

Beaumont Community Development District

ANNUAL FINANCIAL REPORT

September 30, 2023

Beaumont Community Development District

ANNUAL FINANCIAL REPORT

September 30, 2023

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REPORT OF INDEPENDENT AUDITORS

To the Board of Supervisors
Beaumont Community Development District
Wildwood, Florida

Report on Audit of the Financial Statements

Opinion

We have audited the financial statements of the governmental activities and each major fund of Beaumont Community Development District (the "District"), as of and for the year ended September 30, 2023, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Beaumont Community Development District as of September 30, 2023, and the respective changes in financial position and the budgetary comparison for the General Fund and Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS), and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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
Beaumont Community Development District

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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

To the Board of Supervisors
Beaumont 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 September 17, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts.

The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Beaumont Community Development District's internal control over financial reporting and compliance.

*Berger Toombs Elam
Gaines + Frank*

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

September 17, 2024

**Beaumont Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2023**

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

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

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

**Beaumont Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2023**

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 and Special Revenue 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*, reconciliations are 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, 2023.

- ◆ The District's assets exceeded liabilities by \$9,283,663, net position. Net investment in capital assets was \$8,632,327. Restricted net position was \$385,015 and unrestricted net position was \$266,321.
- ◆ Governmental activities revenues totaled \$1,619,089 while governmental activities expenses and refund to landowners totaled \$1,341,368.

**Beaumont Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2023**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District

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

Net Position

	Governmental Activities	
	2023	2022
Current assets	\$ 457,615	\$ 512,258
Restricted assets	1,558,195	1,930,408
Capital assets	16,658,711	16,187,070
Total Assets	18,674,521	18,629,736
Current liabilities	690,858	758,794
Non-current liabilities	8,700,000	8,865,000
Total Liabilities	9,390,858	9,623,794
Net investment in capital assets	8,632,327	8,070,770
Net position - restricted	385,015	787,149
Net position - unrestricted	266,321	148,023
Total Net Position	\$ 9,283,663	\$ 9,005,942

The decrease in current assets is related to the decrease in receivables in the current year.

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

The decrease in current liabilities is related to the decrease in the current portion of bonds payable in the current year.

The decrease in non-current liabilities is the result of the principal payments and prepayments made on the outstanding bonds in the current year.

The increase in net investment in capital assets is the result of capital additions and principal payments in the current year.

**Beaumont Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2023**

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	
	2023	2022
Program Revenues		
Charges for services	\$ 1,419,996	\$ 3,576,255
Operating grants and contributions	-	39,866
Capital grants and contributions	129,820	735
General Revenues		
Miscellaneous revenues	5,824	6,638
Investment earnings	63,449	7,154
Total Revenues	<u>1,619,089</u>	<u>3,630,648</u>
Expenses		
General government	115,835	106,764
Physical environment	331,153	159,529
Culture/recreation	298,179	274,369
Interest and other charges	514,082	597,947
Total Expenses	<u>1,259,249</u>	<u>1,138,609</u>
Refund to landowners	<u>(82,119)</u>	<u>-</u>
Change in Net Position	277,721	2,492,039
Net Position - Beginning of Year	<u>9,005,942</u>	<u>6,513,903</u>
Net Position - End of Year	<u>\$ 9,283,663</u>	<u>\$ 9,005,942</u>

The decrease in charges for services is related to the decrease in debt service special assessments in the current year.

The increase in capital contributions is related to a contribution from the Developer for the capital project in the current year.

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

The decrease in interest and other charges is related to the principal payments in the current year.

**Beaumont Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2023**

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, 2023 and 2022.

Description	Governmental Activities	
	2023	2022
Construction in progress	\$ 16,658,711	\$ 16,187,070

The activity for the year was additions to construction in progress of \$471,641.

General Fund Budgetary Highlights

Actual expenditures were more than the final budget because landscape maintenance and plant replacement expenditures were less than anticipated.

