



Rizzetta & Company

CFM Community Development District

**Board of Supervisors' Meeting
August 17, 2023**

**District Office:
9530 Marketplace Road, Suite 206
Fort Myers, Florida 33912
(239) 936-0913**

www.cfmccd.org

CFM
COMMUNITY DEVELOPMENT DISTRICT

District Office · Ft. Myers, Florida · (239) 936-0913
Mailing Address · 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614

www.cfmccd.org

Board of Supervisors	Paul Mayotte Sue Streeter Brian McGibbon Rodney Allen Terry Jo Gile	Chairman Vice Chairman Assistant Secretary Assistant Secretary Assistant Secretary
District Manager	Belinda Blandon	Rizzetta & Company, Inc.
District Counsel	Tucker Mackie	Kutak Rock, LLP
District Engineer	Brent Burford	Johnson Engineering, Inc.

All cellular phones must be placed on mute while in the meeting room.

The Audience Comment portion of the agenda is where individuals may make comments on matters that concern the District. Individuals are limited to a total of three (3) minutes to make comments during this time.

Pursuant to provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this meeting/hearing/workshop is asked to advise the District Office at least forty-eight (48) hours before the meeting/hearing/workshop by contacting the District Manager at (239) 936-0913. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) 1-800-955-8770 (Voice), who can aid you in contacting the District Office.

A person who decides to appeal any decision made at the meeting/hearing/workshop with respect to any matter considered at the meeting/hearing/workshop is advised that person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made including the testimony and evidence upon which the appeal is to be based.

CFM COMMUNITY DEVELOPMENT DISTRICT
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August 10, 2023

Board of Supervisors
**CFM Community
Development District**

REVISED AGENDA

Dear Board Members:

The regular meeting of the Board of Supervisors of the CFM Community Development District will be held on **Thursday, August 17, 2023 at 11:30 a.m.** at the office of Rizzetta & Company, Inc., 9530 Marketplace Road, Suite 206, Fort Myers, Florida 33912. The following is the revised agenda for the meeting:

- 1. CALL TO ORDER/ROLL CALL**
- 2. PUBLIC COMMENT – AGENDA ITEMS ONLY**
- 3. BUSINESS ADMINISTRATION**
 - A. Consideration of the Minutes of the Board of Supervisors’ Meeting held on June 22, 2023 Tab 1
 - B. Ratification of the Operations and Maintenance Expenditures for the Months of May and June 2023 Tab 2
 - C. Ratification of Special Assessment Bonds, Series 2021 Requisitions for Payment #46 and #47 Tab 3
- 4. BUSINESS ITEMS**
 - A. Public Hearing to Consider the Adoption of the Fiscal Year 2023-2024 Budget
 1. Presentation of the Proposed Final Budget for Fiscal Year 2023/2024 Tab 4
 2. Consideration of Resolution 2023-03, Relating to the Annual Appropriations and Adopting the Budget for Fiscal Year 2023/2024 Tab 5
 - B. Public Hearing to Consider the Imposition of Operations and Maintenance Special Assessments
 1. Consideration of Resolution 2023-04, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2023/2024 Tab 6
 - C. Consideration of First Addendum to the Contract for Professional Technology Services Tab 7
 - D. Consideration of Fourth Addendum to Contract for Professional District Services Tab 8
 - E. Consideration of Resolution 2023-05, Redesignating the Secretary of the District Tab 9
 - F. Consideration of Resolution 2023-06, Adopting a Meeting Schedule for Fiscal Year 2023/2024 Tab 10
 - G. Ratification of Acceptance of Audit for Fiscal Year End September 30, 2022, as Prepared by Berger, Toombs Elam, Gaines & Frank Tab 11

- H. Consideration of Arbitrage Rebate Report, Series 2004A,
as Prepared by LLS Tax Solutions Tab 12
- I. Consideration of LLS Tax Solutions Arbitrage Engagement
Letter for Series 2021 Refunding Bonds Tab 13**
- 5. **STAFF REPORTS**
 - A. District Counsel
 - B. District Engineer
 - C. District Manager Tab 14
- 6. **SUPERVISOR REQUESTS AND COMMENTS**
- 7. **PUBLIC COMMENT**
- 8. **ADJOURNMENT**

We look forward to seeing you at the meeting. In the meantime, if you have any questions, please do not hesitate to call us at (239) 936-0913.

Very truly yours,

Belinda Blandon

Belinda Blandon
District Manager

cc: Tucker Mackie, Kutak Rock, LLP

Tab 1

On a Motion by Mr. Mayotte, seconded by Ms. Streeter, with all in favor, the Board Approved the Minutes of the Board of Supervisors' Meeting held on May 18, 2023, for the CFM Community Development District.

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FOURTH ORDER OF BUSINESS

Consideration of the Operations and Maintenance Expenditures for the Month of April 2023

Ms. Bandon advised that the operations and maintenance expenditures for the period of April 1-30, 2023 total \$62,092.83 and asked if there were any questions. There were none.

On a Motion by Mr. McGibbon, seconded by Mr. Allen, with all in favor, the Board Approved the Operations and Maintenance Expenditures for the Month of April 2023, totaling \$62,092.83, for the CFM Community Development District.

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FIFTH ORDER OF BUSINESS

Ratification of Special Assessment Bonds, Series 2021 Requisitions for Payment #41 through #44

Ms. Bandon advised that the Special Assessment Bonds, Series 2021 requisitions for payment #41 through #44 total \$976,224.36. She asked if there were any questions. There were none.

On a Motion by Ms. Streeter, seconded by Mr. Mayotte, with all in favor, the Board Ratified Payment of Special Assessment Bonds, Series 2021 Requisitions for Payments #41 through #44, for the CFM Community Development District.

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SIXTH ORDER OF BUSINESS

Consideration of Engagement Letter with LLS Tax Solutions for Arbitrage Services Related to the Series 2004A and 2004B Bonds

Ms. Bandon presented the Engagement Letter for Arbitrage Services as provided by LLS Tax Solutions and asked if there were any questions. There were none.

On a Motion by Mr. Mayotte, seconded by Mr. Allen, with all in favor, the Board Approved the Engagement Letter with LLS Tax Solutions for Arbitrage Services Related to the Series 2004A and 2004B Bonds, for the CFM Community Development District.

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SEVENTH ORDER OF BUSINESS

**Consideration of Spectrum
Nightscapes Proposals for Entry
Monument Lighting Enhancements**

Ms. Bandon reviewed the proposals submitted by Spectrum Nightscapes for lighting enhancements to the front entry feature. Board discussion ensued.

On a Motion by Mr. Allen, seconded by Mr. McGibbon, with all in favor, the Board Approved the Spectrum Nightscapes Proposal, #34, for Color Changing Lights at the Front Entry, Subject to Preparation of an Agreement by Counsel, for the CFM Community Development District.

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EIGHTH ORDER OF BUSINESS

**Consideration of Proposals for
Hidden Driveway Signage**

Ms. Bandon presented the proposals submitted by AdvanceTek and Lykins SignTek for fabrication and installation of Hidden Driveway signage. Board discussion ensued.

On a Motion by Mr. Mayotte, seconded by Ms. Streeter, with all in favor, the Board Approved the Lykins SignTek Proposal for Hidden Driveway Signage, Subject to Verification of the Correct Post, for the CFM Community Development District.

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NINTH ORDER OF BUSINESS

Staff Reports

- A. District Counsel
Ms. Mackie advised that she had no report but would be happy to answer any questions. Ms. Gile inquired as to the required ethics training. Ms. Mackie advised that the requirement goes into effect January 1, 2024 and she will provide information in advance of the deadline.
- B. District Engineer
Mr. Burford provided an update regarding the curb/gutter repairs; he advised that he met with DR Horton, and they have advised that the curbs in parcels A and J are the responsibility of the CDD. He recommended that the CDD not accept any streets, including curbs and gutters, until home construction is complete. Ms. Mackie advised that she and Mr. Burford can look into the possibility that bond funds could be utilized to conduct repairs. Discussion ensued.

Mr. Burford distributed and reviewed maps of the lakes within the District; he advised that the parcels F&G lakes have not been accepted by the CDD.

109
110 Mr. Burford distributed and reviewed mapping of lake bank repairs that need
111 to be conducted. Discussion ensued. Ms. Blandon recommended that Mr.
112 Burford provide an updated review of the lakes and then provide a priority
113 list.

114
115 Mr. Burford reviewed the memos provided in the agenda package. The
116 Board asked that Mr. Burford update the lake bank exhibit.

117
118 C. District Manager
119 Ms. Blandon advised that regarding the aerators, all electrical is completed
120 and Solitude has advised that all should be up and running next week.

121
122 Ms. Blandon advised that the fountains continue to be an issue and staff
123 continues to work with Florida Fountains in an effort to get them all repaired
124 in a timely manner.

125
126 Ms. Blandon advised that the next meeting of the Board of Supervisors' is
127 scheduled to be held on Thursday, July 20, 2023 at 11:30 a.m.

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129 **TENTH ORDER OF BUSINESS** **Supervisor Requests and Audience**
130 **Comments**

131
132 Ms. Blandon opened the floor for Supervisor requests and audience comments.

133
134 Ms. Gile inquired as to whether any money has been received from FEMA. Ms.
135 Blandon advised that no funds have been received.

136
137 Mr. Mayotte spoke regarding Parcel B, and the ATV riders accessing the area. He
138 asked Mr. Burford to review the area at Plumwood Loop. Mr. Burford advised that he will
139 provide pricing to install additional fencing.

140
141 **ELEVENTH ORDER OF BUSINESS** **Adjournment**

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143 Ms. Blandon advised there is no further business to come before the Board and
144 asked for a motion to adjourn.

145

On a Motion by Ms. Streeter, seconded by Mr. Allen, with all in favor, the Board adjourned the meeting at 12:28 p.m., for the CFM Community Development District.

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150 Secretary/Assistant Secretary Chairman/Vice Chairman

Tab 2

CFM COMMUNITY DEVELOPMENT DISTRICT

District Office · Ft. Myers, Florida · (239) 936-0913
Mailing Address · 3434 Colwell Avenue, Suite 200 · Tampa, Florida 33614
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Operation and Maintenance Expenditures May 2023 For Board Approval

Attached please find the check register listing the Operation and Maintenance expenditures paid from May 1, 2023 through May 31, 2023. This does not include expenditures previously approved by the Board.

The total items being presented: **\$ 122,068.36**

Approval of Expenditures:

_____ Chairperson

_____ Vice Chairperson

_____ Assistant Secretary

CFM Community Development District

Paid Operation & Maintenance Expenditures

May 1, 2023 Through May 31, 2023

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Advancetek Services, Inc.	100137	230106-SSP-00	Sign Installation 50% Deposit	\$ 8,245.00
Copeland Southern Enterprises, Inc.	100138	396	Erosion Restoration 03/23	\$ 2,775.00
Florida Fountains & Equipment, LLC	100139	2023-167	Fountain Repair Service 04/23	\$ 270.50
Florida Fountains & Equipment, LLC	100145	2023-181	Fountain Repair Service 04/23	\$ 141.50
Florida Fountains & Equipment, LLC	100148	2023-206	Fountain Repair Service 05/23	\$ 251.50
Johnson Engineering, Inc.	100140	20044888-001-184	District Engineering Services 04/23	\$ 2,717.50
Johnson Engineering, Inc.	100140	20236011-000-3	Magnolia Landing Water Use Permit Compliance Assistance 04/23	\$ 1,000.00
LCEC	100146	6571809552	Electric Summary 04/23	\$ 9,067.74
Magnolia Landing Golf, LLC	100150	2198	Aerator Utility Cost 12/22	\$ 1,400.00
Magnolia Landing Golf, LLC	100150	2199	Aerator Agreement & Water 12/22	\$ 625.00
Magnolia Landing Golf, LLC	100150	2224	Aerator Utility Cost 01/23	\$ 1,400.00

CFM Community Development District

Paid Operation & Maintenance Expenditures

May 1, 2023 Through May 31, 2023

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Magnolia Landing Golf, LLC	100150	2225	Aerator Agreement & Water 01/23	\$ 625.00
Magnolia Landing Master Association, Inc.	100141	MLM 04122023	Monthly Landscaping 04/23	\$ 6,357.52
Magnolia Landing Master Association, Inc.	100149	MLM 05172023	Monthly Landscaping 05/23	\$ 6,357.52
Mettauer Environmental Inc.	100142	2822	Landscape Maintenance and Repairs 03/23	\$ 2,727.60
Mettauer Environmental Inc.	100142	2837	Conservation Area Maintenance - Nov 22 thru Oct 23	\$ 16,930.75
National General Insurance Company	100147	804805.2174	Insurance Policy Renewal 0000804805 05/23	\$ 631.00
News-Press Media Group	100144	5501296	Legal Advertising 03/23	\$ 289.82
Rizzetta & Company, Inc.	100136	INV0000079683	District Management Fees 05/23	\$ 4,263.41
Solitude Lake Management, LLC	100143	W/O-00026364	50% Deposit Aerator Installation 04/23	<u>\$ 55,992.00</u>
Report Total				<u>\$ 122,068.36</u>

**CFM Community
Development
Check Register**

Company Name: CFM Community Development District
Report Name: Check Register
Created on: 06/16/2023
Location: 545--CFM

	Account	Payment date	Vendor name	Document/ check no	Payment Amount
545HANCOCKOP	545HANCOCKOP	05/01/2023	Advancetek Services, Inc.	100137	\$8,245.00
	545HANCOCKOP	05/01/2023	Copeland Southern Enterprises, Inc.	100138	\$2,775.00
	545HANCOCKOP	05/01/2023	Florida Fountains & Equipment, LLC	100139	\$270.50
	545HANCOCKOP	05/08/2023	Florida Fountains & Equipment, LLC	100145	\$141.50
	545HANCOCKOP	05/25/2023	Florida Fountains & Equipment, LLC	100148	\$251.50
	545HANCOCKOP	05/01/2023	Johnson Engineering, Inc.	100140	\$3,717.50
	545HANCOCKOP	05/08/2023	LCEC	100146	\$9,067.74
	545HANCOCKOP	05/30/2023	Magnolia Landing Golf, LLC Magnolia Landing Master Association,	100150	\$4,050.00
	545HANCOCKOP	05/01/2023	Inc. Magnolia Landing Master Association,	100141	\$6,357.52
	545HANCOCKOP	05/25/2023	Inc.	100149	\$6,357.52
	545HANCOCKOP	05/01/2023	Mettauer Environmental Inc.	100142	\$19,658.35
	545HANCOCKOP	05/08/2023	National General Insurance Company	100147	\$631.00
	545HANCOCKOP	05/05/2023	News-Press Media Group	100144	\$289.82
	545HANCOCKOP	05/01/2023	Rizzetta & Company, Inc.	100136	\$4,263.41
	545HANCOCKOP	05/03/2023	Solitude Lake Management, LLC	100143	\$55,992.00
				Total	\$122,068.36

CFM COMMUNITY DEVELOPMENT DISTRICT

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Mailing Address · 3434 Colwell Avenue, Suite 200 · Tampa, Florida 33614
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Operation and Maintenance Expenditures June 2023 For Board Approval

Attached please find the check register listing the Operation and Maintenance expenditures paid from June 1, 2023 through June 30, 2023. This does not include expenditures previously approved by the Board.

