

**North River Ranch Improvement Stewardship District**

**ANNUAL FINANCIAL REPORT**

**September 30, 2024**

**North River Ranch Improvement Stewardship District**

**ANNUAL FINANCIAL REPORT**

**September 30, 2024**

**TABLE OF CONTENTS**

	<u>Page Number</u>
REPORT OF INDEPENDENT AUDITORS	1-3
MANAGEMENT'S DISCUSSION AND ANALYSIS	4-9
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements:	
Statement of Net Position	10
Statement of Activities	11
Fund Financial Statements:	
Balance Sheet – Governmental Funds	12
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	13
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	14
Reconciliation of The Statement of Revenues, Expenditures And Changes in Fund Balances of Governmental Funds	15
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	16
Notes to Financial Statements	17-35
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 <i>GOVERNMENT AUDITING STANDARDS</i>	36-37
MANAGEMENT LETTER	38-41
INDEPENDENT ACCOUNTANTS' REPORT/COMPLIANCE WITH SECTION 218.415 FLORIDA STATUTES	42



# Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue  
Suite 200  
Fort Pierce, Florida 34950

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

## REPORT OF INDEPENDENT AUDITORS

To the Board of Supervisors  
North River Ranch Improvement Stewardship District  
Manatee County, Florida

### Report on Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of the governmental activities and each major fund of North River Ranch Improvement Stewardship District (the "District"), as of and for the year ended September 30, 2024, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of North River Ranch Improvement Stewardship District as of September 30, 2024, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinion*

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

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

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

To the Board of Supervisors  
North River Ranch Improvement Stewardship 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 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.

To the Board of Supervisors  
North River Ranch Improvement Stewardship District

***Required Supplementary Information***

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated June 24, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts.

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

June 24, 2025

**North River Ranch Improvement Stewardship District**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Fiscal Year Ended September 30, 2024**

Management's discussion and analysis of North River Ranch Improvement Stewardship 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 and developer contributions.

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 and 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.

**North River Ranch Improvement Stewardship District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended September 30, 2024**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

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

The *government-wide financial statements* and the *fund financial statements* provide different pictures of the District. The *government-wide financial statements* provide an overall picture of the District's financial standing. These statements are comparable to private-sector companies and give a good understanding of the District's overall financial health and how the District paid for the various activities, or functions, provided by the District. All assets of the District, including capital assets, are reported in the **statement of net position**. All liabilities, including principal outstanding on bonds are included. The **statement of activities** includes depreciation on all long lived assets of the District, but transactions between the different functions of the District have been eliminated in order to avoid "doubling up" the revenues and expenses. The *fund financial statements* provide a picture of the major funds of the District. In the case of governmental activities, outlays for long lived assets are reported as expenditures and long-term liabilities, such as special assessment bonds, are not included in the fund financial statements. To provide a link from the *fund financial statements* to the *government-wide financial statements*, 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 fiscal year ended September 30, 2024.

- ◆ The District's total assets and deferred outflows of resources exceeded total liabilities by \$63,790,971 (net position). Net investment in capital assets was \$63,073,670, restricted net position was \$1,110,782, and unrestricted net position was \$(393,481).
- ◆ Governmental activities revenues totaled \$20,717,495, while governmental activities expenses totaled \$9,536,228.

**North River Ranch Improvement Stewardship District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended September 30, 2024**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Financial Analysis of the District**

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

**Net Position**

	<b>Governmental Activities</b>	
	<b>2024</b>	<b>2023</b>
Current assets	\$ 2,772,671	\$ 6,319,844
Restricted assets	10,171,905	16,429,379
Capital assets	133,030,083	100,951,929
Total Assets	145,974,659	123,701,152
Deferred outflows of resources	79,718	89,006
Current liabilities	5,988,830	12,180,454
Non-current Liabilities	76,274,576	59,000,000
Total Liabilities	82,263,406	71,180,454
Net Position		
Net investment in capital assets	63,073,670	46,450,729
Restricted net position	1,110,782	676,290
Unrestricted	(393,481)	5,482,685
Total Net Position	\$ 63,790,971	\$ 52,609,704

The decrease in current assets is related to the decrease in due from developer in the current year.