The September 30, 2023 budget was not amended.

Debt Management

Governmental Activities debt includes the following:

- ◆ February 2019, the District issued \$7,100,000 Series 2019 Special Assessment Bonds. These bonds were issued to provide funds for the Assessment Area Two Project. The balance outstanding at September 30, 2023 was \$3,245,000.
- ◆ In February 2019, the District issued \$5,925,000 Series 2019A-1 Special Assessment Bonds. These bonds were issued to provide funds for the Assessment Area One Project. The balance outstanding at September 30, 2023 was \$5,605,000.
- In February 2019, the District issued \$4,205,000 Series 2019A-2 Special Assessment Bonds. These bonds were issued to provide funds for the Assessment Area One Project. The Bonds were fully redeemed in the current fiscal year.

**Beaumont Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2023**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Economic Factors and Next Year's Budget

Beaumont 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 2024.

Request for Information

The financial report is designed to provide a general overview of Beaumont 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 Beaumont Community Development District's Finance Department at 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431.

Beaumont Community Development District
STATEMENT OF NET POSITION
September 30, 2023

	Governmental Activities
ASSETS	
Current Assets	
Cash	\$ 244,289
Special assessments receivable	31,587
Due from others	1,231
Due from developer	174,613
Prepaid expenses	548
Deposits	5,347
Total Current Assets	457,615
Non-current Assets	
Restricted assets	
Investments	1,558,195
Capital assets, not being depreciated	
Construction in progress	16,658,711
Total Non-current Assets	18,216,906
Total Assets	18,674,521
LIABILITIES	
Current Liabilities	
Accounts payable and accrued expenses	137,030
Contracts/retainage payable	138,736
Due to developer	40,798
Due to others	10,495
Unearned revenues	286
Bonds payable	150,000
Accrued interest	213,513
Total Current Liabilities	690,858
Non-current Liabilities	
Bonds payable	8,700,000
Total Liabilities	9,390,858
NET POSITION	
Net investment in capital assets	8,632,327
Restricted for debt service	383,615
Restricted for capital projects	1,400
Unrestricted	266,321
Total Net Position	\$ 9,283,663

See accompanying notes to financial statements.

Beaumont Community Development District
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2023

Functions/Programs	Expenses	Program Services		Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Capital Grants and Contributions	Governmental Activities
Governmental Activities				
General government	\$ (115,835)	\$ 162,517	\$ -	\$ 46,682
Physical environment	(331,153)	265,159	129,820	63,826
Culture/recreation	(298,179)	417,587	-	119,408
Interest and other charges	(514,082)	574,733	-	60,651
Total Governmental Activities	\$ (1,259,249)	\$ 1,419,996	\$ 129,820	290,567
General Revenues				
Miscellaneous revenues				5,824
Investment income				63,449
Total General Revenues				69,273
Refund to landowners				(82,119)
Change in Net Position				277,721
Net Position - October 1, 2022				9,005,942
Net Position - September 30, 2023				\$ 9,283,663

See accompanying notes to financial statements.

Beaumont Community Development District
BALANCE SHEET –
GOVERNMENTAL FUNDS
September 30, 2023

