

**GOLDEN LAKES  
COMMUNITY DEVELOPMENT DISTRICT  
POLK COUNTY, FLORIDA  
FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 2022**

**GOLDEN LAKES COMMUNITY DEVELOPMENT DISTRICT  
POLK COUNTY, FLORIDA**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors  
Golden Lakes Community Development District  
Polk County, Florida

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of Golden Lakes Community Development District, Polk County, Florida (the "District") as of and for the fiscal year ended September 30, 2022 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the District as of September 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

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

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

The District's management is responsible for the preparation and fair presentation of the 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.

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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### **Auditor's Responsibilities 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 opinions. 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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information 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 we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information Included in the Financial Report***

Management is responsible for the other information included in the financial report. The other information comprises the information for compliance with FL Statute 218.39 (3) (c), but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 13, 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, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



October 13, 2023

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Golden Lakes Community Development District, Polk County, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2022. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

### FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of the fiscal year ended September 30, 2022 resulting in a net position of \$2,430,073.
- The change in the District's total net position in comparison with the prior fiscal year was (\$762,428), a decrease. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2022, the District's governmental fund reported ending fund balance of \$973,789, a decrease of (\$28,030) in comparison with the prior fiscal year. A portion of the fund balance is non-spendable for deposits, assigned to reserves, and the remainder is unassigned fund balance which is available for spending at the District's discretion.

### OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as the introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

#### 1) Government-Wide Financial Statements

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

The statement of net position presents information on all the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the residual amount being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

The government-wide financial statements include all governmental activities that are principally supported by special assessment revenues and user charges. The governmental activities of the District include the general government (management) and maintenance functions. The business-type activities include the golf course.

#### 2) Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and proprietary funds.

## OVERVIEW OF FINANCIAL STATEMENTS (Continued)

### 2) Fund Financial Statements (Continued)

#### Governmental Funds

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

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

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

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

#### Proprietary Funds

The District maintains one type of proprietary fund, enterprise fund. An enterprise fund is used to report the same function presented as business-type activities in the government-wide financial statements. The District maintains one enterprise fund. The District uses the golf course fund to account for the operations of the golf course, pro-shop and restaurant within the District.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

### 3) Notes to the Financial Statements

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

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the District, assets exceeded liabilities at the close of the most recent fiscal year.

The District's net position reflects its investment in capital assets (e.g. land, land improvements, and infrastructure) less any related debt used to acquire those assets that is still outstanding. These assets are used to provide services to residents; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the District's other obligations.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Key components of the District's net position are reflected in the following table:

	NET POSITION SEPTEMBER 30,					
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021 (Restated)	2022	2021
Current and other assets	\$ 1,032,507	\$ 1,032,172	\$ 1,124,558	\$ 1,049,209	\$ 2,157,065	\$ 2,081,381
Capital assets, net of depreciation	2,294,238	2,223,598	3,348,647	3,191,663	5,642,885	5,415,261
Total assets	3,326,745	3,255,770	4,473,205	4,240,872	7,799,950	7,496,642
Current liabilities	74,760	30,353	473,926	401,918	548,686	432,271
Long-term liabilities	1,000,000	-	3,821,191	3,871,870	4,821,191	3,871,870
Total liabilities	1,074,760	30,353	4,295,117	4,273,788	5,369,877	4,304,141
Net position						
Net investment in capital assets	1,294,238	2,223,598	(161,572)	(603,461)	1,132,666	1,620,137
Restricted	-	-	3,780	8,505	3,780	8,505
Unrestricted	957,747	1,001,819	335,880	562,040	1,293,627	1,563,859
Total net position	\$ 2,251,985	\$ 3,225,417	\$ 178,088	\$ (32,916)	\$ 2,430,073	\$ 3,192,501

The District's net position decreased during the most recent fiscal year. The majority of the decrease represents the extent to which the cost of operations and maintenance and depreciation expense exceeded ongoing program revenues.

Key elements of the change in net position are reflected in the following table:

	CHANGES IN NET POSITION FOR THE FISCAL YEAR ENDED SEPTEMBER 30,					
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021 (Restated)	2022	2021 (Restated)
Revenues:						
Program revenues						
Charges for services	\$ 855,577	\$ 855,772	\$ 4,253,912	\$ 3,663,348	\$ 5,109,489	\$ 4,519,120
Operating grants and contributions	882	-	-	-	882	-
Capital grants and contributions	27	-	-	-	27	-
General revenues						
Unrestricted investment earnings	4,104	3,456	6	7	4,110	3,463
Miscellaneous income	-	-	-	(728)	-	(728)
Total revenues	860,590	859,228	4,253,918	3,662,627	5,114,508	4,521,855
Expenses:						
General government	145,325	151,874	-	-	145,325	151,874
Maintenance and operations	1,556,909	1,232,366	-	-	1,556,909	1,232,366
Debt issue costs	101,950	-	-	-	101,950	-
Golf course	-	-	3,873,554	3,247,973	3,873,554	3,247,973
Interest	29,838	-	169,360	167,938	199,198	167,938
Total expenses	1,834,022	1,384,240	4,042,914	3,415,911	5,876,936	4,800,151
Change in net position	(973,432)	(525,012)	211,004	246,716	(762,428)	(278,296)
Net position - beginning, as previously stated	3,225,417	-	(9,428)	-	3,215,989	(278,296)
Adjustment for GASB 87	-	-	(23,488)	-	(23,488)	(404,718)
Net position - beginning, as restated	3,225,417	3,750,429	(32,916)	(279,632)	3,192,501	3,470,797
Net position - ending	\$ 2,251,985	\$ 3,225,417	\$ 178,088	\$ (32,916)	\$ 2,430,073	\$ 3,192,501

### Governmental activities

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2022 was \$1,834,022. The costs of the District's activities were primarily funded by program revenues. Program revenues were comprised primarily of assessments for both the current and prior fiscal years. In total, expenses increased from the prior fiscal year. The majority of the increase was the result of an increase in maintenance expenses for the District's roads and drainage infrastructure, and issuance costs and interest expense related to the Series 2021 Note.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

### **Business-type activities**

Business-type activities reflect the operations of the golf course of the District, which includes a pro-shop and restaurant. The cost of operations is primarily covered by charges to customers. The increases in both revenues and expenses is primarily the result of increased golf, food and beverage operations as activities continued to increase recovering from the COVID pandemic.

## GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. The general fund budget for the fiscal year ended September 30, 2022 was amended to increase appropriations and use of fund balance by \$220,000. Actual general fund expenditures for the fiscal year ended September 30, 2022 did not exceed appropriations.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

At September 30, 2022, the District had \$12,336,865 invested in capital assets for its governmental activities. In the government-wide financial statements depreciation of \$10,042,627 has been taken, which resulted in a net book value of \$2,294,238. The District's business-type activities reported net capital assets of \$3,348,647. More detailed information about the District's capital assets is presented in the notes of the financial statements.

### Capital Debt

At September 30, 2022, the District had a \$1,000,000 Note issued during the current fiscal year outstanding for its governmental activities. At September 30, 2022, the District had \$3,560,000 Bonds outstanding for its business-type activities. The District also had \$310,972 in lease payable for its business-type activities at September 30, 2022. More detailed information about the District's capital debt is presented in the notes of the financial statements.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND OTHER EVENTS

It is anticipated that the general operations of the District will remain fairly constant.

## CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, landowners, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact Golden Lakes Community Development District's Finance Department at 210 N. University Drive, Suite 702, Coral Springs, Florida 33071.

**GOLDEN LAKES COMMUNITY DEVELOPMENT DISTRICT  
POLK COUNTY, FLORIDA  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2022**

	Governmental Activities	Business type Activities	Total
<b>ASSETS</b>			
Cash	\$ 1,201,314	\$ 346,071	\$ 1,547,385
Investments	4,896	-	4,896
Assessments receivable	1,737	646	2,383
Accounts receivable, net	11,953	177,373	189,326
Inventories	-	126,992	126,992
Prepays and deposits	7,955	80,628	88,583
Internal balances	(264,305)	264,305	-
Restricted assets:			
Investments	68,957	74,603	143,560
Cash	-	53,940	53,940
Capital assets:			
Nondepreciable	2,050,912	2,500,000	4,550,912
Depreciable, net	243,326	848,647	1,091,973
Total assets	<u>3,326,745</u>	<u>4,473,205</u>	<u>7,799,950</u>
<b>LIABILITIES</b>			
Accounts payable	58,718	171,295	230,013
Accrued interest payable	16,042	70,823	86,865
Customer deposits payable from restricted assets	-	53,940	53,940
Unearned revenue	-	177,868	177,868
Non-current liabilities:			
Due within one year	102,763	186,134	288,897
Due in more than one year	897,237	3,635,057	4,532,294
Total liabilities	<u>1,074,760</u>	<u>4,295,117</u>	<u>5,369,877</u>
<b>NET POSITION</b>			
Net investment in capital assets	1,294,238	(161,572)	1,132,666
Restricted for debt service	-	3,780	3,780
Unrestricted	957,747	335,880	1,293,627
Total net position	<u>\$ 2,251,985</u>	<u>\$ 178,088</u>	<u>\$ 2,430,073</u>

See notes to the financial statements

**GOLDEN LAKES COMMUNITY DEVELOPMENT DISTRICT  
POLK COUNTY, FLORIDA  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

Functions/Programs	Program Revenues					Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contribution		Governmental Activities	Business-type Activities	Total
Primary government:	\$ 145,325	\$ 145,325	\$ 881	\$ -	\$ -	\$ 881	\$ -	\$ 881
	1,556,909	710,252	-	27	-	(846,630)	-	(846,630)
	101,950	-	-	-	-	(101,950)	-	(101,950)
	29,838	-	1	-	-	(29,837)	-	(29,837)
	1,834,022	855,577	882	27	-	(977,536)	-	(977,536)
Total governmental activities								
Business-type activities:	3,873,554	4,253,912	-	-	-	-	380,358	380,358
	169,360	-	-	-	-	-	(169,360)	(169,360)
	4,042,914	4,253,912	-	-	-	-	210,998	210,998
Total business-type activities								
General revenues:								
Unrestricted investment earnings						4,104	6	4,110
Total general revenues						4,104	6	4,110
Change in net position						(973,432)	211,004	(762,428)
Net position - beginning, as previously stated						3,225,417	(9,428)	3,215,989
Adjustment for GASB 87						-	(23,488)	(23,488)
Net position - beginning, as restated						3,225,417	(32,916)	3,192,501
Net position - ending						\$ 2,251,985	\$ 178,088	\$ 2,430,073