The total items being presented: **\$ 54,657.17**

Approval of Expenditures:

_____ Chairperson

_____ Vice Chairperson

_____ Assistant Secretary

CFM Community Development District

Paid Operation & Maintenance Expenditures

June 1, 2023 Through June 30, 2023

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Advancetek Services, Inc.	100163	230106-SNP-01	Sign Installation 50% Due	\$ 1,930.00
Brian McGibbon	100152	BM051823	Board of Supervisors Meeting 05/18/23	\$ 200.00
Brian McGibbon	100166	BM062623	Board of Supervisors Meeting 06/22/23	\$ 200.00
Florida Fountains & Equipment, LLC	100153	2023-190	Fountain Repair Service 05/23	\$ 141.50
Florida Fountains & Equipment, LLC	100153	2023-222	Fountain Repair Service 05/23	\$ 1,308.00
Florida Fountains & Equipment, LLC	100167	2023-259	Fountain Repair Service 06/23	\$ 420.50
Johnson Engineering, Inc.	100154	20044888-001-185	District Engineering Services 05/23	\$ 1,237.50
Johnson Engineering, Inc.	100154	20214225-002-8	Magnolia Landing Surface Water Quality Monitoring Trough 05/14/23	\$ 175.00
Johnson Engineering, Inc.	100154	20236011-000-4	Magnolia Landing Water Use Permit Compliance Assistance 05/23	\$ 1,000.00
Kutak Rock, LLP	100155	3194669	Monthly Legal Services 02/23	\$ 1,219.50
Kutak Rock, LLP	100155	3210479	Monthly Legal Services 03/23	\$ 2,457.08
Kutak Rock, LLP	100155	3225584	Monthly Legal Services 04/23	\$ 641.00

CFM Community Development District

Paid Operation & Maintenance Expenditures

June 1, 2023 Through June 30, 2023

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
LCEC	100156	6571809552 5/23	Electric Summary 05/23	\$ 8,703.83
LCEC	100168	6571809552 6/23	Electric Summary 06/23	\$ 8,488.33
LLS Tax Solutions, Inc.	100169	3065	Arbitrage Series 2021 05/26/23	\$ 500.00
Magnolia Landing Master Association, Inc.	100164	MLM 06122023	Monthly Landscaping 06/23	\$ 6,357.52
Paul Mayotte	100157	PM051823	Board of Supervisors Meeting 05/18/23	\$ 200.00
Paul Mayotte	100170	PM062623	Board of Supervisors Meeting 06/22/23	\$ 200.00
Premier Pressure Cleaning, LLC	100158	5014	Pressure Cleaning 03/23	\$ 6,467.00
Rizzetta & Company, Inc.	100151	INV0000080706	District Management Fees 06/23	\$ 4,263.41
Rodney J Allen	100159	RA051823	Board of Supervisors Meeting 05/18/23	\$ 200.00
Rodney J Allen	100171	RA062623	Board of Supervisors Meeting 06/22/23	\$ 200.00
Solitude Lake Management, LLC	100162	PSI-86216	Lake & Pond Management Services 04/23	\$ 2,449.00
Solitude Lake Management, LLC	100162	PSI-86217	Lake & Pond Management Services 05/23	\$ 2,449.00

CFM Community Development District

Paid Operation & Maintenance Expenditures

June 1, 2023 Through June 30, 2023

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Solitude Lake Management, LLC	100165	PSI-85626	Lake & Pond Management Services 06/23	\$ 2,449.00
Sue Streeter	100160	SS051823	Board of Supervisors Meeting 05/18/23	\$ 200.00
Sue Streeter	100172	SS062623	Board of Supervisors Meeting 06/22/23	\$ 200.00
Terry Jo Gile	100161	TJG051823	Board of Supervisors Meeting 05/18/23	\$ 200.00
Terry Jo Gile	100173	TJ062623	Board of Supervisors Meeting 06/22/23	<u>\$ 200.00</u>
Report Total				<u>\$ 54,657.17</u>

Tab 3

CFM CDD
Special Assessment Bonds, Series 2021
Requisitions for Payment

Requisition No.	Vendor	Amount
46	Kutak Rock, LLP	\$2,194.50
47	Forestar USA Real Estate Group, Inc.	\$450,586.40
	Total	\$452,780.90

Tab 4



Rizzetta & Company

CFM
Community Development District

www.cfmccd.org

Approved Proposed Budget
for
Fiscal Year 2023/2024

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Rizzetta & Company

**Proposed Budget
CFM Community Development District
General Fund
Fiscal Year 2023/2024**

Chart of Accounts Classification	Actual YTD through 06/30/23	Projected Annual Totals 2022/2023	Annual Budget for 2022/2023	Projected Budget variance for 2022/2023	Budget for 2023/2024	Budget Increase (Decrease) vs. 2022/2023	Comments
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**CFM (MAGNOLIA LANDING) COMMUNITY DEVELOPMENT DISTRICT
DEBT SERVICE
Fiscal Year 2023/2024**

Chart of Accounts Classification	Series 2021	Series 2021 (Refunding)	Budget for 2023/2024
REVENUES			
Special Assessments			
Net Special Assessments ⁽¹⁾	\$584,160.00	\$584,306.53	\$1,168,466.53
TOTAL REVENUES	\$584,160.00	\$584,306.53	\$1,168,466.53
EXPENDITURES			
Administrative			
Financial & Administrative			
Debt Service Obligation	\$584,160.00	\$584,306.53	\$1,168,466.53
Administrative Subtotal	\$584,160.00	\$584,306.53	\$1,168,466.53
TOTAL EXPENDITURES	\$584,160.00	\$584,306.53	\$1,168,466.53
EXCESS OF REVENUES OVER EXPENDITURES	\$0.00	\$0.00	\$0.00

⁽²⁾ Early Payment Discounts: 4.0%

Gross assessments \$1,217,152.64

Notes:

⁽¹⁾ Maximum Annual Debt Service less any Prepaid Assessments Received

Tax Roll Early Payment Discount is 4.0% of Tax Roll. Budgeted net of tax roll assessments. See Assessment Table.

CFM COMMUNITY DEVELOPMENT DISTRICT

FISCAL YEAR 2023/2024 O&M & DEBT SERVICE ASSESSMENT SCHEDULE

2023/2024 O&M Budget		\$909,719.20
Lee County Early Payment Discount	4%	\$37,904.97
Tax Collector Fee (\$1.84 PER PARCEL / LINE)		\$1,994.56
2023/2024 Total		\$949,618.73

2022/2023 O&M Budget		\$707,967.56
2023/2024 O&M Budget		\$909,719.20
Total Difference		\$201,751.64

	PER UNIT ANNUAL ASSESSMENT		Proposed Increase / Decrease	
	2022/2023	2023/2024	\$	%
Series 2021 (Refunding) Debt Service - Residential	\$1,110.68	\$1,110.68	\$0.00	0.00%
Operations/Maintenance - Residential	\$671.26	\$862.51	\$191.25	28.49%
Total	\$1,781.94	\$1,973.19	\$191.25	10.73%
Series 2021 (Refunding) Debt Service - Golf Course	\$1,110.68	\$1,110.68	\$0.00	0.00%
Operations/Maintenance - Golf Course	\$671.26	\$862.51	\$191.25	28.49%
Total	\$1,781.94	\$1,973.19	\$191.25	10.73%
Series 2021 Debt Service - 35' Twin Villa	\$875.00	\$875.00	\$0.00	0.00%
Operations/Maintenance -35' Twin Villa	\$671.26	\$862.51	\$191.25	28.49%
Total	\$1,546.26	\$1,737.51	\$191.25	12.37%
Series 2021 Debt Service - Single Family 50'	\$1,250.00	\$1,250.00	\$0.00	0.00%
Operations/Maintenance - Single Family 50'	\$671.26	\$862.51	\$191.25	28.49%
Total	\$1,921.26	\$2,112.51	\$191.25	9.95%
Series 2021 Debt Service - Single Family 60'	\$1,500.00	\$1,500.00	\$0.00	0.00%
Operations/Maintenance - Single Family 60'	\$671.26	\$862.51	\$191.25	28.49%
Total	\$2,171.26	\$2,362.51	\$191.25	8.81%

CFM COMMUNITY DEVELOPMENT DISTRICT

FISCAL YEAR 2023/2024 O&M & DEBT SERVICE ASSESSMENT SCHEDULE

TOTAL O&M BUDGET		\$909,719.20
EARLY PAYMENT DISCOUNT @	4.0%	\$37,904.97
⁽⁷⁾ TAX COLLECTOR FEE (\$1.84 PER PARCEL / LINE)		<u>\$1,994.56</u>
TOTAL O&M ASSESSMENT		<u>\$949,618.73</u>

LOT SIZE	UNITS ASSESSED			ALLOCATION OF O&M ASSESSMENT				PER LOT ANNUAL ASSESSMENT			
	O&M	SERIES 2021 DEBT SERVICE ⁽²⁾	Series 2021 (Refunding) DEBT SERVICE ⁽¹⁾⁽³⁾	EAU FACTOR	TOTAL EAU's	% TOTAL EAU's	TOTAL O&M BUDGET ⁽⁵⁾	O&M	2021 DEBT SERVICE ⁽⁴⁾	2021 (Refunding) DEBT SERVICE ⁽⁵⁾	TOTAL ⁽⁶⁾
35' Twin Villa	152	152	0	1.00	152.00	13.81%	\$131,100.86	\$862.51	\$875.00	\$0.00	\$1,737.51
Single Family 50'	336	336	0	1.00	336.00	30.52%	\$289,801.90	\$862.51	\$1,250.00	\$0.00	\$2,112.51
Single Family 60'	37	37	0	1.00	37.00	3.36%	\$31,912.71	\$862.51	\$1,500.00	\$0.00	\$2,362.51
Residential	558	0	530	1.00	558.00	50.68%	\$481,278.16	\$862.51	\$0.00	\$1,110.68	\$1,973.19
Golf Course	18	0	18	1.00	18.00	1.63%	\$15,525.10	\$862.51	\$0.00	\$1,110.68	\$1,973.19
Total	1101	525	548		1101.00	100.00%	\$949,618.73				

LESS: Lee County Collection Costs (\$1.84 per parcel / line) and Early Payment Discounts (4%):

(\$39,899.53)

Net Revenue to be Collected:

\$909,719.20

(1) Reflects twenty-eight (28) Series 2021 (Refunding) prepayments.

(2) Reflects the number of total lots with Series 2021 debt outstanding.

(3) Reflects the number of total lots with Series 2021 (Refunding) debt outstanding.

(4) Annual debt service assessment per lot adopted in connection with the Series 2021 bond issue. Annual assessment includes principal, interest, and early payment discount costs (4%).

(5) Annual debt service assessment per lot adopted in connection with the Series 2021 (Refunding of Series 2004A-2) bond issue. Annual assessment includes principal, interest, and early payment discount costs (4%).

(6) Annual assessment that will appear on November 2023 Lee County property tax bill. Amount shown includes all applicable collection costs. Property owner is eligible for a discount of up to 4% if paid early.

(7) Lee County collection costs changed from \$1.45 per parcel/line to \$1.84 per parcel/line.

GENERAL FUND BUDGET ACCOUNT CATEGORY DESCRIPTION

The General Fund Budget Account Category Descriptions are subject to change at any time depending on its application to the District. Please note, not all General Fund Budget Account Category Descriptions are applicable to the District indicated above. Uses of the descriptions contained herein are intended for general reference.

REVENUES:

Interest Earnings: The District may earn interest on its monies in the various operating accounts.

Tax Roll: The District levies Non-Ad Valorem Special Assessments on all of the assessable property within the District to pay for operating expenditures incurred during the Fiscal Year. The assessments may be collected in two ways. The first is by placing them on the County's Tax Roll, to be collected with the County's Annual Property Tax Billing. This method is only available to land properly platted within the time limits prescribed by the County.

Off Roll: For lands not on the tax roll and that is by way of a direct bill from the District to the appropriate property owner.

Developer Contributions: The District may enter into a funding agreement and receive certain prescribed dollars from the Developer to off-set expenditures of the District.

Event Rental: The District may receive monies for event rentals for such things as weddings, birthday parties, etc.

Miscellaneous Revenues: The District may receive monies for the sale or provision of electronic access cards, entry decals etc.

Facilities Rentals: The District may receive monies for the rental of certain facilities by outside sources, for such items as office space, snack bar/restaurants etc.

EXPENDITURES – ADMINISTRATIVE:

Supervisor Fees: The District may compensate its supervisors within the appropriate statutory limits of \$200.00 maximum per meeting within an annual cap of \$4,800.00 per supervisor.



