental property  
 194 and walkers could access the area. Discussion ensued regarding adding clusia or bougainvillea.

195 Ms. Kempf stated that fallen Royal Palm fronds on Bonita Beach Road present a hazard.  
196 Mr. Adams stated the fronds are addressed once a week by the contractors; he would inquire  
197 about increasing the frequency.

198 Resident Sal Dona asked who was responsible for maintaining the drainage area in front  
199 of Seasons on Beach Road. Mr. Adams stated that landscape contractors maintained the  
200 drainage area when it was dry but it is difficult to mow during the wet season. Discussion  
201 ensued regarding maintenance. Mr. Adams stated he would ask for the area to be given more  
202 frequent attention to the issue.

203 Mr. Dona stated the HOA was familiar with a sister property that addressed its lake  
204 erosion issues shortly after turnover utilizing drains, littoral plantings and riprap on every lake.  
205 He asked if that would be considered and if construction funds are available to make those  
206 investments. He stated the other community spent \$3.5 million. He asked what the CDD was  
207 considering and what the options are besides littorals. Mr. Adams stated it was believed that  
208 the recent remediation would address the runoff and erosion issues; the need for more littorals  
209 was recognized but they must be chosen wisely and located appropriately. While riprap was  
210 discussed, it was not being considered due to development code limitations. Areas with runoff  
211 erosion have been addressed with good results. Mr. Adams stated the HOA and the CDD could  
212 explore options. Mr. Kove suggested evaluating the remediations, in the future, and considering  
213 what may be needed to improve the slopes, as well as determining if anything else is needed.

214 Ms. Kempf asked who is responsible for street cleaning. Mr. Adams stated the HOA may  
215 choose to do the street sweeping.

216

217 **TWELFTH ORDER OF BUSINESS**

**Adjournment**

218

219 There being no further business to discuss, the meeting adjourned.

220

221 **On MOTION by Mr. Kove and seconded by Mr. Grillo, with all in favor, the**  
222 **meeting adjourned at 2:03 p.m.**

223

224

225

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

226

227

228

229

230

231 \_\_\_\_\_  
Secretary/Assistant Secretary

\_\_\_\_\_ Chair/Vice Chair

**BEACH ROAD GOLF ESTATES  
COMMUNITY DEVELOPMENT DISTRICT**

**10C**

**BEACH ROAD GOLF ESTATES COMMUNITY DEVELOPMENT DISTRICT**

**BOARD OF SUPERVISORS FISCAL YEAR 2020/2021 MEETING SCHEDULE**

**LOCATION**

*Bonita National Golf and Country Club, 2<sup>nd</sup> Floor of the Clubhouse, 17671 Bonita National Blvd.,  
Bonita Springs, Florida 34135*

<b>DATE</b>	<b>POTENTIAL DISCUSSION/FOCUS</b>	<b>TIME</b>
<b>October 19, 2020 CANCELED</b>	<b>Regular Meeting</b>	<b>1:00 PM</b>
<b>November 16, 2020</b>	<b>Regular Meeting</b>	<b>1:00 PM</b>
<b>December 14, 2020* CANCELED</b>	<b>Regular Meeting</b>	<b>1:00 PM</b>
<b>January 11, 2021</b>	<b>Workshop</b>	<b>11:00 AM</b>
<b>January 11, 2021*</b>	<b>Regular Meeting</b>	<b>1:00 PM</b>
<b>February 15, 2021 CANCELED</b>	<b>Regular Meeting</b>	<b>1:00 PM</b>
<b>March 15, 2021</b>	<b>Regular Meeting</b>	<b>1:00 PM</b>
<b>April 19, 2021</b>	<b>Regular Meeting</b>	<b>1:00 PM</b>
<b>May 17, 2021</b>	<b>Regular Meeting</b>	<b>1:00 PM</b>
<b>June 21, 2021</b>	<b>Regular Meeting</b>	<b>1:00 PM</b>
<b>July 19, 2021</b>	<b>Regular Meeting</b>	<b>1:00 PM</b>
<b>August 16, 2021</b>	<b>Public Hearing &amp; Regular Meeting</b>	<b>1:00 PM</b>
<b>September 20, 2021</b>	<b>Regular Meeting</b>	<b>1:00 PM</b>

**\*Exceptions**

*December meeting date is one week earlier to accommodate the Christmas Holiday*

*January meeting date is one week earlier to accommodate Martin Luther King Jr. Holiday*