	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
ASSETS					
Cash	\$ 244,289	\$ -	\$ -	\$ -	\$ 244,289
Assessments receivable	9,617	6,215	15,755	-	31,587
Due from other funds	72,816	105,171	-	-	177,987
Due from developer	24,337	117,416	-	32,860	174,613
Due from other	1,231	-	-	-	1,231
Prepaid expenses	-	548	-	-	548
Deposits	3,557	1,790	-	-	5,347
Restricted assets					
Investments	-	-	1,257,570	300,625	1,558,195
Total Assets	\$ 355,847	\$ 231,140	\$ 1,273,325	\$ 333,485	\$ 2,193,797
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable and accrued expenses	\$ 47,446	\$ 58,124	\$ -	\$ 31,460	\$ 137,030
Contracts/retainage payable	-	-	-	138,736	138,736
Unearned revenues	-	-	286	-	286
Due to other funds	105,171	72,816	-	-	177,987
Due to others	-	7,109	-	3,386	10,495
Due to developer	30,000	-	10,798	-	40,798
Total Liabilities	182,617	138,049	11,084	173,582	505,332
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues	24,337	117,416	-	1,400	143,153
FUND BALANCES					
Nonspendable - prepaids/deposits	3,557	2,338	-	-	5,895
Restricted					
Debt service	-	-	1,262,241	-	1,262,241
Capital projects	-	-	-	158,503	158,503
Unassigned	145,336	(26,663)	-	-	118,673
Total Fund Balances	148,893	(24,325)	1,262,241	158,503	1,545,312
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 355,847	\$ 231,140	\$ 1,273,325	\$ 333,485	\$ 2,193,797

See accompanying notes to financial statements.

Beaumont Community Development District
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2023

Total Governmental Fund Balances	\$ 1,545,312
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets, not being depreciated, construction in progress, used in governmental activities are not current financial resources, and therefore, are not reported at the fund level.	16,658,711
Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore, are not reported at the fund level.	(8,850,000)
Unavailable revenues are recognized as deferred inflows of resources at the fund level, however, revenues are recognized when earned at the government-wide level.	143,153
Accrued interest expense for long-term debt is not a current financial use, and therefore, is not reported at the fund level.	<u>(213,513)</u>
Net Position of Governmental Activities	<u><u>\$ 9,283,663</u></u>

See accompanying notes to financial statements.

Beaumont Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023

	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
Revenues					
Special assessments	\$ 427,676	\$ 300,171	\$ 831,096	\$ -	\$ 1,558,943
Developer contributions	-	-	-	128,420	128,420
Miscellaneous revenues	5,824	-	-	-	5,824
Investment income	-	-	49,109	14,340	63,449
Total Revenues	<u>433,500</u>	<u>300,171</u>	<u>880,205</u>	<u>142,760</u>	<u>1,756,636</u>
Expenditures					
Current					
General government	103,457	-	12,378	-	115,835
Physical environment	331,153	-	-	-	331,153
Culture/recreation	2,550	295,629	-	-	298,179
Capital outlay	-	-	-	471,641	471,641
Debt service					
Principal	-	-	430,000	-	430,000
Other	-	-	524,103	-	524,103
Total Expenditures	<u>437,160</u>	<u>295,629</u>	<u>966,481</u>	<u>471,641</u>	<u>2,170,911</u>
Total of Revenues over/(under) expenditures	<u>(3,660)</u>	<u>4,542</u>	<u>(86,276)</u>	<u>(328,881)</u>	<u>(414,275)</u>
Other Financing Sources/(Uses)					
Transfers in	-	-	-	5,099	5,099
Transfers out	-	-	(5,099)	-	(5,099)
Total Other Financing Sources/(Uses)	<u>-</u>	<u>-</u>	<u>(5,099)</u>	<u>5,099</u>	<u>-</u>
Refund to landowners	-	-	(82,098)	(21)	(82,119)
Net change in fund balances	<u>(3,660)</u>	<u>4,542</u>	<u>(173,473)</u>	<u>(323,803)</u>	<u>(496,394)</u>
Fund Balances - October 1, 2022	<u>152,553</u>	<u>(28,867)</u>	<u>1,435,714</u>	<u>482,306</u>	<u>2,041,706</u>
Fund Balances - September 30, 2023	<u>\$ 148,893</u>	<u>\$ (24,325)</u>	<u>\$ 1,262,241</u>	<u>\$ 158,503</u>	<u>\$ 1,545,312</u>

See accompanying notes to financial statements.