The decrease in restricted assets is due to capital costs in excess of bond proceeds in the current year.

The increase in capital assets is related to the addition of infrastructure and equipment in the current year.

The decrease in current liabilities is related to the decrease in contracts/retainage payable in the current year.

The increase in non-current liabilities is related to the issuance of long-term debt in the current year.

**North River Ranch Improvement Stewardship District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended September 30, 2024**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Financial Analysis of the District (Continued)**

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

**Change In Net Position**

	<b>Governmental Activities</b>	
	<b>2024</b>	<b>2023</b>
Program Revenues		
Charges for services	\$ 8,203,801	\$ 7,569,468
Grants and contributions	11,252,300	18,235,245
General Revenues		
Miscellaneous revenues	430,544	326,059
Investment income	830,850	338,168
Total Revenues	<u>20,717,495</u>	<u>26,468,940</u>
Expenses		
General government	486,149	420,748
Physical environment	3,077,549	1,746,451
Culture/recreation	502,699	392,276
Interest and other charges	5,469,831	2,749,629
Total Expenses	<u>9,536,228</u>	<u>5,309,104</u>
Change in Net Position	11,181,267	21,159,836
Net Position - Beginning of Year	<u>52,609,704</u>	<u>31,449,868</u>
Net Position - End of Year	<u>\$ 63,790,971</u>	<u>\$ 52,609,704</u>

The increase in charges for services is related to the increase in special assessments in the current year.

The decrease in grants and contributions is related to the decrease in capital contributions by the Developer in the current year.

The increase in general government is related to the increase in legal expenses in the current year.

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

The increase in culture/recreation is related to increase in the costs of operating the District's amenities.

**North River Ranch Improvement Stewardship District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended September 30, 2024**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Capital Assets Activity**

The following schedule provides a summary of the District's capital assets as of September 30, 2024 and 2023.

<u>Description</u>	<b>Governmental Activities</b>	
	<u>2024</u>	<u>2023</u>
Construction in progress	\$ 87,052,116	\$ 87,487,355
Infrastructure	49,964,367	16,072,908
Equipment	144,906	-
Accumulated depreciation	(4,131,306)	(2,608,942)
Capital Assets, net	<u>\$ 133,030,083</u>	<u>\$ 100,951,321</u>

Capital asset activity for the year consisted of additions to construction in progress, \$33,456,220, the transfer of construction in progress to infrastructure, \$33,891,459, additions to equipment, \$144,906, and depreciation, \$1,522,364.

**General Fund Budgetary Highlights**

Final budgeted expenditures were more than the actual expenditures because amenity staffing and gate access maintenance expenditures were lower than anticipated.

The September 30, 2024 budget was amended for landscape improvements and maintenance expenditures that were greater than originally anticipated.

**Debt Management**

Governmental Activities debt includes the following:

- In June 2019, the District issued \$9,910,000 Series 2019A-1 and \$3,355,000 Series 2019A-2 Capital Improvement Bonds. These bonds were issued to finance a portion of the cost of acquisition, construction, installation and equipping of a portion of the Series 2019A Project. During fiscal year 2022 the Series 2019A-2 Bonds were paid off and as of September 30, 2024, the balance outstanding for the Series 2019A-1 Bonds was \$9,110,000.
- In November 2019, the District issued \$5,530,000 Series 2019A-1 (Morgan's Glen) and \$5,045,000 Series 2019A-2 (Morgan's Glen) Capital Improvement Bonds. These bonds were issued to finance a portion of the cost of acquisition, construction, installation and equipping of a portion of the Series 2019A Project. As of September 30, 2024, the balances outstanding totaled \$5,595,000.