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Administrative Services: The District will incur expenditures for the day to today operation of District matters. These services include support for the District Management function, recording and preparation of meeting minutes, records retention and maintenance in accordance with Chapter 119, Florida Statutes, and the District's adopted Rules of Procedure, preparation and delivery of agenda, overnight deliveries, facsimiles and phone calls.

District Management: The District as required by statute, will contract with a firm to provide for management and administration of the District's day to day needs. These service include the conducting of board meetings, workshops, overall administration of District functions, all required state and local filings, preparation of annual budget, purchasing, risk management, preparing various resolutions and all other secretarial duties requested by the District throughout the year is also reflected in this amount.

District Engineer: The District's engineer provides general engineering services to the District. Among these services are attendance at and preparation for monthly board meetings, review of construction invoices and all other engineering services requested by the district throughout the year.

Disclosure Report: The District is required to file quarterly and annual disclosure reports, as required in the District's Trust Indenture, with the specified repositories. This is contracted out to a third party in compliance with the Trust Indenture.

Trustee's Fees: The District will incur annual trustee's fees upon the issuance of bonds for the oversight of the various accounts relating to the bond issues.

Assessment Roll: The District will contract with a firm to prepare, maintain and certify the assessment roll(s) and annually levy a non-ad valorem assessment for operating and debt service expenses.

Financial & Revenue Collections: Services of the Collection Agent include all functions necessary for the timely billing and collection and reporting of District assessments in order to ensure adequate funds to meet the District's debt service and operations and maintenance obligations. The Collection Agent also maintains and updates the District's lien book(s) annually and provides for the release of liens on property after the full collection of bond debt levied on particular properties.

Accounting Services: Services include the preparation and delivery of the District's financial statements in accordance with Governmental Accounting Standards, accounts payable and accounts receivable functions, asset tracking, investment tracking, capital program administration and requisition processing, filing of annual reports required by the State of Florida and monitoring of trust account activity.

Auditing Services: The District is required annually to conduct an audit of its financial records by an Independent Certified Public Accounting firm, once it reaches certain revenue and expenditure levels, or has issued bonds and incurred debt.

Arbitrage Rebate Calculation: The District is required to calculate the interest earned from bond proceeds each year pursuant to the Internal Revenue Code of 1986. The Rebate Analyst is required to verify that the District has not received earnings higher than the yield of the bonds.

Travel: Each Board Supervisor and the District Staff are entitled to reimbursement for travel expenses per Florida Statutes 190.006(8).



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Public Officials Liability Insurance: The District will incur expenditures for public officials' liability insurance for the Board and Staff.

Legal Advertising: The District will incur expenditures related to legal advertising. The items for which the District will advertise include, but are not limited to meeting schedules, special meeting notices, and public hearings, bidding etc. for the District based on statutory guidelines

Bank Fees: The District will incur bank service charges during the year.

Dues, Licenses & Fees: The District is required to pay an annual fee to the Department of Economic Opportunity, along with other items which may require licenses or permits, etc.

Miscellaneous Fees: The District could incur miscellaneous throughout the year, which may not fit into any standard categories.

Website Hosting, Maintenance and Email: The District may incur fees as they relate to the development and ongoing maintenance of its own website along with possible email services if requested.

District Counsel: The District's legal counsel provides general legal services to the District. Among these services are attendance at and preparation for monthly board meetings, review of operating and maintenance contracts and all other legal services requested by the district throughout the year.

EXPENDITURES - FIELD OPERATIONS:

Deputy Services: The District may wish to contract with the local police agency to provide security for the District.

Security Services and Patrols: The District may wish to contract with a private company to provide security for the District.

Electric Utility Services: The District will incur electric utility expenditures for general purposes such as irrigation timers, lift station pumps, fountains, etc.

Street Lights: The District may have expenditures relating to street lights throughout the community. These may be restricted to main arterial roads or in some cases to all street lights within the District's boundaries.

Utility - Recreation Facility: The District may budget separately for its recreation and or amenity electric separately.

Gas Utility Services: The District may incur gas utility expenditures related to district operations at its facilities such as pool heat etc.

Garbage - Recreation Facility: The District will incur expenditures related to the removal of garbage and solid waste.



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Solid Waste Assessment Fee: The District may have an assessment levied by another local government for solid waste, etc.

Water-Sewer Utility Services: The District will incur water/sewer utility expenditures related to district operations.

Utility - Reclaimed: The District may incur expenses related to the use of reclaimed water for irrigation.

Aquatic Maintenance: Expenses related to the care and maintenance of the lakes and ponds for the control of nuisance plant and algae species.

Fountain Service Repairs & Maintenance: The District may incur expenses related to maintaining the fountains within throughout the Parks & Recreational areas

Lake/Pond Bank Maintenance: The District may incur expenditures to maintain lake banks, etc. for the ponds and lakes within the District's boundaries, along with planting of beneficial aquatic plants, stocking of fish, mowing and landscaping of the banks as the District determines necessary.

Wetland Monitoring & Maintenance: The District may be required to provide for certain types of monitoring and maintenance activities for various wetlands and waterways by other governmental entities.

Mitigation Area Monitoring & Maintenance: The District may be required to provide for certain types of monitoring and maintenance activities for various mitigation areas by other governmental entities.

Aquatic Plant Replacement: The expenses related to replacing beneficial aquatic plants, which may or may not have been required by other governmental entities.

General Liability Insurance: The District will incur fees to insure items owned by the District for its general liability needs

Property Insurance: The District will incur fees to insure items owned by the District for its property needs

Entry and Walls Maintenance: The District will incur expenditures to maintain the entry monuments and the fencing.

Landscape Maintenance: The District will incur expenditures to maintain the rights-of-way, median strips, recreational facilities including pond banks, entryways, and similar planting areas within the District. These services include but are not limited to monthly landscape maintenance, fertilizer, pesticides, annuals, mulch, and irrigation repairs.

Irrigation Maintenance: The District will incur expenditures related to the maintenance of the irrigation systems.

Irrigation Repairs: The District will incur expenditures related to repairs of the irrigation systems.

Landscape Replacement: Expenditures related to replacement of turf, trees, shrubs etc.

Field Services: The District may contract for field management services to provide landscape maintenance oversight.



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Miscellaneous Fees: The District may incur miscellaneous expenses that do not readily fit into defined categories in field operations.

Gate Phone: The District will incur telephone expenses if the District has gates that are to be opened and closed.

Street/Parking Lot Sweeping: The District may incur expenses related to street sweeping for roadways it owns or are owned by another governmental entity, for which it elects to maintain.

Gate Facility Maintenance: Expenses related to the ongoing repairs and maintenance of gates owned by the District if any.

Sidewalk Repair & Maintenance: Expenses related to sidewalks located in the right of way of streets the District may own if any.

Roadway Repair & Maintenance: Expenses related to the repair and maintenance of roadways owned by the District if any.

Employees - Salaries: The District may incur expenses for employees/staff members needed for the recreational facilities such as Clubhouse Staff.

Employees - P/R Taxes: This is the employer's portion of employment taxes such as FICA etc.

Employee - Workers' Comp: Fees related to obtaining workers compensation insurance.

Management Contract: The District may contract with a firm to provide for the oversight of its recreation facilities.

Maintenance & Repair: The District may incur expenses to maintain its recreation facilities.

Facility Supplies: The District may have facilities that required various supplies to operate.

Gate Maintenance & Repairs: Any ongoing gate repairs and maintenance would be included in this line item.

Telephone, Fax, Internet: The District may incur telephone, fax and internet expenses related to the recreational facilities.

Office Supplies: The District may have an office in its facilities which require various office related supplies.

Clubhouse - Facility Janitorial Service: Expenses related to the cleaning of the facility and related supplies.

Pool Service Contract: Expenses related to the maintenance of swimming pools and other water features.

Pool Repairs: Expenses related to the repair of swimming pools and other water features.

Security System Monitoring & Maintenance: The District may wish to install a security system for the clubhouse

Clubhouse Miscellaneous Expense: Expenses which may not fit into a defined category in this section of the budget

Athletic/Park Court/Field Repairs: Expense related to any facilities such as tennis, basketball etc.

Trail/Bike Path Maintenance: Expenses related to various types of trail or pathway systems the District may own, from hard surface to natural surfaces.

Special Events: Expenses related to functions such as holiday events for the public enjoyment

Miscellaneous Fees: Monies collected and allocated for fees that the District could incur throughout the year, which may not fit into any standard categories.

Miscellaneous Contingency: Monies collected and allocated for expenses that the District could incur throughout the year, which may not fit into any standard categories.

Capital Outlay: Monies collected and allocated for various projects as they relate to public improvements.



RESERVE FUND BUDGET ACCOUNT CATEGORY DESCRIPTION

The Reserve Fund Budget Account Category Descriptions are subject to change at any time depending on its application to the District. Please note, not all Reserve Fund Budget Account Category Descriptions are applicable to the District indicated above. Uses of the descriptions contained herein are intended for general reference.

REVENUES:

Tax Roll: The District levies Non-Ad Valorem Special Assessments on all of the assessable property within the District to pay for operating expenditures incurred during the Fiscal Year. The assessments may be collected in two ways. The first is by placing them on the County's Tax Roll, to be collected with the County's Annual Property Tax Billing. This method is only available to land properly platted within the time limits prescribed by the County.

Off Roll: For lands not on the tax roll and that is by way of a direct bill from the District to the appropriate property owner.

Developer Contributions: The District may enter into a funding agreement and receive certain prescribed dollars from the Developer to off-set expenditures of the District.

Miscellaneous Revenues: The District may receive monies for the sale or provision of electronic access cards, entry decals etc.

EXPENDITURES:

Capital Reserve: Monies collected and allocated for the future repair and replacement of various capital improvements such as club facilities, swimming pools, athletic courts, roads, etc.

Capital Outlay: Monies collected and allocated for various projects as they relate to public improvements.



DEBT SERVICE FUND BUDGET ACCOUNT CATEGORY DESCRIPTION

The Debt Service Fund Budget Account Category Descriptions are subject to change at any time depending on its application to the District. Please note, not all Debt Service Fund Budget Account Category Descriptions are applicable to the District indicated above. Uses of the descriptions contained herein are intended for general reference.

REVENUES:

Special Assessments: The District may levy special assessments to repay the debt incurred by the sale of bonds to raise working capital for certain public improvements. The assessments may be collected in the same fashion as described in the Operations and Maintenance Assessments.

EXPENDITURES – ADMINISTRATIVE:

Bank Fees: The District may incur bank service charges during the year.

Debt Service Obligation: This would be a combination of the principal and interest payment to satisfy the annual repayment of the bond issue debt.



Tab 5

RESOLUTION 2023-03

THE ANNUAL APPROPRIATION RESOLUTION OF THE CFM COMMUNITY DEVELOPMENT DISTRICT (“DISTRICT”) RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2023 AND ENDING SEPTEMBER 30, 2024; AUTHORIZING BUDGET AMENDMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District Manager has, prior to the fifteenth (15th) day in June, 2023, submitted to the Board of Supervisors (“**Board**”) of the CFM Community Development District (“**District**”) proposed budget (“**Proposed Budget**”) for the fiscal year beginning October 1, 2023 and ending September 30, 2024 (“**Fiscal Year 2023/2024**”) along with an explanatory and complete financial plan for each fund of the District, pursuant to the provisions of Section 190.008(2)(a), *Florida Statutes*; and

WHEREAS, at least sixty (60) days prior to the adoption of the Proposed Budget, the District filed a copy of the Proposed Budget with the local governing authorities having jurisdiction over the area included in the District pursuant to the provisions of Section 190.008(2)(b), *Florida Statutes*; and

WHEREAS, the Board set a public hearing thereon and caused notice of such public hearing to be given by publication pursuant to Section 190.008(2)(a), *Florida Statutes*; and

WHEREAS, the District Manager posted the Proposed Budget on the District’s website at least two days before the public hearing; and

WHEREAS, Section 190.008(2)(a), *Florida Statutes*, requires that, prior to October 1st of each year, the Board, by passage of the Annual Appropriation Resolution, shall adopt a budget for the ensuing fiscal year and appropriate such sums of money as the Board deems necessary to defray all expenditures of the District during the ensuing fiscal year; and

WHEREAS, the District Manager has prepared a Proposed Budget, whereby the budget shall project the cash receipts and disbursements anticipated during a given time period, including reserves for contingencies for emergency or other unanticipated expenditures during the fiscal year.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE CFM COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. BUDGET

- a. The Board has reviewed the Proposed Budget, a copy of which is on file with the office of the District Manager and at the District’s Local Records Office, and hereby approves certain amendments thereto, as shown in Section 2 below.
- b. The Proposed Budget, attached hereto as **Exhibit A**, as amended by the Board, is hereby adopted in accordance with the provisions of Section 190.008(2)(a), *Florida Statutes* (“**Adopted Budget**”), and incorporated herein by reference; provided, however, that the comparative figures contained in the Adopted Budget may be subsequently revised as deemed necessary by the District Manager to reflect actual revenues and expenditures.
- c. The Adopted Budget, as amended, shall be maintained in the office of the District Manager and at the District’s Local Records Office and identified as “The Budget for the CFM Community Development District for the Fiscal Year Ending September 30, 2024.”
- d. The Adopted Budget shall be posted by the District Manager on the District’s official website within thirty (30) days after adoption and shall remain on the website for at least 2 years.