**Beaumont 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, 2023**

Net Change in Fund Balances - Total Governmental Funds \$ (496,394)

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation. This is the amount of capital outlay in the current year. 471,641

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 430,000

In the Statement of Activities, interest is accrued on outstanding bonds; whereas at the fund level, interest expenditures are reported when due. This is the change in accrued interest in the current period. 10,021

At the fund level, revenues are recognized when they become available, however, revenues are recognized when they are earned at the government-wide level. This is the amount of the change in earned revenue that was not available. (137,547)

Change in Net Position of Governmental Activities \$ 277,721

See accompanying notes to financial statements.

Beaumont Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND
For the Year Ended September 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Special assessments	\$ 412,136	\$ 412,136	\$ 427,676	\$ 15,540
Miscellaneous revenues	-	-	5,824	5,824
Total Revenues	<u>412,136</u>	<u>412,136</u>	<u>433,500</u>	<u>21,364</u>
Expenditures				
Current				
General government	112,389	112,389	103,457	8,932
Physical environment	299,250	299,250	331,153	(31,903)
Culture/recreation	500	500	2,550	(2,050)
Total Expenditures	<u>412,139</u>	<u>412,139</u>	<u>437,160</u>	<u>(25,021)</u>
Net Change in Fund Balances	(3)	(3)	(3,660)	(3,657)
Fund Balances - October 1, 2022	<u>25,402</u>	<u>25,402</u>	<u>152,553</u>	<u>127,151</u>
Fund Balances - September 30, 2023	<u>\$ 25,399</u>	<u>\$ 25,399</u>	<u>\$ 148,893</u>	<u>\$ 123,494</u>

See accompanying notes to financial statements.

Beaumont Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - SPECIAL REVENUE FUND
For the Year Ended September 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Special assessments	\$ 226,728	\$ 226,728	\$ 300,171	\$ 73,443
Developer contributions	64,796	64,796	-	(64,796)
Investment income	1,000	1,000	-	(1,000)
Total Revenues	<u>292,524</u>	<u>292,524</u>	<u>300,171</u>	<u>7,647</u>
Expenditures				
Current				
Culture/recreation	<u>292,524</u>	<u>292,524</u>	<u>295,629</u>	<u>(3,105)</u>
Net Change in Fund Balances	-	-	4,542	4,542
Fund Balances - October 1, 2022	<u>38,821</u>	<u>38,821</u>	<u>(28,867)</u>	<u>(67,688)</u>
Fund Balances - September 30, 2023	<u>\$ 38,821</u>	<u>\$ 38,821</u>	<u>\$ (24,325)</u>	<u>\$ (63,146)</u>

See accompanying notes to financial statements.

Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. Reporting Entity

The District was established on March 26, 2018, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and by Ordinance 2018-16 of the City of Wildwood, Florida, as a Community Development District. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of the infrastructure necessary for community development within its jurisdiction. The District is authorized to issue bonds for the purpose, among others, of financing, funding, planning, establishing, acquiring, constructing district roads, landscaping, and other basic infrastructure projects within or outside the boundaries of the Beaumont Community Development District. The District is governed by a five-member Board of Supervisors. All the Supervisors are employed by the Developer. The District operates within the criteria established by Chapter 190, Florida Statutes.

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

Based upon the application of the above-mentioned criteria as set forth in Governmental Accounting Standards Board, The Financial Reporting Entity, the District has identified no component units.

2. Measurement Focus and Basis of Accounting

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

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

Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

a. Government-wide Financial Statements

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

Governmental activities are supported by special assessments, developer contributions, and interest. 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.

Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

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. The assigned fund balances can also be assigned by the District's management company.

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

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

Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collected within the current period or soon thereafter, to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 90 days of the end of the current fiscal period.

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

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

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

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

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources are expended, rather than as fund assets. The proceeds of long-term debt are recorded as 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.

Special Revenue Fund – The Special Revenue Fund accounts for the operation of the townhouse and single family programs.

Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Basis of Presentation (Continued)

a. Governmental Major Funds (Continued)

Debt Service Fund – The Debt Service Fund accounts for the debt service payments associated with the long-term debt of the District.

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

b. Non-current Governmental Assets/Liabilities

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

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

a. Cash and Investments

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

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

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

Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

a. Cash and Investments (Continued)

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

b. Capital Assets

Capital assets, which include construction in progress, 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.

c. Deferred Inflows of Resources

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

d. 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. A formal budget is adopted for the general fund. As a result, deficits in the budget columns of the accompanying financial statements may occur.

Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

“Total fund balances” of the District’s governmental funds, \$1,545,312, differs from “net position” of governmental activities, \$9,283,663, reported in the Statement of Net Position. This difference primarily results from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheet. The effect of the differences is illustrated below.

Capital related items

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

Construction in progress	\$ <u>16,658,711</u>
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Long-term debt transactions

Long-term liabilities applicable to the District’s governmental activities are not due and payable in the current period and accordingly, are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the Statement of Net Position. Balances at September 30, 2023 were:

Bonds payable	\$ <u>(8,850,000)</u>
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Accrued interest

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

Accrued interest on bonds payable	\$ <u>(213,513)</u>
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Deferred inflows of resources

At the fund level, revenues are recognized when they become available, however, revenues are recognized when they are earned at the government-wide level.

Unavailable revenues	\$ <u>143,153</u>
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Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

2. Explanation of Differences Between the Governmental Fund Operating Statements and the Statement of Activities

The “net change in fund balances” for government funds, \$(496,394), differs from the “change in net position” for governmental activities, \$277,721, reported in the Statement of Activities. The differences arise primarily from the long-term economic focus of the Statement of Activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below:

Capital related items

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

Capital outlay	<u>\$ 471,641</u>
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Long-term debt transactions

Repayments of bond principal are reported as an expenditure in the governmental funds and, thus, have the effect of reducing fund balance because current financial resources have been used.

Debt principal payments	<u>\$ 430,000</u>
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Some expenses reported in the Statement of Activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds.

Net change in accrued interest payable	<u>\$ 10,021</u>
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Deferred inflows of resources

Deferred inflows of resources reported at the fund level are recognized as revenues in the Statement of Activities.

Net change in deferred inflows of resources	<u>\$ (137,547)</u>
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Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE C – CASH AND INVESTMENTS

All deposits are held in qualified public depositories and are included on the accompanying balance sheet and statement of net assets 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. The investment policy of the District follows the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2023, the District’s bank balance was \$248,828 and the carrying value was \$244,289. The District controls its exposure to custodial credit risk because it maintains all deposits in a qualified public depository in accordance with the provisions of Chapter 280, Florida Statutes, which means that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes.

As of September 30, 2023, the District had the following investments and maturities:

Investment	Maturities	Fair Value
Morgan Stanley Institutional Liquidity Funds Treasury Porfolio	15 days*	\$ 1,558,195

*Maturity is a weighted average maturity.

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

Assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted price for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining quoted prices for identical or similar assets, or liabilities, in markets that are not active. Level 3 is the least reliable and uses significant unobservable inputs that 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 investment listed above is a Level 1 asset.

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.

Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE C – CASH AND INVESTMENTS (CONTINUED)

Credit Risk

The District's investments in Morgan Stanley Institutional Liquidity Funds Treasury Portfolio 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, 2023, the District's investment in Morgan Stanley Institutional Liquidity Funds Treasury Portfolio was rated AAAM by Standard & Poor's.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one fund. The investments in Morgan Stanley Institutional Liquidity Funds Treasury Portfolio represent 100% of the District's total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2023 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.