See notes to the financial statements

**GOLDEN LAKES COMMUNITY DEVELOPMENT DISTRICT  
POLK COUNTY, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2022**

	Major Fund			Total
	General	Debt Service	Capital Projects	Governmental Funds
<b>ASSETS</b>				
Cash	\$ 1,201,314	\$ -	\$ -	\$ 1,201,314
Investments	4,896	13,964	54,993	73,853
Assessments receivable	1,737	-	-	1,737
Accounts receivable, net of allowance	11,953	-	-	11,953
Deposits	7,955	-	-	7,955
Total assets	<u>\$ 1,227,855</u>	<u>\$ 13,964</u>	<u>\$ 54,993</u>	<u>\$ 1,296,812</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 58,718	\$ -	\$ -	\$ 58,718
Due to other funds	250,505	13,800	-	264,305
Total liabilities	<u>309,223</u>	<u>13,800</u>	<u>-</u>	<u>323,023</u>
<b>FUND BALANCES</b>				
Nonspendable:				
Deposits	7,955	-	-	7,955
Restricted for:				
Debt service	-	164	-	164
Capital projects	-	-	54,993	54,993
Assigned to:				
Operating reserve	149,009	-	-	149,009
Roadways	288,752	-	-	288,752
Roof	20,025	-	-	20,025
Sidewalks	25,000	-	-	25,000
Streetlights	25,000	-	-	25,000
Renewal and replacement	190,260	-	-	190,260
Unassigned	212,631	-	-	212,631
Total fund balances	<u>918,632</u>	<u>164</u>	<u>54,993</u>	<u>973,789</u>
Total liabilities and fund balances	<u>\$ 1,227,855</u>	<u>\$ 13,964</u>	<u>\$ 54,993</u>	<u>\$ 1,296,812</u>

See notes to the financial statements

**GOLDEN LAKES COMMUNITY DEVELOPMENT DISTRICT  
POLK COUNTY, FLORIDA  
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
SEPTEMBER 30, 2022**

Total fund balances - governmental funds	\$	973,789
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The statement of net position includes those capital assets, net of any accumulated depreciation, in the net position of the government as a whole.

Cost of capital assets	12,336,865	
Accumulated depreciation	(10,042,627)	2,294,238

Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide financial statements. □

Accrued interest payable	(16,042)	
Note payable	(1,000,000)	(1,016,042)

Net position of governmental activities	\$	2,251,985
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See notes to the financial statements

**GOLDEN LAKES COMMUNITY DEVELOPMENT DISTRICT  
POLK COUNTY, FLORIDA  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Major Funds			Total Governmental Funds
	General	Debt Service	Capital Projects	
REVENUES				
Assessments	\$ 855,577	\$ -	\$ -	\$ 855,577
Interest earnings	4,104	1	27	4,132
Miscellaneous revenue	881	-	-	881
Total revenues	860,562	1	27	860,590
EXPENDITURES				
Current:				
General government	145,325	-	-	145,325
Maintenance and operations	693,424	-	934,125	1,627,549
Debt service:				
Interest	-	13,796	-	13,796
Debt issue costs	-	-	101,950	101,950
Total expenditures	838,749	13,796	1,036,075	1,888,620
Excess (deficiency) of revenues over (under) expenditures	21,813	(13,795)	(1,036,048)	(1,028,030)
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	(105,000)	2	104,998	-
Bond issuance	-	13,957	986,043	1,000,000
Total other financing sources (uses)	(105,000)	13,959	1,091,041	1,000,000
Net change in fund balances	(83,187)	164	54,993	(28,030)
Fund balances - beginning	1,001,819	-	-	1,001,819
Fund balances - ending	\$ 918,632	\$ 164	\$ 54,993	\$ 973,789

See notes to the financial statements

**GOLDEN LAKES COMMUNITY DEVELOPMENT DISTRICT  
POLK COUNTY, FLORIDA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

Net change in fund balances - total governmental funds	\$	(28,030)
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Amounts reported for governmental activities in the statement of activities  
are different because:

Governmental funds report capital outlays as expenditures; however, the cost of capital assets is eliminated in the statement of activities and capitalized in the statement of net position.		95,240
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Depreciation on capital assets is not recognized in the governmental fund financial statements but is reported as an expense in the statement of activities.		(24,600)
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The change in accrued interest on long-term liabilities between the current and prior fiscal years is recorded in the statement of activities, but not in the governmental fund financial statements.		(16,042)
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Governmental funds report the face amount of Bonds issued as financial resources when debt is first issued, whereas these amounts are eliminated in the statement of activities and recognized as long-term liabilities in the statement of net position.		(1,000,000)
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Change in net position of governmental activities	\$	(973,432)
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See notes to the financial statements

**GOLDEN LAKES COMMUNITY DEVELOPMENT DISTRICT  
POLK COUNTY, FLORIDA  
STATEMENT OF NET POSITION - PROPRIETARY FUND  
SEPTEMBER 30, 2022**

	Business-type Activities - Enterprise Fund	
	Golf Course	Total
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 346,071	\$ 346,071
Assessment receivable	646	646
Accounts receivable, net	177,373	177,373
Due from other funds	264,305	264,305
Restricted assets:		
Cash	53,940	53,940
Investments	74,603	74,603
Inventories	126,992	126,992
Prepays and deposits	80,628	80,628
Total current assets	1,124,558	1,124,558
Noncurrent assets:		
Capital assets:		
Golf course	2,500,000	2,500,000
Improvements other than buildings	83,301	83,301
Buildings and improvements	331,385	331,385
Furniture and fixtures	60,195	60,195
Equipment	360,742	360,742
Right to use assets-equipment	395,113	395,113
Less accumulated depreciation	(382,089)	(382,089)
Total capital assets (net of depreciation)	3,348,647	3,348,647
Total noncurrent assets	3,348,647	3,348,647
Total assets	4,473,205	4,473,205
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable and accrued expenses	171,295	171,295
Unearned revenue	177,868	177,868
Payable from restricted assets:		
Accrued interest payable	70,823	70,823
Customer deposits payable	53,940	53,940
Capital leases payable	101,134	101,134
Bonds payable	85,000	85,000
Total current liabilities	660,060	660,060
Noncurrent liabilities		
Capital leases payable	209,838	209,838
Bonds payable	3,425,219	3,425,219
Total noncurrent liabilities	3,635,057	3,635,057
Total liabilities	4,295,117	4,295,117
<b>NET POSITION</b>		
Net investment in capital assets	(161,572)	(161,572)
Restricted for debt service	3,780	3,780
Unrestricted	335,880	335,880
Total net position	\$ 178,088	\$ 178,088