**North River Ranch Improvement Stewardship District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended September 30, 2024**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Debt Management (Continued)**

- In December 2020, the District issued \$7,670,000 Series 2020A-1, \$5,010,000 Series 2020A-2, and \$4,215,000 Series 2020A-3 Capital Improvement Revenue Bonds. These bonds were issued to finance a portion of the cost of the Phase 1 Project. During fiscal year 2023, the Series 2020A-3 Bonds were paid off and as of September 30, 2024, the balances outstanding totaled \$9,225,000.
- In April 2023, the District issued \$10,395,000 Series 2023A-1 Special Assessment Revenue Bonds. These bonds were issued to finance a portion of the cost of the Series 2023 Project. As of September 30, 2024, the balance outstanding was \$10,355,000.
- In April 2023, the District issued \$21,865,000 Series 2023A-2 Special Assessment Revenue and Refunding Bonds. These bonds were issued to finance a portion of the cost of the Series 2023 Project as well as refund the Series 2020A-3 Bonds. As of September 30, 2024, the balance outstanding was \$21,310,000.
- In November 2023, the District issued \$9,630,000 Series 2023A Special Assessment Revenue Bonds. These bonds were issued to finance a portion of the cost of the Series 2023 Project. As of September 30, 2024, the balance outstanding was \$9,610,000.
- In November 2023, the District issued \$11,335,000 Series 2023B Special Assessment Revenue Bonds. These bonds were issued to finance a portion of the cost of the Series 2023 Project. As of September 30, 2024, the balance outstanding was \$11,335,000.
- In September 2024, the District entered into an agreement with the Developer to provide funding advances to aid in cash flow to be repaid in the future. As of September 30, 2024, the District received advances totaling \$270,000. The developer advance balance as of September 30, 2024 was \$270,000.

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

North River Ranch Improvement Stewardship District will continue its capital projects in the next fiscal year. The District cannot determine the effect this will have on the financial position or results of operations of the District in fiscal year 2025.

**Request for Information**

The financial report is designed to provide a general overview of North River Ranch Improvement Stewardship 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 North River Ranch Improvement Stewardship District, PFM Group Consulting, LLC, 3501 Quadrangle Boulevard, Suite 270, Orlando, Florida 32817.

**North River Ranch Improvement Stewardship District**  
**STATEMENT OF NET POSITION**  
**September 30, 2024**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Current Assets	
Cash	\$ 134,467
Accounts receivable	32,041
Interest receivable	41,210
Due from developer	2,377,625
Prepaid expenses	175,420
Deposits	11,908
Total Current Assets	2,772,671
Non-Current Assets	
Restricted Assets	
Investments	10,171,905
Capital Assets, not being depreciated	
Construction in progress	87,052,116
Capital Assets, being depreciated	
Infrastructure	49,964,367
Equipment	144,906
Accumulated depreciation	(4,131,306)
Total Non-current Assets	143,201,988
Total Assets	145,974,659
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred amount on refunding, net	79,718
<b>LIABILITIES</b>	
Current Liabilities	
Accounts payable and accrued expenses	198,170
Contracts/retainage payable	3,376,170
Financed purchase	16,625
Bonds payable	575,000
Accrued interest	1,822,865
Total Current Liabilities	5,988,830
Non-Current Liabilities	
Financed purchase	39,576
Developer advance	270,000
Bonds payable	75,965,000
Total Non-current Liabilities	76,274,576
Total Liabilities	82,263,406
<b>NET POSITION</b>	
Net investment in capital assets	63,073,670
Restricted for debt service	1,110,782
Unrestricted	(393,481)
Total Net Position	\$ 63,790,971

See accompanying notes to financial statements.

**North River Ranch Improvement Stewardship District**  
**STATEMENT OF ACTIVITIES**  
**For the Fiscal Year Ended September 30, 2024**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenues</b>			<b>Net (Expenses)</b>
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	<b>Revenues and Changes in Net Position</b>
					<b>Governmental Activities</b>
Governmental Activities					
General government	\$ (486,149)	\$ 322,811	\$ 585	\$ -	\$ (162,753)
Physical environment	(3,077,549)	1,597,096	2,894	11,248,177	9,770,618
Culture/recreation	(502,699)	355,414	644	-	(146,641)
Interest and other charges	(5,469,831)	5,928,480	-	-	458,649
Total Governmental Activities	<u>\$ (9,536,228)</u>	<u>\$ 8,203,801</u>	<u>\$ 4,123</u>	<u>\$ 11,248,177</u>	<u>9,919,873</u>
			<b>General Revenues</b>		
					430,544
					830,850
					<u>1,261,394</u>
					11,181,267
					52,609,704
					<u>\$ 63,790,971</u>

See accompanying notes to financial statements.