SECTION 2. APPROPRIATIONS

There is hereby appropriated out of the revenues of the District, for Fiscal Year 2023/2024, the sum of \$ _____ to be raised by the levy of assessments and/or otherwise, which sum is deemed by the Board to be necessary to defray all expenditures of the District during said budget year, to be divided and appropriated in the following fashion:

TOTAL GENERAL FUND	\$ _____
DEBT SERVICE FUND(S)	\$ _____
TOTAL ALL FUNDS	\$ _____

SECTION 3. BUDGET AMENDMENTS

Pursuant to Section 189.016, *Florida Statutes*, the District at any time within Fiscal Year 2023/2024, or within 60 days following the end of the Fiscal Year 2023/2024, may amend its Adopted Budget for that fiscal year as follows:

- a. A line-item appropriation for expenditures within a fund may be decreased or increased by motion of the Board recorded in the minutes, and approving the expenditure, if the total appropriations of the fund do not increase.
- b. The District Manager or Treasurer may approve an expenditure that would increase or decrease a line-item appropriation for expenditures within a fund if the total appropriations of the fund do not increase and if either (i) the aggregate change in the original appropriation item does not exceed the greater of \$15,000 or 15% of the original appropriation, or (ii) such expenditure is authorized by separate disbursement or spending resolution.
- c. Any other budget amendments shall be adopted by resolution and consistent with Florida law.

The District Manager or Treasurer must ensure that any amendments to the budget under paragraph c. above are posted on the District’s website within 5 days after adoption and remain on the website for at least 2 years.

SECTION 4. EFFECTIVE DATE. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED THIS 17TH DAY OF AUGUST 2023.

ATTEST:

CFM COMMUNITY DEVELOPMENT DISTRICT

Secretary / Assistant Secretary

By: _____

Its: _____

Exhibit A: Fiscal Year 2023/2024 Budget

Exhibit A:
Fiscal Year 2023/2024 Budget

Tab 6

RESOLUTION 2023-04

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE CFM COMMUNITY DEVELOPMENT DISTRICT MAKING A DETERMINATION OF BENEFIT AND IMPOSING SPECIAL ASSESSMENTS FOR FISCAL YEAR 2023/2024; PROVIDING FOR THE COLLECTION AND ENFORCEMENT OF SPECIAL ASSESSMENTS, INCLUDING BUT NOT LIMITED TO PENALTIES AND INTEREST THEREON; CERTIFYING AN ASSESSMENT ROLL; PROVIDING FOR AMENDMENTS TO THE ASSESSMENT ROLL; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the CFM Community Development District ("**District**") is a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, for the purpose of providing, operating and maintaining infrastructure improvements, facilities and services to the lands within the District; and

WHEREAS, the District is located in Lee County, Florida ("**County**"); and

WHEREAS, the District has constructed or acquired various infrastructure improvements and provides certain services in accordance with the District's adopted capital improvement plan and Chapter 190, *Florida Statutes*; and

WHEREAS, the Board of Supervisors ("**Board**") of the District hereby determines to undertake various operations and maintenance and other activities described in the District's budget ("**Adopted Budget**") for the fiscal year beginning October 1, 2023 and ending September 30, 2024 ("**Fiscal Year 2023/2024**"), attached hereto as **Exhibit "A,"** and

WHEREAS, the District must obtain sufficient funds to provide for the operation and maintenance of the services and facilities provided by the District as described in the Adopted Budget; and

WHEREAS, the provision of such services, facilities, and operations is a benefit to lands within the District; and

WHEREAS, Chapter 190, *Florida Statutes*, provides that the District may impose special assessments on benefitted lands within the District; and

WHEREAS, it is in the best interests of the District to proceed with the imposition of the special assessments for operations and maintenance in the amount set forth in the Adopted Budget; and

WHEREAS, the District has previously levied an assessment for debt service, which the District desires to collect for Fiscal Year 2023/2024; and

WHEREAS, Chapter 197, *Florida Statutes*, provides a mechanism pursuant to which such special assessments may be placed on the tax roll and collected by the local tax collector ("**Uniform Method**"), and the District has previously authorized the use of the Uniform Method by, among other things, entering into agreements with the Property Appraiser and Tax Collector of the County for that purpose; and

WHEREAS, it is in the best interests of the District to adopt the assessment roll ("**Assessment Roll**") attached to this Resolution as **Exhibit "B,"** and to certify the portion of the Assessment Roll related to certain developed property ("**Tax Roll Property**") to the County Tax Collector pursuant to the Uniform Method and to directly collect the portion of the Assessment Roll relating to the remaining property ("**Direct Collect Property**"), all as set forth in **Exhibit "B;"** and

WHEREAS, it is in the best interests of the District to permit the District Manager to amend the Assessment Roll adopted herein, including that portion certified to the County Tax Collector by this

Resolution, as the Property Appraiser updates the property roll for the County, for such time as authorized by Florida law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE CFM COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. BENEFIT & ALLOCATION FINDINGS. The provision of the services, facilities, and operations as described in **Exhibit “A”** confers a special and peculiar benefit to the lands within the District, which benefit exceeds or equals the cost of the assessments. The allocation of the assessments to the specially benefitted lands is shown in **Exhibits “A” and “B,”** and is hereby found to be fair and reasonable.

SECTION 2. ASSESSMENT IMPOSITION. Pursuant to Chapters 170, 190 and 197, *Florida Statutes*, and using the procedures authorized by Florida law for the levy and collection of special assessments, a special assessment for operation and maintenance is hereby imposed and levied on benefitted lands within the District and in accordance with **Exhibits “A” and “B.”** The lien of the special assessments for operations and maintenance imposed and levied by this Resolution shall be effective upon passage of this Resolution. Moreover, pursuant to Section 197.3632(4), *Florida Statutes*, the lien amount shall serve as the “maximum rate” authorized by law for operation and maintenance assessments.

SECTION 3. COLLECTION AND ENFORCEMENT; PENALTIES; INTEREST.

- A. **Tax Roll Assessments.** The operations and maintenance special assessments and previously levied debt service special assessments imposed on the Tax Roll Property shall be collected at the same time and in the same manner as County taxes in accordance with the Uniform Method, as set forth in **Exhibits “A” and “B.”**
- B. **Direct Bill Assessments.** The operations and maintenance special assessments and previously levied debt service special assessments imposed on the Direct Collect Property shall be collected directly by the District in accordance with Florida law, as set forth in **Exhibits “A” and “B.”** Assessments directly collected by the District are due in full on December 1, 2023; provided, however, that, to the extent permitted by law, the assessments due may be paid in several partial, deferred payments and according to the following schedule: 50% due no later than December 1, 2023, 25% due no later than February 1, 2024 and 25% due no later than May 1, 2024. In the event that an assessment payment is not made in accordance with the schedule stated above, the whole assessment – including any remaining partial, deferred payments for Fiscal Year 2023/2024, shall immediately become due and payable; shall accrue interest, penalties in the amount of one percent (1%) per month, and all costs of collection and enforcement; and shall either be enforced pursuant to a foreclosure action, or, at the District’s sole discretion, collected pursuant to the Uniform Method on a future tax bill, which amount may include penalties, interest, and costs of collection and enforcement. Any prejudgment interest on delinquent assessments shall accrue at the rate of any bonds secured by the assessments, or at the statutory prejudgment interest rate, as applicable. In the event an assessment subject to direct collection by the District shall be delinquent, the District Manager and District Counsel, without further authorization by the Board, may initiate foreclosure proceedings pursuant to Chapter 170, *Florida Statutes*, or other applicable law to collect and enforce the whole assessment, as set forth herein.
- C. **Future Collection Methods.** The decision to collect special assessments by any particular method – e.g., on the tax roll or by direct bill – does not mean that such method will be used to collect special assessments in future years, and the District reserves the right in its sole discretion to select collection methods in any given year, regardless of past practices.

SECTION 4. ASSESSMENT ROLL. The Assessment Roll, attached to this Resolution as **Exhibit “B,”** is hereby certified for collection. That portion of the Assessment Roll which includes the Tax Roll Property is hereby certified to the County Tax Collector and shall be collected by the County Tax Collector in the same manner and time as County taxes. The proceeds therefrom shall be paid to the District.

SECTION 5. ASSESSMENT ROLL AMENDMENT. The District Manager shall keep apprised of all updates made to the County property roll by the Property Appraiser after the date of this Resolution, and shall amend the Assessment Roll in accordance with any such updates, for such time as authorized by Florida law, to the County property roll. After any amendment of the Assessment Roll, the District Manager shall file the updates in the District records.

SECTION 6. SEVERABILITY. The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

SECTION 7. EFFECTIVE DATE. This Resolution shall take effect upon the passage and adoption of this Resolution by the Board.

PASSED AND ADOPTED this 17th day of August, 2023.

ATTEST:

CFM COMMUNITY DEVELOPMENT DISTRICT

Secretary / Assistant Secretary

Chair/Vice Chair, Board of Supervisors

- Exhibit A:** Budget
- Exhibit B:** Assessment Roll (Uniform Method)
Assessment Roll (Direct Collect)

Exhibit A:
Budget

Exhibit B:
Assessment Roll (Uniform Method)
Assessment Roll (Direct Collect)

Assessment roll is maintained in the District's official records and is available upon request. Certain Exempt information may be redacted prior to release in compliance with Chapter 119, Florida Statutes.

Tab 7

FIRST ADDENDUM TO THE CONTRACT FOR PROFESSIONAL TECHNOLOGY SERVICES

This First Addendum to the Contract for Professional Technology Services (this “**Addendum**”), is made and entered into as of the 1st day of October, 2023 (the “**Effective Date**”), by and between **CFM Community Development District**, a local unit of special purpose government established pursuant to Chapter 190, Florida Statutes, located in Lee County, Florida (the “**District**”), and **Rizzetta & Company, Inc.**, a Florida corporation (the “**Consultant**”).

RECITALS

WHEREAS, the District and Rizzetta Technology Services, LLC. entered into the Contract for Professional Technology Services dated August 15, 2019 (the “**Contract**”), incorporated by reference herein; and

WHEREAS, the District consented to an assignment of the Contract to Rizzetta & Company, Inc. on December 16, 2021; and

WHEREAS, the District and the Consultant desire to amend **Exhibit B** - Schedule of Fees of the Fees and Expenses, section of the Contract as further described in this Addendum; and

WHEREAS, the District and the Consultant each has the authority to execute this Addendum and to perform its obligations and duties hereunder, and each party has satisfied all conditions precedent to the execution of this Addendum so that this Addendum constitutes a legal and binding obligation of each party hereto.

NOW, THEREFORE, based upon good and valuable consideration and the mutual covenants of the parties, the receipt of which and sufficiency of which is hereby acknowledged, the District and the Consultant agree to the changes to amend **Exhibit B** - Schedule of Fees attached.

The amended **Exhibit B** - Schedule of Fees are hereby ratified and confirmed. All other terms and conditions of the Contract remain in full force and effect.

IN WITNESS WHEREOF the undersigned have executed this Addendum as of the Effective Date.



Rizzetta & Company

2021-07-27 – WJR/RPS

Therefore, the Consultant and the District each intend to enter this Addendum, understand the terms set forth herein, and hereby agree to those terms.

ACCEPTED BY:

RIZZETTA & COMPANY, INC.

BY: _____

PRINTED NAME: William J. Rizzetta

TITLE: President

DATE: _____

CFM COMMUNITY DEVELOPMENT DISTRICT

BY: _____

PRINTED NAME: _____

TITLE: Chairman/Vice Chairman

DATE: _____

ATTEST:

Vice Chairman/Assistant Secretary
Board of Supervisors

Print Name



Rizzetta & Company

2021-07-27 – WJR/RPS

EXHIBIT B
Schedule of Fees

Standard On-Going Services will be billed in advance monthly pursuant to the following schedule:

	MONTHLY
Website Compliance and Management:	\$ 100.00
Email (50 GB per user) at \$20.00 per month per account:	
Board Supervisor Account 5 X \$20.00	\$ 100.00
Onsite Staff Account 0 X \$20.00	\$ 0.00
Miscellaneous Account 0 X \$20.00	\$ 0.00
 Total Standard On-Going Services:	 \$ <u>200.00</u>



Tab 8

**FOURTH ADDENDUM TO THE CONTRACT FOR
PROFESSIONAL DISTRICT SERVICES**

This Fourth Addendum to the Contract for Professional District Services (this “**Addendum**”), is made and entered into as of the 1st day of October, 2023 (the “**Effective Date**”), by and between **CFM Community Development District**, a local unit of special purpose government established pursuant to Chapter 190, Florida Statutes, located in Lee County, Florida (the “**District**”), and **Rizzetta & Company, Inc.**, a Florida corporation (the “**Consultant**”).

RECITALS

WHEREAS, the District and the Consultant entered into the Contract for Professional District Services dated October 1, 2018 (the “**Contract**”), incorporated by reference herein; and

WHEREAS, the District and the Consultant desire to amend **Exhibit B** - Schedule of Fees of the Fees and Expenses, section of the Contract as further described in this Addendum; and

WHEREAS, the District and the Consultant each has the authority to execute this Addendum and to perform its obligations and duties hereunder, and each party has satisfied all conditions precedent to the execution of this Addendum so that this Addendum constitutes a legal and binding obligation of each party hereto.

NOW, THEREFORE, based upon good and valuable consideration and the mutual covenants of the parties, the receipt of which and sufficiency of which is hereby acknowledged, the District and the Consultant agree to the changes to amend **Exhibit B** - Schedule of Fees attached.

The amended **Exhibit B** - Schedule of Fees are hereby ratified and confirmed. All other terms and conditions of the Contract remain in full force and effect.

IN WITNESS WHEREOF the undersigned have executed this Addendum as of the Effective Date.

(Remainder of this page is left blank intentionally)

Therefore, the Consultant and the District each intend to enter this Addendum, understand the terms set forth herein, and hereby agree to those terms.

ACCEPTED BY:

RIZZETTA & COMPANY, INC.