See notes to the financial statements

**GOLDEN LAKES COMMUNITY DEVELOPMENT DISTRICT  
POLK COUNTY, FLORIDA  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN  
FUND NET POSITION - PROPRIETARY FUND  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Business-type Activities - Enterprise	
	Golf Course	Total
Operating revenues:		
Charges for services:		
Golf Course	\$ 2,409,807	\$ 2,409,807
Pro Shop	222,624	222,624
Restaurant and concessions	1,299,842	1,299,842
Total operating revenues	<u>3,932,273</u>	<u>3,932,273</u>
Operating expenses:		
Golf Course	446,765	446,765
Pro Shop	117,974	117,974
Restaurant and concessions	1,210,560	1,210,560
Administrative and other	1,938,291	1,938,291
Depreciation and amortization	159,964	159,964
Total operating expenses	<u>3,873,554</u>	<u>3,873,554</u>
Operating income (loss)	<u>58,719</u>	<u>58,719</u>
Nonoperating revenues (expenses):		
Assessments	321,639	321,639
Interest income	6	6
Interest expense	(169,360)	(169,360)
Total nonoperating revenues (expenses)	<u>152,285</u>	<u>152,285</u>
Change in net position	211,004	211,004
Net position - beginning, as previously stated	(9,428)	(9,428)
Adjustment for GASB 87	(23,488)	(23,488)
Net position - beginning, as restated	<u>(32,916)</u>	<u>(32,916)</u>
Net position - ending	<u>\$ 178,088</u>	<u>\$ 178,088</u>

See notes to the financial statements

**GOLDEN LAKES COMMUNITY DEVELOPMENT DISTRICT  
POLK COUNTY, FLORIDA  
STATEMENT OF CASH FLOWS - PROPRIETARY FUND  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Golf Course	Total
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$ 3,927,724	\$ 3,927,724
Payments to suppliers of goods and services	(3,702,025)	(3,702,025)
Net cash provided (used) by operating activities	225,699	225,699
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Due from/to other funds	(64,327)	(64,327)
Assessments and fees	321,620	321,620
Net cash provided (used) by noncapital financing activities	257,293	257,293
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Purchase of capital assets	(314,957)	(314,957)
Proceeds from the issuance of long term debt	108,924	108,924
Principal paid on bonds and capital lease	(161,594)	(161,594)
Interest paid on bonds and capital lease	(168,343)	(168,343)
Net cash provided (used) by financing activities	(535,970)	(535,970)
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of investments	3,708	3,708
Interest earnings	6	6
Net cash provided (used) by investing activities	3,714	3,714
Net increase (decrease) in cash and cash equivalents	(49,264)	(49,264)
Cash and cash equivalents - October 1	449,275	449,275
Cash and cash equivalents - September 30	\$ 400,011	\$ 400,011
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income (loss)	\$ 58,719	\$ 58,719
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation and amortization expense	159,964	159,964
(Increase) decrease in accounts receivables	(33,548)	(33,548)
(Increase) decrease in inventories	(14,283)	(14,283)
(Increase) decrease in prepaid items	(16,144)	(16,144)
Increase (decrease) in accounts payable	41,992	41,992
Increase (decrease) in unearned revenue	37,940	37,940
Increase (decrease) in customer deposits	(8,941)	(8,941)
Total adjustments	166,980	166,980
Net cash provided (used) by operating activities	\$ 225,699	\$ 225,699

See notes to the financial statements

**GOLDEN LAKES COMMUNITY DEVELOPMENT DISTRICT  
POLK COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY**

Golden Lakes Community Development District ("District") was created on September 21, 1992, by Ordinance 92-29 of Polk County, Florida, pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes. The Act provides among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District.

The District is governed by the Board of Supervisors ("Board") which is composed of five members. The Supervisors are elected by qualified electors whose primary residence is within the District. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes.

The Board has the responsibility for:

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

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

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

**Government-Wide and Fund Financial Statements**

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

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

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

## NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

### **Assessments**

Assessments, including debt service assessments along with operation and maintenance assessments, are non-ad valorem special assessments imposed on all lands located within the District and benefited by the District's activities, operation and maintenance. Assessments are levied and certified for collection by the District prior to the start of the fiscal year which begins October 1st and ends on September 30th. Operation and maintenance special assessments are imposed upon all benefited lands located in the District. Debt service special assessments are imposed upon certain lots and lands as described in each resolution imposing the special assessment for each series of bonds issued by the District.

Assessments and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. The portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period.

The District reports the following major governmental funds:

### **General Fund**

The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

### **Debt Service Fund**

The debt service fund is used to account for the accumulation of resources for the annual payment of principal and interest on long-term debt.

### **Capital Projects Fund**

This fund accounts for the financial resources to be used for the acquisition or construction of major infrastructure within the District.

The District reports the following major proprietary fund:

### **Golf Course Fund**

This enterprise fund is used to account for the operations of the golf course and related amenities that are to be financed and operated in a manner similar to private business enterprises. The costs of providing services to customers are to be recovered primarily through user charges.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's enterprise fund are charges to customers for sales and services. Operating expenses of the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

## **NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **Assets, Liabilities and Net Position or Equity**

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first for qualifying expenditures, then unrestricted resources as they are needed.

#### **Restricted Assets**

These assets represent cash and investments set aside pursuant to Bond covenants or other contractual restrictions.

#### **Deposits and Investments**

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

The District has elected to proceed under the Alternative Investment Guidelines as set forth in Section 218.415 (17) Florida Statutes. The District may invest any surplus public funds in the following:

- a) The Local Government Surplus Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act;
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
- c) Interest bearing time deposits or savings accounts in qualified public depositories;
- d) Direct obligations of the U.S. Treasury.