NOTE D – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2023 was as follows:

	Balance October 1, 2022	Additions	Deletions	Balance September 30, 2023
<u>Governmental Activities:</u>				
Capital assets, not being depreciated:				
Construction in progress	\$ 16,187,070	\$ 471,641	\$ -	\$ 16,658,711

NOTE E – LONG-TERM DEBT

The following is a summary of activity for long-term debt of the District for the year ended September 30, 2023:

Governmental Activities

The following is a summary of activity for long-term debt of the Governmental Activities for the year ended September 30, 2023:

Long-term debt at October 1, 2022	\$ 9,280,000
Principal payments	(430,000)
Long-term debt at September 30, 2023	\$ 8,850,000

Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE E – LONG-TERM DEBT (CONTINUED)

Special Assessment Debt

Long-term debt is comprised of the following:

\$7,100,000 Special Assessment Bonds, Series 2019 due in annual principal installments, beginning November 1, 2020. Interest is due annually on November 1, beginning November 1, 2020 at a rate of 6.375% with a maturity date of November 1, 2049.	\$ 3,245,000
\$5,925,000 Special Assessment Bonds, Series 2019 A-1 due in annual principal installments, beginning November 1, 2020. Interest is due annually on November 1, beginning November 1, 2020 at rates between 4.25% and 5.625% with a final maturity date of November 1, 2049.	<u>5,605,000</u>
Bonds Payable at September 30, 2023	<u>\$ 8,850,000</u>

The annual requirements to amortize the principal and interest of debt outstanding as of September 30, 2023 are as follows:

Year Ending September 30,	Principal	Interest	Total
2024	\$ 150,000	\$ 508,431	\$ 658,431
2025	155,000	500,606	655,606
2026	165,000	492,416	657,416
2027	175,000	483,406	658,406
2028	180,000	474,000	654,000
2029-2033	1,065,000	2,206,491	3,271,491
2034-2038	1,405,000	1,851,559	3,256,559
2039-2043	1,865,000	1,377,131	3,242,131
2044-2048	2,480,000	741,206	3,221,206
2049-2050	<u>1,210,000</u>	<u>72,732</u>	<u>1,282,732</u>
Totals	<u>\$ 8,850,000</u>	<u>\$ 8,707,978</u>	<u>\$ 17,557,978</u>

Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE E – LONG-TERM DEBT (CONTINUED)

Summary of Significant Resolution Terms and Covenants

Significant Bond Provisions

The Series 2019 and Series 2019A-1 Bonds are subject to redemption at the option of the District prior to their maturity, in whole or in part, at any time after November 1, 2019 at a redemption price equal to the principal amount of the Series 2019 and Series 2019A-1 Bonds to be redeemed, together with accrued interest to the date of redemption. The Series 2019 and Series 2019A-1 Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Trust Indenture.

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

Depository Funds

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

Reserve Funds – The Series 2019 and 2019A-1 Reserve Accounts were funded from the proceeds of the Series 2019 and 2019A-1 Bonds in amounts equal to the maximum annual debt service of the Series 2019 and 2019A-1 Bonds. The Series 2019A-2 Reserve Account was funded from the proceeds of the Series 2019A-2 Bonds in amounts equal to the maximum annual interest. Monies held in the reserve accounts will be used only for the purposes established in the Trust Indenture.

The following is a schedule of required reserve balances as of September 30, 2023:

	<u>Reserve Balance</u>	<u>Reserve Requirement</u>
Special Assessment Bonds, Series 2019	\$ 263,377	\$ 257,300
Special Assessment Bonds, Series 2019A-1	\$ 418,287	\$ 407,813

Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE F – INTERFUND BALANCES

Interfund balances at September 30, 2023, consisted for the following:

Receivable Fund	Payable Fund		Total
	General Fund	Special Revenue Fund	
General Fund	\$ -	\$ 72,816	\$ 72,816
Special Revenue Fund	105,171	-	105,171
Total	\$ 105,171	\$ 72,816	\$ 177,987

Interfund balances are related to assessments collected and expenditures paid by one fund on behalf of another fund.