BY: _____
PRINTED NAME: William J. Rizzetta
TITLE: President
DATE: _____

CFM COMMUNITY DEVELOPMENT DISTRICT

BY: _____
PRINTED NAME: _____
TITLE: Chairman/Vice Chairman
DATE: _____

ATTEST:

Vice Chairman/Assistant Secretary
Board of Supervisors

Print Name

Exhibit B – Schedule of Fees

EXHIBIT B
Schedule of Fees

STANDARD ON-GOING SERVICES:

Standard On-Going Services will be billed in advance monthly pursuant to the following schedule:

	MONTHLY	ANNUALLY
Management:	\$1,615.33	\$19,384
Administrative:	\$501.33	\$6,016
Accounting:	\$1,671.08	\$20,053
Financial & Revenue Collections:	\$464.17	\$5,570
Assessment Roll ⁽¹⁾		\$5,570
Total Standard On-Going Services:	\$4,251.92	\$56,593

(1) Assessment Roll is paid in one lump-sum at the time the roll is completed.

ADDITIONAL SERVICES:	FREQUENCY	RATE
Extended and Continued Meetings	Hourly	\$ 180.25
Additional Meetings (includes meeting prep, attendance and drafting of minutes)	Hourly	\$ 180.25
Estoppel Requests (billed to requestor):		
One Lot (on tax roll)	Per Occurrence	\$ 100
Two+ Lots (on tax roll)	Per Occurrence	\$ 125
One Lot (direct billed by the District)	Per Occurrence	\$ 100
Two–Five Lots (direct billed by the District)	Per Occurrence	\$ 150
Six-Nine Lots (direct billed by the District)	Per Occurrence	\$ 200
Ten+ Lots (direct billed by the District)	Per Occurrence	\$ 250
Long Term Bond Debt Payoff Requests	Per Occurrence	\$ 100/Lot
Two+ Lots	Per Occurrence	Upon Request
Short Term Bond Debt Payoff Requests & Long Term Bond Debt Partial Payoff Requests		
One Lot	Per Occurrence	\$ 125
Two – Five Lots	Per Occurrence	\$ 200
Six – Ten Lots	Per Occurrence	\$ 300
Eleven – Fifteen Lots	Per Occurrence	\$ 400
Sixteen+ Lots	Per Occurrence	\$ 500
Special Assessment Allocation Report	Per Occurrence	Upon Request
True-Up Analysis/Report	Per Occurrence	Upon Request
Re-Financing Analysis	Per Occurrence	Upon Request
Bond Validation Testimony	Per Occurrence	Upon Request
Bond Issue Certifications/Closing Documents	Per Occurrence	Upon Request
Electronic communications/E-blasts	Per Occurrence	Upon Request
Special Information Requests	Hourly	Upon Request
Amendment to District Boundary	Hourly	Upon Request
Grant Applications	Hourly	Upon Request
Escrow Agent	Hourly	Upon Request
Continuing Disclosure/Representative/Agent	Annually	Upon Request
Community Mailings	Per Occurrence	Upon Request
Response to Extensive Public Records Requests	Hourly	Upon Request
Litigation Support Services	Hourly	Upon Request

PUBLIC RECORDS REQUESTS FEES:

Public Records Requests will be billed hourly to the District pursuant to the current hourly rates shown below:

JOB TITLE:	HOURLY RATE:
Regional Manager	\$ 52.00
District Manager	\$ 40.00
Accounting & Finance Staff	\$ 28.00
Administrative Support Staff	\$ 21.00

LITIGATION SUPPORT SERVICES:

Litigation Support Services will be billed hourly to the District pursuant to the current hourly rates shown below:

JOB TITLE:	HOURLY RATE:
President	\$ 300.00
Chief Financial Officer	\$ 250.00
Vice President	\$ 225.00
Regional District Manager	\$ 200.00
Accounting Manager	\$ 200.00
Finance Manager	\$ 200.00
District Manager	\$ 175.00
Amenity Services Manager	\$ 175.00
Clubhouse Manager	\$ 150.00
Field Services Manager/Landscape Specialist	\$ 150.00
Senior Accountant	\$ 150.00
Staff Accountant	\$ 100.00
Financial Associate	\$ 100.00
Administrative Assistant	\$ 85.00
Accounting Clerk	\$ 85.00

Tab 9

RESOLUTION 2023-05

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE CFM
COMMUNITY DEVELOPMENT DISTRICT REDESIGNATING THE
SECRETARY OF THE DISTRICT, AND PROVIDING FOR AN
EFFECTIVE DATE**

WHEREAS, the CFM Community Development District (the "District") is a local unit of special-purpose government organized and existing in accordance with Chapter 190, Florida Statutes, and situated entirely within Lee County, Florida; and

WHEREAS, the Board of Supervisors (hereinafter the "Board") previously designated Bob Schleifer as Secretary pursuant to Resolution 2020-05; and

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF
THE CFM COMMUNITY DEVELOPMENT DISTRICT:**

Section 1. Scott Brizendine is appointed Secretary.

Section 2. This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED THIS 17TH DAY OF AUGUST, 2023.

**CFM COMMUNITY
DEVELOPMENT DISTRICT**

CHAIRMAN/VICE CHAIRMAN

ATTEST:

ASSISTANT SECRETARY

Tab 10

RESOLUTION 2023-06

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE CFM COMMUNITY DEVELOPMENT DISTRICT DESIGNATING DATES, TIME AND LOCATION FOR REGULAR MEETINGS OF THE BOARD OF SUPERVISORS OF THE DISTRICT, FOR FISCAL YEAR 2023/2024, AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, CFM Community Development District (hereinafter the "District") is a local unit of special-purpose government created and existing pursuant to Chapter 190, Florida Statutes, being situated entirely within the Lee County, Florida; and

WHEREAS, the District's Board of Supervisors (hereinafter the "Board") is statutorily authorized to exercise the powers granted to the District; and

WHEREAS, all meetings of the Board shall be open to the public and governed by the provisions of Chapter 286, Florida Statutes; and

WHEREAS, the Board is statutorily required to file annually, with the local governing authority, a schedule of its regular meetings.

WHEREAS, the District is required by Florida law to prepare an annual schedule of its regular public meetings which designates the date, time, and location of the District's meetings.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE CFM COMMUNITY DEVELOPMENT DISTRICT:

Section 1. The Fiscal Year 2023/2024 annual public meeting schedule attached hereto and incorporated by reference herein as Exhibit A is hereby approved and will be published and filed in accordance with Section 189.015(1), Florida Statutes.

Section 2. This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED THIS 17TH DAY OF AUGUST, 2023.

ATTEST:

**CFM COMMUNITY DEVELOPMENT
DISTRICT**

SECRETARY / ASST. SECRETARY

CHAIRMAN / VICE CHAIRMAN

EXHIBIT "A"
BOARD OF SUPERVISORS MEETING DATES
CFM COMMUNITY DEVELOPMENT DISTRICT
FISCAL YEAR 2023/2024

October 19, 2023
November 16, 2023
December 21, 2023
January 18, 2024
February 15, 2024
March 21, 2024
April 18, 2024
May 16, 2024
June 20, 2024
July 18, 2024
August 15, 2024
September 19, 2024

All meetings will convene at 11:30 a.m. and will be held at the office of the District Manager, Rizzetta & Company, Inc., located at 9530 Marketplace Road, Suite 206, Fort Myers, Florida 33912.

Tab 11

CFM Community Development District

ANNUAL FINANCIAL REPORT

September 30, 2022

CFM Community Development District

ANNUAL FINANCIAL REPORT

September 30, 2022

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Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

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

REPORT OF INDEPENDENT AUDITORS

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

Report on Audit of the Financial Statements

Opinion

We have audited the financial statements of the governmental activities and each major fund of CFM Community Development District (the "District"), as of and for the year ended September 30, 2022, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Summary of Opinions

Opinion Unit	Type of Opinion
Governmental Activities	Unmodified
Aggregate Discretely Presented Component Unit	Adverse
General Fund	Unmodified
Debt Service Fund	Unmodified

Basis of Adverse Opinion on the Discretely Presented Component Unit

The financial statements do not include financial data for the District's legally separate component unit. Accounting principles generally accepted in the United States of America require the financial data for the component unit to be reported with the financial data of the District's primary government unless the District also issues financial statements for the financial reporting entity that include the financial data for its component unit. The District has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the assets, liabilities, net position, revenues, and expenses of the aggregate discretely presented component unit should have been presented.

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on the Discretely Presented Component Unit", the financial statements referred to above do not present fairly, the financial position of the discretely presented component unit of the District as of September 30, 2022, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Supervisors
CFM Community Development District

Qualified Opinion

In our opinion, except for the effects of the matter described in the "Basis for Adverse Opinion on the Discretely Presented Component Unit" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate remaining fund information of the District as of September 30, 2022, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to previously 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, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

To the Board of Supervisors
CFM Community Development District

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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

To the Board of Supervisors
CFM Community Development District

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated June 12, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts.

The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 CFM Community Development District's internal control over financial reporting and compliance.



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

June 12, 2023

**CFM Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

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

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

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

**CFM Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Fund financial statements include a **balance sheet** and a **statement of revenues, expenditures and changes in fund balances** for all governmental funds. A **statement of revenues, expenditures, and changes in fund balances – budget and actual** is provided for the District's General Fund. *Fund financial statements* provide more detailed information about the District's activities. Individual funds are established by the District to track revenues that are restricted to certain uses or to comply with legal requirements.

The *government-wide financial statements* and the *fund financial statements* provide different pictures of the District. The *government-wide financial statements* provide an overall picture of the District's financial standing. These statements are comparable to private-sector companies and give a good understanding of the District's overall financial health and how the District paid for the various activities, or functions, provided by the District. All assets of the District, including capital assets are reported in the **statement of net position**. All liabilities, including principal outstanding on bonds are included. The **statement of activities** includes depreciation on all long-lived assets of the District, but transactions between the different functions of the District have been eliminated in order to avoid "doubling up" the revenues and expenses. The *fund financial statements* provide a picture of the major funds of the District. In the case of governmental activities, outlays for long lived assets are reported as expenditures and long-term liabilities, such as general obligation bonds, are not included in the fund financial statements. To provide a link from the *fund financial statements* to the *government-wide financial statements*, a reconciliation is provided from the *fund financial statements* to the *government-wide financial statements*.

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

Financial Highlights

The following are the highlights of financial activity for the year ended September 30, 2022.

- ◆ The District's total assets and deferred outflows of resources were exceeded by total liabilities \$(1,029,579) (net position). Unrestricted net position for Governmental Activities was \$713,066. Governmental Activities restricted net position was \$394,520 and net investment in capital assets was \$(2,137,165).
- ◆ Governmental activities revenues totaled \$2,206,063 while governmental activities expenses totaled \$1,446,784.

**CFM Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District

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

Net Position

	Governmental Activities	
	2022	2021
Current assets	\$ 742,981	\$ 626,070
Restricted assets	4,556,434	10,599,317
Capital assets, net	13,066,556	6,879,032
Total Assets	<u>18,365,971</u>	<u>18,104,419</u>
Deferred Outflow of Resources	<u>199,503</u>	<u>215,356</u>
Current liabilities	1,184,663	971,290
Non-current liabilities	18,410,390	19,137,345
Total Liabilities	<u>19,595,053</u>	<u>20,108,635</u>
Net investment in capital assets	(2,137,165)	(2,435,384)
Net position - restricted	394,520	32,109
Net position - unrestricted	713,066	614,417
Total Net Position	<u>\$ (1,029,579)</u>	<u>\$ (1,788,858)</u>

The increase in current assets is the result of revenues exceeding expenditures at the fund level in the current year.

The increase in capital assets and decrease in restricted assets was related to the capital project activity in the current year.

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

**CFM Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District (Continued)

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

Change In Net Position

	Governmental Activities	
	2022	2021
Program Revenues		
Charges for services	\$ 2,118,673	\$ 1,754,777
Operating grants and contributions	-	849,172
General Revenues		
Investment earnings	16,690	299
Gain on sale of assets	70,700	-
Total Revenues	<u>2,206,063</u>	<u>2,604,248</u>
Expenses		
General government	163,401	497,199
Physical environment	652,390	585,125
Interest and other charges	630,993	1,356,970
Total Expenses	<u>1,446,784</u>	<u>2,439,294</u>
Debt cancellation/forgiveness	-	<u>7,415,000</u>
Change in Net Position	759,279	7,579,954
Net Position - Beginning of Year	<u>(1,788,858)</u>	<u>(9,368,812)</u>
Net Position - End of Year	<u><u>\$ (1,029,579)</u></u>	<u><u>\$ (1,788,858)</u></u>

The increase in charges for services is related to an increase in debt service assessments in the current year.

The decrease in operating grants and contributions is related to an SPE contribution in the prior year.

The decrease in general government is related to SPE expenses in the prior year.

The increase in physical environment is primarily due to the increase in streetlights and wetland monitoring expenses in the current year.

The decrease in interest and other charges is related to the costs of issuance of the long-term debt in the prior year.

**CFM Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Capital Assets Activity

The following schedule provides a summary of the District's capital assets as of September 30, 2022 and 2021.

<u>Description</u>	Governmental Activities	
	2022	2021
Land	\$ 2,664,365	\$ 2,668,665
Construction in progress	6,573,811	51,376
Infrastructure	8,265,280	8,265,280
Accumulated depreciation	<u>(4,436,900)</u>	<u>(4,106,289)</u>
Total Capital Assets (Net)	<u>\$ 13,066,556</u>	<u>\$ 6,879,032</u>

The activity for the year consisted of depreciation of \$330,611, additions to construction in progress of \$6,522,435, and land disposal of \$4,300.

General Fund Budgetary Highlights

The budget exceeded actual governmental expenditures primarily due to less lake/pond bank maintenance expenditures than were anticipated.

The September 30, 2022 budget was not amended.

Debt Management

Governmental Activities debt includes the following:

- In May 2004, the District issued \$27,740,000 Series 2004A and \$15,200,000 Series 2004B Capital Improvement Revenue Bonds. These bonds were issued to finance the costs of the 2004 Project. The Series 2004B were repaid in full in a prior year. The Series 2004A bonds were trifurcated in August 2019. The unexchanged portion of the bonds still outstanding as of September 30, 2022 was \$1,987,173.
- In September 2021, the District issued Series 2021 Capital Improvement Revenue Refunding Bonds for \$7,096,000. The bonds were issued to fully redeem the Series 2004A-2 bond. The balance outstanding at September 30, 2022 was \$6,597,000.
- In May 2021, the District issued \$10,545,000 Series 2021 Capital Improvement Revenue Bonds. These bonds were issued to finance a portion of the acquisition, construction and equipping of the expansion project. The balance outstanding at September 30, 2022 was \$10,330,000.