Securities listed in paragraph c and d shall be invested to provide sufficient liquidity to pay obligations as they come due. In addition, surplus funds may be deposited into certificates of deposit which are insured and any unspent Bond proceeds are required to be held in investments as specified in the Bond Indenture.

The State Board of Administration's ("SBA") Local Government Surplus Funds Trust Fund ("Florida PRIME") is a "2a-7 like" pool. A "2a-7 like" pool is an external investment pool that is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940, which comprises the rules governing money market funds. Thus, the pool operates essentially as a money market fund. The District has reported its investment in Florida PRIME at amortized cost for financial reporting purposes.

The District records all interest revenue related to investment activities in the respective funds. Investments are measured at amortized cost or reported at fair value as required by generally accepted accounting principles.

#### **Inventories and Prepaid Items**

Inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

#### **Capital Assets**

Capital assets, which include property, plant and equipment, and infrastructure assets (e.g., roads, sidewalks and similar items) are reported in the government activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed (except for intangible right-to-use assets, the measurement of which is discussed in Leases below. Donated capital assets are recorded at acquisition value.

## NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Assets, Liabilities and Net Position or Equity (Continued)

#### Capital Assets (Continued)

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

Property, plant and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Infrastructure	15-50
Equipment	5-20
Right-to-use assets-equipment	3.7-4
Furniture and Fixtures	10-20
Improvements other than buildings	5
Buildings and improvements	10-30

In the governmental fund financial statements, amounts incurred for the acquisition of capital assets are reported as fund expenditures. Depreciation expense is not reported in the governmental fund financial statements.

#### Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received but not yet earned.

#### Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized ratably over the life of the Bonds. Bonds payable are reported net of applicable premiums or discounts. Bond issuance costs are expensed when incurred.

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

#### Leases

The District is a lessee for several non-cancellable lease of equipment. The District recognizes a lease liability and an intangible right-to-use lease assets (lease asset) in the government-wide financial statements. The District recognizes lease liabilities with an initial, individual value of \$5,000 or more. At the commencement of the lease, the District measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The leased asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the commencement date, plus certain direct costs. Subsequently, the leased asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

## **NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **Assets, Liabilities and Net Position or Equity (Continued)**

#### **Leases (Continued)**

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

#### **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

#### **Fund Equity/Net Position**

In the fund financial statements, governmental funds report non spendable and restricted fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change.

The District can establish limitations on the use of fund balance as follows:

Committed fund balance – Amounts that can be used only for the specific purposes determined by a formal action (resolution) of the Board of Supervisors. Commitments may be changed or lifted only by the Board of Supervisors taking the same formal action (resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

Assigned fund balance – Includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted nor committed. The Board may also assign fund balance as it does when appropriating fund balance to cover differences in estimated revenue and appropriations in the subsequent year's appropriated budget. Assignments are generally temporary and normally the same formal action need not be taken to remove the assignment.

The District first uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Net position is the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position in the government-wide financial statements are categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets represents net position related to infrastructure and property, plant and equipment. Restricted net position represents the assets restricted by the District's Bond covenants or other contractual restrictions. Unrestricted net position consists of the net position not meeting the definition of either of the other two components.

### **Other Disclosures**

#### **Use of Estimates**

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

## NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Recent Accounting Pronouncements Adopted

#### GASB Statement No. 87 – Leases

The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. As amended by GASB statement No. 95, the requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

As a result of the adoption of GASB 87, beginning net position in the enterprise fund and business-type activities were restated as follows:

	Business-type Activities	Enterprise Fund Golf Course
Net position - beginning, previously stated	\$ (9,428)	\$ (9,428)
Adjustment for GASB 87	(23,488)	(23,488)
Net position - beginning, as restated	<u>\$ (32,916)</u>	<u>\$ (32,916)</u>

## NOTE 3 – BUDGETARY INFORMATION

The District is required to establish a budgetary system and an approved Annual Budget. Annual Budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. All annual appropriations lapse at fiscal year-end.

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

- Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- Public hearings are conducted to obtain public comments.
- Prior to October 1, the budget is legally adopted by the District Board.
- All budget changes must be approved by the District Board.
- The budgets are adopted on a basis consistent with generally accepted accounting principles.
- Unused appropriation for annually budgeted funds lapse at the end of the year.

## NOTE 4 – DEPOSITS AND INVESTMENTS

### Deposits

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

## NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

### Investments

The District's investments were held as follows at September 30, 2022:

	Amortized Cost	Credit Risk	Maturities
US Bank Commercial Paper	\$ 143,560	S&P A-1+	Rolling 270 day maturity
Florida Prime	4,896	S&P AAAm	Weighted average of the fund portfolio: 21 days
Total Investments	<u>\$ 148,456</u>		

*Credit risk* – For investments, credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investment ratings by investment type are included in the preceding summary of investments.

*Concentration risk* – The District places no limit on the amount the District may invest in any one issuer.

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

However, the Bond Indenture limits the type of investments held using unspent proceeds.

*Fair Value Measurement* – When applicable, the District measures and records its investments using fair value measurement guidelines established in accordance with GASB Statements. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques.

These guidelines recognize a three-tiered fair value hierarchy, in order of highest priority, as follows:

- *Level 1*: Investments whose values are based on unadjusted quoted prices for identical investments in active markets that the District has the ability to access;
- *Level 2*: Investments whose inputs - other than quoted market prices - are observable either directly or indirectly; and,
- *Level 3*: Investments whose inputs are unobservable.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the entire fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

Money market investments that have a maturity at the time of purchase of one year or less and are held by governments other than external investment pools should be measured at amortized cost. For external investment pools that qualify to be measured at amortized cost, the pool's participants should also measure their investments in that external investment pool at amortized cost for financial reporting purposes. Accordingly, the District's investments have been reported at amortized cost above.

#### NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

##### Investments (Continued)

*External Investment Pool* – With regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states that “The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days.” With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

As of September 30, 2022, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant’s daily access to 100% of their account value.

#### NOTE 5 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFER

Interfund receivables and payables for the fiscal year ended September 30, 2022 were as follows:

Fund	Receivable	Payable
General	\$ 13,800	\$ 264,305
Debt service	-	13,800
Golf course	264,305	-
Total	<u>\$ 278,105</u>	<u>\$ 278,105</u>

The balance between the general fund and the golf course fund relate to amounts held in the general fund that have not yet been transferred to the operating account of the golf fund. The amount due from the Debt service fund to the general fund is for funds used to pay interest on the Series 2021 Note prior to receipt of related assessments.

Interfund transfers for the fiscal year ended September 30, 2022 were as follows:

Fund	Transfer in	Transfer out
General	\$ -	\$ 105,000
Debt service	2	-
Capital projects	104,998	-
Total	<u>\$ 105,000</u>	<u>\$ 105,000</u>

Transfers are used to move revenues from the fund where collection occurs to the fund where funds have been reallocated for use. In the case of the District, transfers from the general fund to the capital projects fund were made to fund certain road repair projects.

## NOTE 6 – CAPITAL ASSETS

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

	Beginning Balance	Additions	Reductions	Ending Balance
<u>Governmental activities</u>				
Capital assets, not being depreciated				
Land and land improvements	\$ 2,050,912	\$ -	\$ -	\$ 2,050,912
Total capital assets, not being depreciated	2,050,912	-	-	2,050,912
Capital assets, being depreciated				
Infrastructure - sewer, stormwater, distribution	7,936,455	-	-	7,936,455
Infrastructure - roadways, streetlights	1,379,037	-	-	1,379,037
Infrastructure - security and landscape	850,334	-	-	850,334
Equipment	24,887	95,240	-	120,127
Total capital assets, being depreciated	10,190,713	95,240	-	10,285,953
Less accumulated depreciation for:				
Infrastructure - sewer, stormwater, distribution	(7,922,427)	(742)	-	(7,923,169)
Infrastructure - roadways, streetlights	(1,227,330)	(20,496)	-	(1,247,826)
Infrastructure - security and landscape	(847,711)	(426)	-	(848,137)
Equipment	(20,559)	(2,936)	-	(23,495)
Total accumulated depreciation	(10,018,027)	(24,600)	-	(10,042,627)
Total capital assets, being depreciated, net	172,686	70,640	-	243,326
Governmental activities capital assets	\$ 2,223,598	\$ 70,640	\$ -	\$ 2,294,238

For governmental activities, depreciation was charged to the maintenance and operations function.

	Beginning Balance (Restated)	Additions	Reductions	Ending Balance
<u>Business-type activities</u>				
Capital assets, not being depreciated				
Golf course	\$ 2,500,000	\$ -	\$ -	\$ 2,500,000
Total capital assets, not being depreciated	2,500,000	-	-	2,500,000
Capital assets, being depreciated				
Equipment	304,720	56,022	-	360,742
Right-to-use assets-equipment	283,642	111,471	-	395,113
Improvements other than buildings	83,301	-	-	83,301
Buildings and improvements	183,921	147,464	-	331,385
Furniture and Fixtures	60,195	-	-	60,195
Total capital assets, being depreciated	915,779	314,957	-	1,230,736
Less accumulated depreciation for:				
Equipment	(137,807)	(39,077)	-	(176,884)
Right-to-use assets-equipment	-	(88,505)	-	(88,505)
Improvements other than buildings	(21,889)	(5,133)	-	(27,022)
Buildings and improvements	(48,936)	(20,786)	-	(69,722)
Furniture and Fixtures	(15,484)	(4,472)	-	(19,956)
Total accumulated depreciation	(224,116)	(157,973)	-	(382,089)
Total capital assets, being depreciated, net	691,663	156,984	-	848,647
Business-type activities capital assets	\$ 3,191,663	\$ 156,984	\$ -	\$ 3,348,647

## NOTE 7 – LONG TERM LIABILITIES

### **Series 2017 Capital Improvement Revenue Bonds**

On March 29, 2017, the District issued \$3,695,000 of Series 2017A-1 Tax Exempt Capital Improvement Revenue Bonds and \$390,000 of Series 2017A-2 Taxable Capital Improvement Revenue Bonds due May 1, 2047, with an interest rate that varies between 2% and 6.5%. The Bonds were issued for the primary purpose of funding the acquisition of The Club at Eaglebrooke and pay certain costs associated with the issuance of the Bonds. Interest is to be paid semiannually on each May 1 and November 1. Principal on the Bonds is to be paid serially commencing May 1, 2019 through May 1, 2047.

The Series 2017 Bonds are subject to redemption at the option of the District as outlined in the Bond Indenture. The Series 2017 Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture.

The Bond Indentures established debt service reserve requirements as well as other restrictions and requirements for procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District was in compliance with the requirements at September 30, 2022.

### **Series 2021 Taxable Special Assessment Note**

In December 2021, the District issued \$1,000,000 of Series 2021 Taxable Special Assessment Note with a maturity date of May 1, 2031 with a fixed interest rates of 3.85%. Principal is payable on May 1, commencing on May 1, 2023 to May 1, 2031. Interest on the Series 2021 Note is payable on each May 1 and November 1, commencing May 1, 2022. The Bonds were issued to finance road repairs and paving within the District.

The Series 2021 Note is subject to redemption at the option of the District as outlined in the Note Indenture. The Series 2021 Note are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Note Registrar if certain events occurred as outlined in the Note Indenture.