**North River Ranch Improvement Stewardship District**  
**BALANCE SHEET –**  
**GOVERNMENTAL FUNDS**  
**September 30, 2024**

	General	Debt Service	Capital Projects	Total Governmental Funds
<b>ASSETS</b>				
Cash	\$ 134,467	\$ -	\$ -	\$ 134,467
Accounts receivable	22,840	-	9,201	32,041
Interest receivable	-	37,122	4,088	41,210
Due from developer	-	-	2,377,625	2,377,625
Due from other funds	-	10,782	-	10,782
Prepaid expenses	126,282	-	52,240	178,522
Deposits	11,908	-	-	11,908
Restricted assets				
Investments	-	9,389,612	782,293	10,171,905
Total Assets	<u>\$ 295,497</u>	<u>\$9,437,516</u>	<u>\$ 3,225,447</u>	<u>\$12,958,460</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	\$ 198,170	\$ -	\$ -	\$ 198,170
Contracts/retainage payable	-	-	3,376,170	3,376,170
Due to other funds	10,782	-	-	10,782
Total Liabilities	<u>208,952</u>	<u>-</u>	<u>3,376,170</u>	<u>3,585,122</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	-	-	498,410	498,410
<b>FUND BALANCES</b>				
Nonspendable - prepaid expenses/deposits	138,190	-	-	138,190
Restricted for debt service	-	9,437,516	-	9,437,516
Unassigned	(51,645)	-	(649,133)	(700,778)
Total Fund Balances	<u>86,545</u>	<u>9,437,516</u>	<u>(649,133)</u>	<u>8,874,928</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 295,497</u>	<u>\$9,437,516</u>	<u>\$ 3,225,447</u>	<u>\$12,958,460</u>

See accompanying notes to financial statements.

**North River Ranch Improvement Stewardship District**  
**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES**  
**TO NET POSITION OF GOVERNMENTAL ACTIVITIES**  
**September 30, 2024**

Total Governmental Fund Balances	\$ 8,874,928
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets, construction in progress, \$87,052,116, infrastructure, \$49,964,367, equipment, \$144,906, net of accumulated depreciation, \$(4,131,306), used in governmental activities are not current financial resources and therefore, are not reported at the fund level.	133,030,083
Deferred amount on refunding, net, is not a current financial resource and therefore, is not reported at the fund level.	79,718
Long-term liabilities, including bonds payable, \$(76,540,000), developer advance, \$(270,000), and financed purchase, \$(56,201), do not use current resources, and therefore, are not recognized at the fund level, however, all liabilities are recognized at the government-wide level.	(76,866,201)
Interest on long-term debt is recognized when paid at the fund level, however, at the government-wide level interest is recognized as incurred.	(1,822,865)
Prepaid financed purchase principal payments are reflected as assets at the fund level; however, at the government-wide level, the payments reduce the liability.	(3,102)
Unavailable revenues are recognized as deferred inflows of resources at the fund level. Revenues are recognized when earned at the government-wide level.	<u>498,410</u>
Net Position of Governmental Activities	<u><u>\$ 63,790,971</u></u>

See accompanying notes to financial statements.