**CFM Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Economic Factors and Next Year's Budget

CFM Community Development District does not expect any economic factors to have any significant effect on the financial position or results of operations of the District in fiscal year 2023.

Request for Information

The financial report is designed to provide a general overview of CFM Community Development District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the CFM Community Development District's Accounting Department at 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614.

CFM Community Development District
STATEMENT OF NET POSITION
September 30, 2022

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash	\$ 726,931
Prepaid expenses	13,250
Deposits	2,800
Total Current Assets	<u>742,981</u>
Non-current Assets	
Restricted assets	
Investments	4,556,434
Capital assets not being depreciated	
Land	2,664,365
Construction in progress	6,573,811
Capital assets being depreciated	
Infrastructure	8,265,280
Less: accumulated depreciation	<u>(4,436,900)</u>
Total Non-current Assets	<u>17,622,990</u>
Total Assets	<u>18,365,971</u>
 DEFERRED OUTFLOW OF RESOURCES	
Deferred amount on refunding, net	<u>199,503</u>
 LIABILITIES	
Current Liabilities	
Accounts payable and accrued expenses	29,915
Matured interest payable	310,495
Accrued interest	170,253
Bonds payable	674,000
Total Current Liabilities	<u>1,184,663</u>
Non-current liabilities	
Bonds payable, net	<u>18,410,390</u>
Total Liabilities	<u>19,595,053</u>
 NET POSITION	
Net investment in capital assets	(2,137,165)
Restricted for debt service	394,520
Unrestricted	713,066
Total Net Position	<u><u>\$ (1,029,579)</u></u>

See accompanying notes to financial statements.

CFM Community Development District
STATEMENT OF ACTIVITIES
For The Year Ended September 30, 2022

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues Charges for Services</u>	<u>Net (Expense) Revenues and Changes in Net Position Governmental Activities</u>
Governmental Activities			
General government	\$ (163,401)	\$ 196,220	\$ 32,819
Physical environment	(652,390)	386,409	(265,981)
Interest and other charges	(630,993)	1,536,044	905,051
Total Governmental Activities	<u>\$ (1,446,784)</u>	<u>\$ 2,118,673</u>	<u>671,889</u>

General revenues:

Investment earnings	16,690
Gain on sale of assets	70,700
Total General Revenues	<u>87,390</u>

Change in Net Position 759,279

Net Position - Beginning of year	(1,788,858)
Net Position - End of year	<u>\$ (1,029,579)</u>

See accompanying notes to financial statements.

**CFM Community Development District
BALANCE SHEET –
GOVERNMENTAL FUNDS
September 30, 2022**

ASSETS	General	Debt Service	Capital Projects	Total Governmental Funds
Cash	\$ 726,931	\$ -	\$ -	\$ 726,931
Prepaid expenses	13,250	-	-	13,250
Deposits	2,800	-	-	2,800
Restricted assets:				
Investments, at fair value	-	1,167,184	3,389,250	4,556,434
Total Assets	\$ 742,981	\$ 1,167,184	\$ 3,389,250	\$ 5,299,415
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable and accrued expenses	\$ 29,915	\$ -	\$ -	\$ 29,915
Matured interest payable	-	310,495	-	310,495
Total Liabilities	29,915	310,495	-	340,410
FUND BALANCES				
Nonspendable:				
Prepaid expenses	13,250	-	-	13,250
Deposits	2,800	-	-	2,800
Restricted:				
Debt service	-	856,689	-	856,689
Capital projects	-	-	3,389,250	3,389,250
Unassigned:				
Total Fund Balances	713,066	856,689	3,389,250	4,959,005
Total Liabilities and Fund Balances	\$ 742,981	\$ 1,167,184	\$ 3,389,250	\$ 5,299,415

See accompanying notes to financial statements.

**CFM Community Development District
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2022**

Total Governmental Fund Balances	\$ 4,959,005
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets, land, \$2,664,365, construction in progress, \$6,573,811, infrastructure, \$8,265,280, net of accumulated depreciation, \$(4,436,900), used in governmental activities are not current financial resources and therefore, are not reported at the governmental fund level.	13,066,556
Long-term liabilities, including bonds payable, \$(18,914,173) net of bond premium, \$(170,217), are not due and payable in the current period and therefore, are not reported at the governmental fund level.	(19,084,390)
Deferred outflow of resources are not current financial resources and therefore, are not reported at the governmental fund level.	199,503
Accrued interest expense for long-term debt is not a current financial use and therefore, is not reported at the governmental fund level.	<u>(170,253)</u>
Net Position of Governmental Activities	<u><u>\$ (1,029,579)</u></u>

See accompanying notes to financial statements.

CFM Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
For The Year Ended September 30, 2022

	General	Debt Service	Capital Projects	Total Governmental Funds
Revenues				
Special assessments	\$ 582,629	\$ 1,536,044	\$ -	\$ 2,118,673
Investment earnings	1,200	2,758	12,732	16,690
Total Revenues	<u>583,829</u>	<u>1,538,802</u>	<u>12,732</u>	<u>2,135,363</u>
Expenditures				
Current				
General government	163,401	-	-	163,401
Physical environment	321,779	-	-	321,779
Capital outlay	-	-	6,522,435	6,522,435
Debt service				
Principal	-	714,000	-	714,000
Interest	-	551,389	-	551,389
Other	-	4,291	1,500	5,791
Total Expenditures	<u>485,180</u>	<u>1,269,680</u>	<u>6,523,935</u>	<u>8,278,795</u>
Excess of revenues over/(under) expenditures	<u>98,649</u>	<u>269,122</u>	<u>(6,511,203)</u>	<u>(6,143,432)</u>
Other Financing Sources/(Uses)				
Proceeds from sale of assets	-	-	75,000	75,000
Transfers in	-	(10)	-	(10)
Transfers out	-	-	10	10
Total Other Financing Sources/(Uses)	<u>-</u>	<u>(10)</u>	<u>75,010</u>	<u>75,000</u>
Net change in fund balances	98,649	269,112	(6,436,193)	(6,068,432)
Fund Balances - Beginning of year	<u>614,417</u>	<u>587,577</u>	<u>9,825,443</u>	<u>11,027,437</u>
Fund Balances - End of year	<u>\$ 713,066</u>	<u>\$ 856,689</u>	<u>\$ 3,389,250</u>	<u>\$ 4,959,005</u>

See accompanying notes to financial statements.

CFM Community Development District
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For The Year Ended September 30, 2022

Net Change in Fund Balances - Total Governmental Funds \$ (6,068,432)

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

Governmental funds report capital outlays. However, in the Statement of Activities the costs of those assets is allocated over their estimated useful lives as depreciation. This is the amount that depreciation, \$(330,611), and land disposal, \$(4,300) was exceeded by capital outlay, \$6,522,435, in the current year.	6,187,524
Repayment of bond principal is an expenditure at the fund level, but the repayment reduces long-term liabilities at the government-wide level.	714,000
The deferred outflow of resources for refunding of debt is recognized as a component of interest expense in the Statement of Activities, but not in the governmental funds. This is the amount of current year interest.	(15,855)
Bond premium is recognized as an other financing source at the fund level in the year of issuance, however, at the government-wide level, they increase liabilities, and are amortized over the life of the debt, this is the current year interest.	5,955
In the Statement of Activities, interest is accrued on outstanding bonds; whereas in governmental funds, interest expenditures are reported when due. This is the net amount between the prior year and the current year accruals.	<u>(63,913)</u>

Change in Net Position of Governmental Activities \$ 759,279

See accompanying notes to financial statements.

CFM Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
GENERAL FUND
For the Year Ended September 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget Positive (Negative)
Revenues				
Special assessments	\$ 580,997	\$ 580,997	\$ 582,629	\$ 1,632
Investment earnings	-	-	1,200	1,200
Total Revenues	<u>580,997</u>	<u>580,997</u>	<u>583,829</u>	<u>2,832</u>
Expenditures				
Current				
General government	159,936	159,936	163,401	(3,465)
Physical environment	421,061	421,061	321,779	99,282
Total Expenditures	<u>580,997</u>	<u>580,997</u>	<u>485,180</u>	<u>95,817</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>98,649</u>	<u>98,649</u>
Fund Balances - Beginning of year	<u>-</u>	<u>-</u>	<u>614,417</u>	<u>614,417</u>
Fund Balnces - End of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$713,066</u></u>	<u><u>\$ 713,066</u></u>

See accompanying notes to financial statements.

**CFM Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. Reporting Entity

The District was established on January 14, 2002 by Lee County Ordinance 02-01 and the provisions of the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), as a Community Development District. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of the infrastructure necessary for community development within its jurisdiction. The District is authorized to issue bonds for the purpose of, among others, financing, funding, planning, establishing, acquiring, constructing or re-constructing, enlarging or extending, equipping, operating and maintaining water management, water supply, sewer and waste water management, bridges or culverts, district roads, landscaping, street lights and other basic infrastructure projects within or outside the boundaries of the CFM Community Development District. The District is governed by a five-member Board of Supervisors, who are elected for terms of four years. The District operates within the criteria established by Chapter 190, Florida Statutes.

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

Based upon the application of the above-mentioned criteria as set forth in principles established by the Governmental Accounting Standards Board, the District has identified one component unit. The component unit is Maxcy Development Group Holdings - CFM, Inc. The component unit did not provide the district with any financial activity for the current year, and therefore, the component unit is not reflected in the financial statements as a discretely presented component unit. Subsequent to year end, in December 2022, the SPE was dissolved.

CFM Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting

The basic financial statements of the District are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to financial statements

a. Government-wide Financial Statements

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

Governmental activities which normally are supported by special assessments, developer assessments and interest, are reported separately from business-type activities. Program revenues include charges for services, and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

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

Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

b. Fund Financial Statements

The underlying accounting system of the District is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental funds are presented after the government-wide financial statements. These statements display information about major funds individually.

**CFM Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds

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

The District has various policies governing the fund balance classifications.

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

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

Assigned Fund Balance – This classification consists of the Board of Supervisors' intent to be used for specific purposes, but are neither restricted nor committed.

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

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

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

**CFM Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds (Continued)

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

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

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

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

Debt service expenditures are recorded only when payment is due.

3. Basis of Presentation

a. Governmental Major Funds

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

Debt Service Fund – Accounts for debt service requirements to retire certain special assessment bonds which were used to finance the construction of District infrastructure improvements and finance certain additional improvements. The bond series is secured by a pledge of debt service special assessment revenues in any fiscal year related to the improvements. A lien is placed on all benefited land in relationship to the debt outstanding.

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

**CFM Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Basis of Presentation (Continued)

b. Non-current Governmental Assets/Liabilities

GASB Statement 34 requires that non-current governmental assets, such as land and buildings, and non-current governmental liabilities, such as special assessment bonds, be reported in the governmental activities column in the government-wide statement of net position.

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

a. Cash and Investments

Florida Statutes require state and local governmental units to deposit monies with financial institutions classified as "Qualified Public Depositories," a multiple financial institution pool whereby groups of securities pledged by the various financial institutions provide common collateral from their deposits of public funds. This pool is provided as additional insurance to the federal depository insurance and allows for additional assessments against the member institutions, providing full insurance for public deposits.

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

1. Direct obligations of the United States Treasury;
2. The Local Government Surplus Funds Trust or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperative Act of 1969;
3. Interest-bearing time deposits or savings accounts in authorized qualified public depositories;
4. Securities and Exchange Commission, registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

Cash equivalents include time deposits and certificates of deposit with original maturities of three months or less and held in a qualified public depository as defined by Section 280.02, Florida Statutes.

**CFM Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

b. Restricted Assets

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

c. Capital Assets

Capital assets, which include land, construction in progress, and infrastructure, are reported in the applicable governmental activities column.

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

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

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

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

Infrastructure	30 years
----------------	----------

d. Deferred Outflow of Resources

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

e. Unamortized Bond Premium/Discount

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

**CFM Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

f. Budgets

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

NOTE C – CASH AND INVESTMENTS

All deposits are held in qualified public depositories and are included on the accompanying balance sheet as cash and investments.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk; however, they follow the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2022, the District's bank balance was \$737,867 and the carrying value was \$726,931. Exposure to custodial credit risk was as follows. The District maintains all deposits and certificates of deposit in a qualified public depository in accordance with the provisions of Chapter 280, Florida Statutes, which means that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes.

Investments

As of September 30, 2022, the District had the following investments and maturities:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
First American Treasury Obligation	9 days*	\$ 3,969,885
Fidelity Government Portfolio	16 days*	3
U S Bank Money Market	N/A	586,546
Total Investments		<u>\$ 4,556,434</u>

*Weighted Average Maturity

**CFM Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022**

NOTE C – CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

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

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

Based on the criteria in the preceding paragraph, the investments listed above, except the U S Bank Money Market, are Level 1 assets.

Interest Rate Risk

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

Credit Risk

The District's investments in Fidelity Government Portfolios and First American Treasury Obligation are limited by state statutory requirements and bond compliance. The District has no investment policy that would further limit its investment choices. As of September 30, 2022, the District's investments in Fidelity Government Portfolio and First American Treasury Obligation were rated AAAM by Standard and Poor's. The U S Bank Money Market is not rated.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one fund. The investments in Fidelity Government Portfolios are less than 1% of the District's total investments, while the investments in First American Treasury Obligation are 87% of the District's total investments and the U S Bank Money Market is 13% of the District's total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2022 were typical of these items during the fiscal year then ended. The District considers any decline in fair value for certain investments to be temporary.