The Note Indenture established debt service reserve requirements as well as other restrictions and requirements for procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District was in compliance with the requirements at September 30, 2022.

### **Long-term Debt activity**

Changes in long-term liability activity for the fiscal year ended September 30, 2022 were as follows:

	Beginning Balance (Restated)	Additions	Reductions	Ending Balance	Due Within One Year
<b><u>Governmental activities</u></b>					
Series 2021 Note	\$ -	\$ 1,000,000	\$ -	\$ 1,000,000	\$ 102,763
Total	\$ -	\$ 1,000,000	\$ -	\$ 1,000,000	\$ 102,763
	Beginning Balance (Restated)	Additions	Reductions	Ending Balance	Due Within One Year
<b><u>Business-type activities</u></b>					
Bonds payable:					
Series 2017 A-1	\$ 3,385,000	\$ -	\$ 75,000	\$ 3,310,000	\$ 80,000
Series 2017 A-2	255,000	-	5,000	250,000	5,000
Less: original issue discount	(51,772)	-	(1,991)	(49,781)	-
Leases	283,642	108,924	81,594	310,972	101,134
Total	\$ 3,871,870	\$ 108,924	\$ 159,603	\$ 3,821,191	\$ 186,134

## NOTE 7 – LONG TERM LIABILITIES (Continued)

At September 30, 2022, the scheduled debt service requirements on the long - term debt, (excluding lease), were as follows:

Year ending September 30:	Governmental Activities		
	Principal	Interest	Total
2023	\$ 102,763	\$ 38,500	\$ 141,263
2024	104,757	34,544	139,301
2025	106,790	30,510	137,300
2026	108,862	26,399	135,261
2027	110,974	22,208	133,182
2028-2031	465,854	45,269	511,123
Total	<u>\$ 1,000,000</u>	<u>\$ 197,430</u>	<u>\$ 1,197,430</u>

  

Year ending September 30:	Business-type Activities		
	Principal	Interest	Total
2023	\$ 85,000	\$ 152,902	\$ 237,902
2024	85,000	149,978	234,978
2025	90,000	146,852	236,852
2026	95,000	143,448	238,448
2027	95,000	139,746	234,746
2028-2032	535,000	634,470	1,169,470
2033-2037	675,000	505,292	1,180,292
2038-2042	845,000	341,379	1,186,379
2043-2047	1,055,000	141,070	1,196,070
Total	<u>\$ 3,560,000</u>	<u>\$ 2,355,137</u>	<u>\$ 5,915,137</u>

## NOTE 8 – LEASES

During the current and prior fiscal years, the District entered into operating leases for equipment for its golf course. The District adopted GASB 87 in the current fiscal year. As a result, lease liabilities and intangible right-to-use leased equipment assets were recorded in the amount of \$392,566 and \$395,113, respectively, during the current fiscal year related to three equipment leases. The lease liability was measured using a discount rate of 4.8%. The leases require monthly payments ranging from \$1,897 to \$5,125, and has lease end dates ranging from May 2025 to April 2026.

During the current fiscal year, the District recognized lease expense as follow:

Lease expense	Fiscal year ending September 30, 2022
Amortization expense by class of underlying asset	
Equipment	88,505
Total amortization expense	88,505
Interest on lease liabilities	13,882
<b>Total</b>	<u><b>102,387</b></u>

As of September 30, 2022, the future principal and interest payments under the lease agreements were as follows:

Year ending September 30:	Leases- Business-type Activities		
	Principal	Interest	Total
2023	\$ 102,134	\$ 12,699	\$ 114,833
2024	107,146	7,687	114,833
2025	84,144	2,599	86,743
2026	17,548	282	17,830
	<u>\$ 310,972</u>	<u>\$ 23,267</u>	<u>\$ 334,239</u>

The value of the right-to-use asset as of the end of the current fiscal year was \$395,113 and had accumulated amortization of \$88,505.

#### **NOTE 9 – MANAGEMENT COMPANY (OPERATIONS)**

The District has contracted with a management company to perform management services, which include financial and accounting services. Certain employees of the management company also serve as officers of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, computer and other administrative costs.

#### **NOTE 10 – GOLF COURSE MANAGEMENT**

The District has contracted with a management company to manage the operations of the golf course. Under the agreement, the District compensates the management company for management, accounting, financial reporting, and other administrative costs.

#### **NOTE 11 – RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. During the 2018 fiscal year end the golf course fund received proceeds from its insurance carriers for damage and loss sustained during Hurricane Irma of \$628,385.

#### **NOTE 12 – LITIGATION AND CLAIMS**

The District is involved in various claims arising in the ordinary course of operations, none of which, in the opinion of the Board of Supervisors and District Manager, will have a material effect on the District's financial position.

**GOLDEN LAKES COMMUNITY DEVELOPMENT DISTRICT  
POLK COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Budgeted Amount		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Assessments	\$ 852,536	\$ 852,536	\$ 855,577	\$ 3,041
Interest earnings	3,500	3,500	4,104	604
Miscellaneous	-	-	881	881
Total revenues	856,036	856,036	860,562	4,526
<b>EXPENDITURES</b>				
Current:				
General government	178,557	228,557	145,325	83,232
Maintenance and operations	717,479	887,479	693,424	194,055
Total expenditures	896,036	1,116,036	838,749	277,287
Excess (deficiency) of revenues over (under) expenditures	(40,000)	(260,000)	21,813	281,813
<b>OTHER FINANCING SOURCES</b>				
Interfund transfers		-	(105,000)	(105,000)
Use of fund balance	40,000	260,000	-	(260,000)
Total other financing sources	40,000	260,000	(105,000)	(365,000)
Net change in fund balances	\$ -	\$ -	(83,187)	\$ (83,187)
Fund balance - beginning			1,001,819	
Fund balance - ending			\$ 918,632	

See notes to required supplementary information

**GOLDEN LAKES COMMUNITY DEVELOPMENT DISTRICT  
POLK COUNTY, FLORIDA  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

The District is required to establish a budgetary system and an approved Annual Budget for the general fund. The District's budgeting process is based on estimates of cash receipts and cash expenditures which are approved by the Board. The budget approximates a basis consistent with accounting principles generally accepted in the United States of America (generally accepted accounting principles).