Interfund transfers for the year ended September 30, 2023, consisted for the following:

Transfers Out	Transfers In
	Capital Projects Fund
Debt Service Fund	\$ 5,099

The transfers were made in accordance with the Trust Indenture.

NOTE G – RELATED PARTY TRANSACTIONS

All of the voting members of the Board of Supervisors are employed by the Developer or a related entity. The District received \$128,420 in contributions from the Developer for the year ended September 30, 2023, as well as \$322,998 in assessment income and prepayments. The District owed the Developer \$40,798 and the Developer owed the District, \$174,613 as of year-end.

NOTE H – ECONOMIC DEPENDENCY

The Developer owns a significant portion of land within the District. The District's activity is dependent upon the continued involvement of the Developer, the loss of which could have a material adverse effect on the District's operations. At September 30, 2023, all five board members are affiliated with the Developer.

NOTE I – 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. The District has not filed any claims under this commercial coverage during the last three years.

Beaumont Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2023

NOTE J – SUBSEQUENT EVENT

During the November 2023 Board meeting, the District approved documentation certifying the Assessment Area One – Residential Project and Assessment Area Two – Commercial Project complete.

On May 1, 2024, the District made a \$90,000 prepayment on the Series 2019 A-2 Bonds.

On August 1, 2024, the District made a \$20,000 prepayment on the Series 2019 A-1 Bonds.



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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
Beaumont Community Development District
Wildwood, 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 Beaumont Community Development District, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements and have issued our report thereon dated September 17, 2024.

Report on Internal Control Over Financial Reporting

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Beaumont 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

September 17, 2024



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

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MANAGEMENT LETTER

To the Board of Supervisors
Beaumont Community Development District
Wildwood, Florida

Report on the Financial Statements

We have audited the financial statements of the Beaumont Community Development District as of and for the year ended September 30, 2023, and have issued our report thereon dated September 17, 2024.

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 September 17, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Financial Condition and Management

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

To the Board of Supervisors
Beaumont 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, 2023 for the Beaumont Community Development District. It is management's responsibility to monitor the Beaumont 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), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Beaumont 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 was paid in the last month of the District's fiscal year: 12
- 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, whether paid or accrued, regardless of contingency: \$496,119
- 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, 2022, together with the total expenditures for such project: None
- 6) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes: The budget was not amended.

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

- 1) The rate or rates of non-ad valorem special assessments imposed by the District. The General Fund \$489.95 - \$765.55, Special Revenue Fund \$553.74 - \$852.04 and Debt Service Fund, \$794.64 - \$1,218.44.
- 2) The amount of special assessments collected by or on behalf of the District: Total special assessments collected was \$1,558,843.
- 3) The total amount of outstanding bonds issued by the District and the terms of such bonds. Series 2019, \$3,245,000 maturing November 2049 and Series 2019A-1, \$5,605,000 maturing November 2049.

To the Board of Supervisors
Beaumont 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 noted the following finding:

Finding 2023-01

Finding: The District is not in compliance with Section 189.016, Florida Statutes, because the General Fund and Special Revenue Fund budgets were over expended.

Recommendation: The District should monitor expenditures in the future to ensure that actual expenditures do not exceed the budget.

Management Response: Expenditures will be monitored in the future to ensure budget compliance.

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

September 17, 2024



Berger, Toombs, Elam, Gaines & Frank

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INDEPENDENT ACCOUNTANTS' REPORT/COMPLIANCE WITH SECTION 218.415 FLORIDA STATUTES

To the Board of Supervisors
Beaumont Community Development District
Wildwood, Florida

We have examined Beaumont Community Development District's compliance with Section 218.415, Florida Statutes during the year end September 30, 2023. Management is responsible for compliance with those requirements. Our responsibility is to express an opinion on Beaumont 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 Beaumont 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 Beaumont Community Development District's compliance with the specified requirements.

In our opinion, Beaumont Community Development District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2023.

*Berger Toombs Elam
Gaines + Frank*

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

September 17, 2024