**CFM Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022**

NOTE D – SPECIAL ASSESSMENT REVENUES

Special assessment revenues recognized for the 2021-2022 fiscal year were levied in August 2021. All taxes are due and payable on November 1 or as soon as the assessment roll is certified and delivered to the Tax Collector. Per Section 197.162, Florida Statutes, discounts are allowed for early payment at the rate of 4% in November, 3% in December, 2% in January, and 1% in February. Taxes paid in March are without discount.

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

NOTE E – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2022 was as follows:

	Beginning Balance October 1, 2021	Additions	Deletions	Ending Balance September 30, 2022
<u>Governmental Activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 2,668,665	\$ -	\$ 4,300	\$ 2,664,365
Construction in progress	51,376	6,522,435	-	6,573,811
Total Capital Assets, Not Depreciated	<u>2,720,041</u>	<u>6,522,435</u>	<u>4,300</u>	<u>9,238,176</u>
Capital assets, being depreciated:				
Infrastructure	8,265,280	-	-	8,265,280
Less accumulated depreciation for:				
Infrastructure	<u>(4,106,289)</u>	<u>(330,611)</u>	<u>-</u>	<u>(4,436,900)</u>
Total Capital Assets Depreciated, Net	<u>4,158,991</u>	<u>(330,611)</u>	<u>-</u>	<u>3,828,380</u>
Total Capital Assets, Net	<u>\$ 6,879,032</u>	<u>\$ 6,191,824</u>	<u>\$ 4,300</u>	<u>\$ 13,066,556</u>

Depreciation of \$330,611 was charged to physical environment.

**CFM Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022**

NOTE F – LONG-TERM DEBT

The following is a summary of activity for long-term debt of the District for the year ended September 30, 2022:

Bonds payable at October 1, 2021	\$ 19,628,173
Principal payments	<u>(714,000)</u>
Bonds payable at September 30, 2022	18,914,173
Bond premium, net	<u>170,217</u>
Bonds Payable, Net at September 30, 2021	<u>\$ 19,084,390</u>

Long-term debt is comprised of the following:

\$10,545,000 Capital Improvement Revenue Bonds, Series 2021 due in annual principal installments, beginning May 1, 2022. Interest is due semi-annually on May 1 and November 1, beginning November 1, 2021, at various rates ranging from 2.4% to 4.0% with a maturity date of May 1, 2051. Current portion is \$220,000.

\$ 10,330,000

\$7,096,000 Capital Improvement Revenue Refunding Bonds, Series 2021 due in annual principal installments, beginning May 1, 2022. Interest is due semi-annually on May 1 and November 1, beginning November 1, 2021, at various rates ranging from 1.009% to 2.593% with a maturity date of May 1, 2035. Current portion is \$454,000.

\$ 6,597,000

\$27,740,000 Series 2004A and \$15,200,000 Series 2004B Capital Improvement Revenue Bonds. These bonds were issued to finance the costs of the 2004 Project. The Series 2004B were repaid in full in a prior year. In the absence of available funds, the scheduled debt service payments due beginning May 1, 2010, had not been paid. As a result of the non-payments, the Series 2004A bonds were trifurcated in August 2019. The remaining amount due on the Series 2004A-1 Bonds, originally \$8,195,000, were cancelled in the prior year. The remaining amount due on the Series 2004A-2 bonds, originally \$8,285,000, were refunded in the prior year. The unexchanged portion of the bonds still outstanding as of September 30, 2022 was \$1,987,173. This amount is not included in the amortization schedule. The unexchanged bonds are secured solely by the Parcel A and Parcel J True-Up payments from D.R. Horton. When all remaining Parcels have been sold, and no further True-Up payments are payable, the unexchanged Series 2004A Bonds will be cancelled following a final distribution.

**CFM Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022**

NOTE F – LONG-TERM DEBT (CONTINUED)

The annual requirements to amortize the principal and interest of bonded debt outstanding as of September 30, 2022 are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 674,000	\$ 496,979	\$ 1,170,979
2024	685,000	486,471	1,171,471
2025	701,000	474,827	1,175,827
2026	714,000	462,009	1,176,009
2027	728,000	448,197	1,176,197
2028-2032	3,903,000	1,982,055	5,885,055
2033-2037	3,267,000	1,452,201	4,719,201
2038-2042	1,860,000	1,083,454	2,943,454
2043-2047	2,245,000	706,400	2,951,400
2048-2051	2,150,000	219,400	2,369,400
Totals	<u>\$ 16,927,000</u>	<u>\$ 7,811,993</u>	<u>\$ 24,738,993</u>

Summary of Significant Bonds Resolution Terms and Covenants

The Trust Indenture established certain restrictions and requirements relating to the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service.

Depository Funds

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

**CFM Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022**

NOTE F – LONG-TERM DEBT (CONTINUED)

Summary of Significant Bonds Resolution Terms and Covenants (Continued)

Reserve Funds

The Series 2021 Reserve Account was funded from the proceeds of the Series 2021 Bonds in an amount equal to 50 percent of the maximum annual debt service for the Series 2021 Capital Improvement Revenue Bonds. Monies held in the reserve accounts will be used for the purposes established in the Trust Indenture.

The following is a schedule of required reserve balances as of September 30, 2022:

	<u>Reserve Balance</u>	<u>Reserve Requirement</u>
Series 2021 Capital Improvement Revenue Bonds	\$ 291,916	\$ 291,916

NOTE G – RISK MANAGEMENT

The government is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. These risks are covered by commercial insurance from independent third parties. There were no claims or settled claims from these risks for each of the past three years.

NOTE H – RELATED PARTY TRANSACTIONS

During the year ended September 30, 2022, the District recorded \$53,812 in Maintenance and Operations expenses with Magnolia Landing Golf, LLC, a subsidiary of the Previous Developer.

During the year ended September 30, 2022, the District recorded \$72,202 in Maintenance and Operations expenses with Magnolia Landing Master Association, Inc. (“HOA”), the master homeowners association located in the District.

NOTE I – SUBSEQUENT EVENT

In December 2022, upon dissolution of the SPE, the District made an interest payment in the aggregate amount of \$658,251 toward matured interest on the unexchanged portion of the Series 2004 Capital Improvement Revenue Bonds.



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements, as listed in the table of contents, of CFM Community Development District, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the basic financial statements and have issued our report thereon dated June 12, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit, we considered CFM Community Development District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CFM Community Development District's internal control. Accordingly, we do not express an opinion on the effectiveness of CFM Community Development District's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

To the Board of Supervisors
CFM Community Development District

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether CFM Community Development District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



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

June 12, 2023



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

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MANAGEMENT LETTER

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

Report on the Financial Statements

We have audited the financial statements of the CFM Community Development District as of and for the year ended September 30, 2022, and have issued our report thereon dated June 12, 2023.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and our Independent Auditor's Report on an examination conducted in accordance with *AICPA Professionals Standards*, AT-C Section 315 regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in that report, which is dated June 12, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. The findings or recommendations made in the preceding financial audit report were corrected in the previous year.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, requires that we apply appropriate procedures and communicate the results of our determination as to whether or not CFM Community Development District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify of the specific conditions met. In connection with our audit, we determined that the CFM Community Development District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

To the Board of Supervisors
CFM Community Development District

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial conditions assessment procedures as of September 30, 2022 for CFM Community Development District. It is management's responsibility to monitor the CFM Community Development District's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same.

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

Specific Information

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

As required by Section 218.39(3)(c) and Section 218.32(1)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the CFM Community Development District reported:

- 1) The total number of district employees compensated in the last pay period of the District's fiscal year: 0
- 2) The total number of independent contractors to whom nonemployee compensation, defined as individuals or entities that receive 1099s, was paid in the last month of the District's fiscal year: 0
- 3) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: \$0
- 4) All compensation earned by or awarded to nonemployee independent contractors, defined as entities or individuals that receive 1099s, whether paid or accrued, regardless of contingency: \$2,674,795
- 5) Each construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1, 2021, together with the total expenditures for such project: N/A.
- 6) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes: There were no amendments to the FY 2022 budget.

As required by Section 218.39(3)(c) and Section 218.32(1)(c), Florida Statutes, and Section 10.554(1)(i)8, Rules of the Auditor General, the CFM Community Development District reported:

- 1) The rate or rates of non-ad valorem special assessments imposed by the District: General Fund \$551.44 and Debt Service \$874.51 – \$1,499.16.
- 2) The amount of special assessments collected by or on behalf of the District: \$2,118,673.
- 3) The total amount of outstanding bonds issued by the District and the terms of such bonds: \$6,597,000 and \$10,330,000 bonds outstanding, maturing in May 2035 and May 2051.

To the Board of Supervisors
CFM Community Development District

Additional Matters

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

Purpose of this Letter

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

*Berger Toombs Elam
Gaines + Frank*

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

June 12, 2023



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

Certified Public Accountants PL

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

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

We have examined CFM Community Development District's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2022. Management is responsible for CFM Community Development District's compliance with those requirements. Our responsibility is to express an opinion on CFM Community Development District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about CFM Community Development District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on CFM Community Development District's compliance with the specified requirements.

In our opinion, CFM Community Development District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2022.

*Berger Toombs Elam
Gaines & Frank*

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

June 12, 2023

Tab 12



LLS Tax Solutions Inc.
2172 W. Nine Mile Rd.
#352
Pensacola, FL 32534
Telephone: 850-754-0311
Email: liscott@llstax.com

July 6, 2023

Ms. Kayla Connell
CFM Community Development District
c/o Rizzetta & Company, Inc.
3434 Colwell Avenue, Suite 200
Tampa, Florida 33614

\$1,987,173
CFM Community Development District
Capital Improvement Revenue Bonds, Series 2004A
("Bonds")

Dear Ms. Connell:

Attached you will find our arbitrage rebate report for the above-referenced Bonds for the final period ended June 29, 2023 ("Computation Period"). This report indicates that there is no cumulative rebate amount liability as of June 29, 2023.

Also, as the bonds were defeased on June 29, 2023, no further arbitrage calculations will be necessary.

If you have any questions or comments, please do not hesitate to contact me at (850) 754-0311 or by email at liscott@llstax.com.

Sincerely,

Linda L. Scott
Linda L. Scott, CPA

cc: Mr. Keith Marshall, US Bank

***CFM Community
Development District***

*\$1,987,173 CFM Community Development District Capital
Improvement Revenue Bonds, Series 2004A*

For the period ended June 29, 2023



LLS Tax Solutions Inc.
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July 6, 2023

CFM Community Development District
c/o Rizzetta & Company, Inc.
3434 Colwell Avenue, Suite 200
Tampa, Florida 33614

Re: \$1,987,173 CFM Community Development District Capital Improvement Revenue Bonds, Series 2004A (“Bonds”)

CFM Community Development District (“Client”) has requested that we prepare certain computations related to the above-described Bonds for the period ended June 29, 2023 (“Computation Period”). The scope of our engagement consisted of the preparation of computations to determine the Rebate Amount for the Bonds for the Computation Period as described in Section 148(f) of the Internal Revenue Code of 1986, as amended (“Code”), and this report is not to be used for any other purpose.

In order to prepare these computations, we were provided by the Client with and have relied upon certain closing documents for the Bonds and investment earnings information on the proceeds of the Bonds during the Computation Period. The attached schedule is based upon the aforementioned information provided to us. The assumptions and computational methods we used in the preparation of the schedule are described in the Summary of Notes, Assumptions, Definitions and Source Information. A brief description of the schedule is also attached.

The results of our computations indicate a negative Cumulative Rebate Amount of \$(9,186,624.95) at June 29, 2023. As such, no amount must be on deposit in the Rebate Fund. Also, as the bonds were defeased on June 29, 2023, no further arbitrage calculations will be necessary.

As specified in the Federal Tax Certificate, the calculations have been performed based upon a Bond Yield of 6.18775%. Accordingly, we have not recomputed the Bond Yield.

The scope of our engagement was limited to the preparation of a mathematically accurate Rebate Amount for the Bonds for the Computation Period based on the information provided to us. The Rebate Amount has been determined as described in the Code, and regulations promulgated thereunder (“Regulations”). We have no obligation to update this report because of events occurring, or information coming to our attention, subsequent to the date of this report.

LLS Tax Solutions Inc.

SUMMARY OF NOTES, ASSUMPTIONS, DEFINITIONS, SOURCE INFORMATION, AND DESCRIPTION OF SCHEDULE

CFM Community Development District
July 6, 2023
\$1,987,173 Capital Improvement Revenue Bonds, Series 2004A
For the period ended June 29, 2023

NOTES AND ASSUMPTIONS

1. The issue date of the Bonds is May 24, 2004.
2. The end of the first Bond Year for the Bonds is April 30, 2005.
3. Computations of yield are based upon a 30-day month, a 360-day year and semiannual compounding.
4. We have assumed that the only funds and accounts relating to the Bonds that are subject to rebate under Section 148(f) of the Code are shown in the attached schedule.
5. For investment cash flow purposes, all payments and receipts are assumed to be paid or received, respectively, as shown in the attached schedule. In determining the Rebate Amount for the Bonds, we have relied on information provided by you without independent verification, and we can therefore express no opinion as to the completeness or suitability of such information for such purposes. In addition, we have undertaken no responsibility to review the tax-exempt status of interest on the Bonds.
6. We have assumed that the purchase and sale prices of all investments as represented to us are at fair market value, exclusive of brokerage commissions, administrative expenses, or similar expenses, and representative of arms' length transactions that did not artificially reduce the Rebate Amount for the Bonds, and that no "prohibited payments" occurred and no "imputed receipts" are required with respect to the Bonds.
7. Ninety percent (90%) of the Rebate Amount as of the next "computation date" ("Next Computation Date") is due to the United States Treasury not later than 60 days thereafter ("Next Payment Date"). (An issuer may select any date as a computation date, as long as the first computation date is not later than five years after the issue date, and each subsequent computation date is no more than five years after the previous computation date.) No other payment of rebate is required prior to the Next Payment Date. The Rebate Amount as of the Next Computation Date will not be the Rebate Amount reflected herein, but will be based on future computations that will include the period ending on the Next Computation Date. If all of the Bonds are retired prior to what would have been the Next Computation Date, one hundred percent (100%) of the unpaid Rebate Amount computed as of the date of retirement will be due to the United States Treasury not later than 60 days thereafter.
8. For purposes of determining what constitutes an "issue" under Section 148(f) of the Code, we have assumed that the Bonds constitute a single issue and are not required to be aggregated with any other bonds.