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. The general fund budget for the fiscal year ended September 30, 2022 was amended to increase appropriations and use of fund balance by \$220,000. Actual general fund expenditures for the fiscal year ended September 30, 2022, did not exceed appropriations.

**GOLDEN LAKES COMMUNITY DEVELOPMENT DISTRICT  
POLK COUNTY, FLORIDA  
OTHER INFORMATION – DATA ELEMENTS  
REQUIRED BY FL STATUTE 218.39(3)(C)  
UNAUDITED**

<u>Element</u>	<u>Comments</u>
Number of district employees compensated at 9/30/2022	0
Number of independent contractors compensated in September 2022	6
Employee compensation for FYE 9/30/2022 (paid/accrued)	0
Independent contractor compensation for FYE 9/30/2022	\$236,715
Construction projects to begin on or after October 1; (>\$65K)	Not applicable
Budget variance report	See page 28
Ad Valorem taxes;	Not applicable
Non ad valorem special assessments;	
Special assessment rate FYE 9/30/2022	Operations and maintenance - See below    Debt service - See below
Special assessments collected FYE 9/30/2022	\$1,177,216
Outstanding Bonds:	
Series 2017-1, due May 1, 2047	See Note 7
Series 2017-2, due May 1, 2047	See Note 7
Series 2021 Note, due May 1, 2031	See Note 7

Phase	Village	General Fund 001	General Fund 002	Paving Assessment	Series 2017 Debt Service
		FY 2022	FY 2022	FY 2022	FY 2022
1A	Cascades/	\$ 743.16	\$ 109.78	62.34	\$ 440.22
	Island Lake	\$ 810.72	\$ 109.78	62.34	\$ 440.22
1B	Clearpointe	\$ 743.16	\$ 109.78	62.62	\$ 440.22
2A	Osprey Landing	\$ 1,351.20	\$ 109.78	126.41	\$ 440.22
2B	Reflections	\$ 1,756.56	\$ 109.78	144.26	\$ 440.22
2BN	Eaglebrooke North	\$ 2,080.84	\$ 109.78	158.01	\$ 440.22
2C	Osprey Landing West	\$ 1,493.07	\$ 109.78	124.80	\$ 440.22
3	Viewpointe	\$ 743.16	\$ 109.78	60.60	\$ 440.22
5A	Eaglebrooke	\$ 743.16	\$ 109.78	56.76	\$ 440.22
V	Villages	\$ 729.65	\$ 109.78	42.85	\$ 440.22
VH	Vista Hills	\$ 1,689.00	\$ 109.78	134.09	\$ 440.22
VH2	Vista Hills II	\$ 1,891.68	\$ 109.78	134.09	\$ 440.22
WW	Whisper Woods	\$ 1,756.56	\$ 109.78	123.93	\$ 440.22
G	Grandview	\$ 817.47	\$ 109.78	60.48	\$ 440.22



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

To the Board of Supervisors  
Golden Lakes Community Development District  
Polk 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 of the governmental activities, the business-type activities and each major fund of Golden Lakes Community Development District, Polk County, Florida ("District") as of and for the fiscal year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated October 13, 2023.

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

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the 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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control

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

Our consideration of internal control 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 were not identified.

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

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and 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.

A handwritten signature in blue ink, appearing to read "B. H. & Associates".

October 13, 2023



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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

To the Board of Supervisors  
Golden Lakes Community Development District  
Polk County, Florida

We have examined Golden Lakes Community Development District, Polk County, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2022. Management is responsible for District's compliance with those requirements. Our responsibility is to express an opinion on District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2022.

This report 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, management, and the Board of Supervisors of Golden Lakes Community Development District, Polk County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

*Grau & Associates*

October 13, 2023



# Grau & Associates

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## MANAGEMENT LETTER PURSUANT TO THE RULES OF THE AUDITOR GENERAL FOR THE STATE OF FLORIDA

To the Board of Supervisors  
Golden Lakes Community Development District  
Polk County, Florida

### Report on the Financial Statements

We have audited the accompanying basic financial statements of Golden Lakes Community Development District Polk County, Florida ("District") as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated October 13, 2023.

### Auditor's Responsibility

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

### Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated October 13, 2023, should be considered in conjunction with this management letter.

### Purpose of this Letter

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General of the state of Florida. Accordingly, in connection with our audit of the financial statements of the District, as described in the first paragraph, we report the following:

- I. **Current year findings and recommendations.**
- II. **Status of prior year findings and recommendations.**
- III. **Compliance with the Provisions of the Auditor General of the State of Florida.**

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, as applicable, management, and the Board of Supervisors of Golden Lakes Community Development District, Polk County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank Golden Lakes Community Development District, Polk County, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements, and the courtesies extended to us.

*Grau & Associates*

October 13, 2023

## REPORT TO MANAGEMENT

### I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

### II. PRIOR YEARS FINDINGS AND RECOMMENDATIONS

#### **2021-01 Qualified Public Depository:**

Current Status: Recommendation has been implemented.

### III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions has been taken to address findings and recommendations made in the preceding annual financial audit report.

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2021, except as noted above.

2. Any recommendations to improve the local governmental entity's financial management.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2022.

3. 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.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2022.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.
5. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.
6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as September 30, 2022. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.
7. Management has provided the specific information required by Section 218.39(3)(c) in the Other Information section of the financial statements on page 30.