SUMMARY OF NOTES, ASSUMPTIONS, DEFINITIONS, SOURCE INFORMATION, AND DESCRIPTION OF SCHEDULE

CFM Community Development District
July 6, 2023
\$1,987,173 Capital Improvement Revenue Bonds, Series 2004A
For the period ended June 29, 2023

NOTES AND ASSUMPTIONS (cont'd)

9. The accrual basis of accounting has been used to calculate earnings on investments. Earnings accrued but not received at the last day of the Computation Period are treated as though received on that day. For investments purchased at a premium or a discount (if any), amortization or accretion is included in the earnings accrued at the last day of the Computation Period. Such amortization or accretion is computed in such a manner as to result in a constant rate of return for such investment. This is equivalent to the “present value” method of valuation that is described in the Regulations.
10. No provision has been made in this report for any debt service fund. Under Section 148(f)(4)(A) of the Code, a “bona fide debt service fund” for public purpose bonds issued after November 10, 1988 is not subject to rebate if the average maturity of the issue of bonds is at least five years and the rates of interest on the bonds are fixed at the issue date. It appears and has been assumed that the debt service fund allocable to the Bonds qualifies as a bona fide debt service fund, and that this provision applies to the Bonds.
11. In order to prepare the Arbitrage Calculation, we have relied on a prior arbitrage report by Deloitte Tax LLP with respect to the Rebate Amount liability as of April 30, 2011.
12. The district restructured the outstanding \$17,885,000 original Series 2004A Bonds by trifurcating them into the (a) \$1,987,173 remaining original Series 2004A Bonds which are to remain outstanding (the “Unexchanged Series 2004A Bonds”) (b) initial principal amount of \$7,612,827 of Capital Improvement Revenue Bonds, Series 2004A-1 (Convertible Capital Appreciation Bonds), and (c) \$8,285,000 Capital Improvement Revenue Bonds, Series 2004A-2.
13. Per Notice of Final Distribution, the Trustee has been made aware that the development is complete, and all financial commitments have been received and has fixed June 29, 2023 (the “Final Distribution Date”) as the date on which the Trustee will make a final distribution of excess funds and any other amounts held by the Trustee in the Series Accounts. Following application and distribution of funds on or about the Final Distribution Date as described above, the Trustee intends promptly to close its books and records with respect to the Bonds. Effective June 29, 2023, the Bonds are deemed null, void, and worthless. There will be no future payments.

SUMMARY OF NOTES, ASSUMPTIONS, DEFINITIONS, SOURCE INFORMATION, AND DESCRIPTION OF SCHEDULE

CFM Community Development District
July 6, 2023
\$1,987,173 Capital Improvement Revenue Bonds, Series 2004A
For the period ended June 29, 2023

DEFINITIONS

1. *Bond Year*: Each one-year period that ends on the day selected by the Client. The first and last Bond Years may be shorter periods.
2. *Bond Yield*: The yield that, when used in computing the present value (at the issue date of the Bonds) of all scheduled payments of principal and interest to be paid over the life of the Bonds, produces an amount equal to the Issue Price.
3. *Allowable Earnings*: The amount that would have been earned if all nonpurpose investments were invested at a rate equal to the Bond Yield, which amount is determined under a future value method described in the Regulations.
4. *Computation Date Credit*: A credit allowed by the Regulations as a reduction to the Rebate Amount on certain prescribed dates.
5. *Rebate Amount*: The excess of actual earnings over Allowable Earnings and Computation Date Credits.
6. *Issue Price*: Generally, the initial offering price at which a substantial portion of the Bonds is sold to the public. For this purpose, 10% is a substantial portion.

SUMMARY OF NOTES, ASSUMPTIONS, DEFINITIONS, SOURCE INFORMATION, AND DESCRIPTION OF SCHEDULE

CFM Community Development District
July 6, 2023
\$1,987,173 Capital Improvement Revenue Bonds, Series 2004A
For the period ended June 29, 2023

SOURCE INFORMATION

Bonds

Source

Closing Date

Federal Tax Certificate

Bond Yield

Federal Tax Certificate

Investments

Source

Principal and Interest Receipt Amounts
and Dates

Trust Statements

Investment Dates and Purchase Prices

Trust Statements

SUMMARY OF NOTES, ASSUMPTIONS, DEFINITIONS, SOURCE INFORMATION, AND DESCRIPTION OF SCHEDULE

CFM Community Development District
July 6, 2023
\$1,987,173 Capital Improvement Revenue Bonds, Series 2004A
For the period ended June 29, 2023

DESCRIPTION OF SCHEDULE

SCHEDULE 1 - REBATE AMOUNT CALCULATION

Schedule 1 sets forth the amount of interest receipts and gains/losses on sales of investments and the calculation of the Rebate Amount.

\$1,987,173 CFM COMMUNITY DEVELOPMENT DISTRICT
 CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2004A

SCHEDULE 1 - REBATE AMOUNT CALCULATION

5 / 24 / 2004 ISSUE DATE
 5 / 1 / 2019 BEGINNING OF COMPUTATION PERIOD
 6 / 29 / 2023 COMPUTATION DATE

DATE	FUND/ACCOUNT	INVESTMENT VALUE AT COMPUTATION DATE	EARNINGS ON INVESTMENTS	OTHER DEPOSITS (WITHDRAWALS)	FUTURE VALUE AT BOND YIELD 6.18775%	ALLOWABLE EARNINGS
5 / 1 / 2019	BEGINNING BALANCE		0.00	32,987.62	42,508.70	9,521.08
5 / 1 / 2019	RESERVE FUND AB		55.80	0.00	0.00	0.00
5 / 2 / 2019	RESERVE FUND AB		0.00	(55.80)	(71.89)	(16.09)
6 / 3 / 2019	RESERVE FUND AB		27.72	0.00	0.00	0.00
6 / 3 / 2019	RESERVE FUND AB		29.50	0.00	0.00	0.00
6 / 4 / 2019	RESERVE FUND AB		0.00	(57.22)	(73.32)	(16.10)
7 / 1 / 2019	RESERVE FUND AB		55.31	0.00	0.00	0.00
7 / 2 / 2019	RESERVE FUND AB		0.00	(55.31)	(70.54)	(15.23)
8 / 1 / 2019	RESERVE FUND AB		56.31	0.00	0.00	0.00
8 / 2 / 2019	RESERVE FUND AB		0.00	(56.31)	(71.45)	(15.14)
8 / 20 / 2019	RESERVE FUND AB		0.00	(32,987.62)	(41,731.56)	(8,743.94)
9 / 3 / 2019	RESERVE FUND AB		34.17	0.00	0.00	0.00
9 / 4 / 2019	RESERVE FUND AB		0.00	(34.17)	(43.13)	(8.96)
		<u>0.00</u>	<u>258.81</u>	<u>(258.81)</u>	<u>446.81</u>	<u>705.62</u>
	ACTUAL EARNINGS		258.81			
	ALLOWABLE EARNINGS		<u>705.62</u>			
	REBATE AMOUNT		(446.81)			
	FUTURE VALUE OF 4/30/2019 CUMULATIVE REBATE AMOUNT		(9,184,218.14)			
	COMPUTATION DATE CREDIT		<u>(1,960.00)</u>			
	CUMULATIVE REBATE AMOUNT		<u>(9,186,624.95)</u>			

Tab 13



LLS Tax Solutions Inc.
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August 9, 2023

CFM Community Development District
c/o Rizzetta & Company, Inc.
3434 Colwell Avenue, Suite 200
Tampa, Florida 33614

Thank you for choosing LLS Tax Solutions Inc. (“LLS Tax”) to provide arbitrage services to CFM Community Development District (“Client”) for the following bond issue. This Engagement Letter describes the scope of the LLS Tax services, the respective responsibilities of LLS Tax and Client relating to this engagement and the fees LLS Tax expects to charge.

- \$7,096,000 CFM Community Development District Capital Improvement Revenue Refunding Bonds, Series 2021

SCOPE OF SERVICES

The procedures that we will perform are as follows:

- Assist in calculation of the bond yield, unless previously computed and provided to us.
- Assist in determination of the amount, if any, of required rebate to the federal government.
- Issuance of a report presenting the cumulative results since the issue date of the issue of bonds.
- Preparation of necessary reports and Internal Revenue Service (“IRS”) forms to accompany any required payment to the federal government.

As a part of our engagement, we will read certain documents associated with each issue of bonds for which services are being rendered. We will determine gross proceeds of each issue of bonds based on the information provided in such bond documents. You will have sole responsibility for determining any other amounts not discussed in those documents that may constitute gross proceeds of each series of bonds for the purposes of the arbitrage requirements.

TAX POSITIONS AND REPORTABLE TRANSACTIONS

Because the tax law is not always clear, we will use our professional judgment in resolving questions affecting the arbitrage calculations. Unless you instruct us otherwise, we will take the reporting position most favorable to you whenever reasonable. Any of your bond issues may be selected for review by the IRS, which may not agree with our positions. Any proposed adjustments are subject to certain rights of appeal. Because of the lack of clarity in the law, we cannot provide assurances that

the positions asserted by the IRS may not ultimately be sustained, which could result in the assessment of potential penalties. You have the ultimate responsibility for your compliance with the arbitrage laws; therefore, you should review the calculations carefully.

The IRS and some states have promulgated “tax shelter” rules that require taxpayers to disclose their participation in “reportable transactions” by attaching a disclosure form to their federal and/or state income tax returns and, when necessary, by filing a copy with the Internal Revenue Service and/or the applicable state agency. These rules impose significant requirements to disclose transactions and such disclosures may encompass many transactions entered into in the normal course of business. Failure to make such disclosures will result in substantial penalties. In addition, an excise tax is imposed on exempt organizations (including state and local governments) that are a party to prohibited tax shelter transactions (which are defined using the reportable transaction rules). Client is responsible for ensuring that it has properly disclosed all “reportable transactions” and, where applicable, complied with the excise tax provision. The LLS Tax services that are the subject of this Engagement Letter do not include any undertaking by LLS Tax to identify any reportable transactions that have not been the subject of a prior consultation between LLS Tax and Client. Such services, if desired by Client, will be the subject of a separate engagement letter. LLS Tax may also be required to report to the IRS or certain state tax authorities certain tax services or transactions as well as Client’s participation therein. The determination of whether, when and to what extent LLS Tax complies with its federal or state “tax shelter” reporting requirements will be made exclusively by LLS Tax. LLS Tax will not be liable for any penalties resulting from Client’s failure to accurately and timely file any required disclosure or pay any related excise tax nor will LLS Tax be held responsible for any consequences of its own compliance with its reporting obligations. Please note that any disclosure required by or made pursuant to the tax shelter rules is separate and distinct from any other disclosure that Client might be required to or choose to make with its tax returns (e.g., disclosure on federal Form 8275 or similar state disclosure).

PROFESSIONAL FEES AND EXPENSES

Our professional fees for the services listed above for the three annual bond years ending September 19, 2022, September 19, 2023, and September 19, 2024, is \$1,500, which is \$500 each year. We will bill you upon completion of our services. Our invoices are payable upon receipt. Additionally, you may request additional consulting services from us upon occasion; we will bill you for these consulting services at a beforehand agreed upon rate.

Unanticipated factors that could increase our fees beyond the estimate given above include the following (without limitation). Should any of these factors arise we will alert you before additional fees are incurred.

- Investment data provided by you is not in good order or is unusually voluminous.
- Proceeds of bonds have been commingled with amounts not considered gross proceeds of the bonds (if that circumstance has not previously been communicated to us).
- A review or other inquiry by the IRS with respect to an issue of bonds.

The Client (District) has the option to terminate this Agreement within ninety days of providing notice to LLS Tax Solutions Inc. of its intent.

ACCEPTANCE

You understand that the arbitrage services, report and IRS forms described above are solely to assist you in meeting your requirements for federal income tax compliance purposes. This Engagement Letter constitutes the entire agreement between Client and LLS Tax with respect to this engagement, supersedes all other oral and written representations, understandings or agreements relating to this engagement, and may not be amended except by the mutual written agreement of the Client and LLS Tax.

Please indicate your acceptance of this agreement by signing in the space provided below and returning a copy of this Engagement Letter to us. Thank you again for this opportunity to work with you.

Very truly yours,
LLS Tax Solutions Inc.

AGREED AND ACCEPTED:
CFM Community Development District

By: Linda L. Scott

Linda L. Scott, CPA

By: _____

Print Name _____

Title _____

Date: _____

Tab 14



Rizzetta & Company

UPCOMING DATES TO REMEMBER

- **Next Meeting:** September 21, 2023
- **FY 2022-2023 Audit Completion Deadline:** June 2023
- **Next Election (Seats 1,2 & 5):** November 5, 2024

**District
Manager's
Report**

August 8

2023

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<u>FINANCIAL SUMMARY</u>		<u>6/30/2023</u>
General Fund Cash & Investment Balance		\$677,899
Debt Service Fund Investment Balance		\$492,129
Capital Projects Fund Investment Balance		\$523,859
Total Cash and Investment Balances		\$1,693,887
General Fund Expense Variance:	\$85,799	Over Budget



Rizzetta & Company

Streetlights: District Staff has provided LCEC with a detailed report of all streetlights that require maintenance including painting. LCEC will not send a representative onsite to review all the lights. They requested that we provide them with a list of issues. They must open a service ticket for each streetlight.

Entry Monument Lighting Project: Work is scheduled to commence on August 16, 2023.