**North River Ranch Improvement Stewardship District**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES – GOVERNMENTAL FUNDS**  
**For the Fiscal Year Ended September 30, 2024**

	General	Debt Service	Capital Projects	Total Governmental Funds
Revenues				
Special assessments	\$ 2,275,321	\$ 5,928,480	\$ -	\$ 8,203,801
Developer contributions	4,123	-	11,865,885	11,870,008
Investment income	45,161	469,938	315,751	830,850
Miscellaneous revenues	25,868	-	404,676	430,544
Total Revenues	<u>2,350,473</u>	<u>6,398,418</u>	<u>12,586,312</u>	<u>21,335,203</u>
Expenditures				
Current				
General government	340,132	-	146,017	486,149
Physical environment	1,682,791	-	-	1,682,791
Culture/recreation	374,485	-	-	374,485
Capital outlay	152,909	-	33,448,217	33,601,126
Debt Service				
Principal	6,683	3,850,000	-	3,856,683
Interest	2,923	3,825,679	-	3,828,602
Other	-	419,300	383,350	802,650
Total Expenditures	<u>2,559,923</u>	<u>8,094,979</u>	<u>33,977,584</u>	<u>44,632,486</u>
Excess of revenues over/(under) expenditures	<u>(209,450)</u>	<u>(1,696,561)</u>	<u>(21,391,272)</u>	<u>(23,297,283)</u>
Other Financing Sources/(Uses)				
Issuance of long-term debt	270,000	4,628,729	16,336,271	21,235,000
Financed purchase proceeds	65,296	-	-	65,296
Total Other Financing Sources/(Uses)	<u>335,296</u>	<u>4,628,729</u>	<u>16,336,271</u>	<u>21,300,296</u>
Net change in fund balances	125,846	2,932,168	(5,055,001)	(1,996,987)
Fund Balances - October 1, 2023	<u>(39,301)</u>	<u>6,505,348</u>	<u>4,405,868</u>	<u>10,871,915</u>
Fund Balances - September 30, 2024	<u>\$ 86,545</u>	<u>\$ 9,437,516</u>	<u>\$ (649,133)</u>	<u>\$ 8,874,928</u>

See accompanying notes to financial statements.

**North River Ranch Improvement Stewardship District  
RECONCILIATION OF THE STATEMENT  
OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
For the Fiscal Year Ended September 30, 2024**

Net Change in Fund Balances - Total Governmental Funds \$ (1,996,987)

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 that capital outlay, \$33,601,126, exceeded depreciation, \$(1,522,364), and amortization of right-to-use leased equipment, \$(608), in the current year. 32,078,154

The issuance of long-term debt, bonds payable, \$(20,965,000), developer advance, \$(270,000), and financed purchase, \$(65,296), is recognized as an other financing source at the fund level; however, it increases liabilities at the government-wide level. (21,300,296)

Repayments of bond principal, \$3,850,000, lease principal, \$690, and financed purchase principal, \$5,993, are expenditures at the fund level, but the repayments reduce long-term liabilities in the Statement of Net Position. 3,856,683

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 net amount between the prior year and current year accruals. (829,291)

Deferred outflows of resources for refunding debt is recognized as a component of interest on long-term debt in the Statement of Activities, but not at the fund level. This is the amount of interest in the current year. (9,288)

Unavailable revenues are reflected as deferred inflows of resources at the fund level; however revenue is recognized when earned at the government-wide level. This is the current year change in unavailable revenue. (617,708)

Change in Net Position of Governmental Activities \$ 11,181,267

See accompanying notes to financial statements.

**North River Ranch Improvement Stewardship District**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND**  
**For the Fiscal Year Ended September 30, 2024**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Special assessments	\$2,256,096	\$2,256,096	\$ 2,275,321	\$ 19,225
Developer contributions	-	4,123	4,123	-
Investment income	-	45,163	45,161	(2)
Miscellaneous revenues	45,920	25,868	25,868	-
Total Revenues	<u>2,302,016</u>	<u>2,331,250</u>	<u>2,350,473</u>	<u>19,223</u>
Expenditures				
Current				
General government	318,636	357,140	340,132	17,008
Physical environment	1,402,934	1,655,667	1,682,791	(27,124)
Culture/recreation	544,446	613,943	374,485	239,458
Capital outlay	96,000	34,500	152,909	(118,409)
Debt Service				
Principal	-	-	6,683	(6,683)
Interest	-	-	2,923	(2,923)
Total Expenditures	<u>2,362,016</u>	<u>2,661,250</u>	<u>2,559,923</u>	<u>101,327</u>
Excess of Revenues over/(under) Expenditures	<u>(60,000)</u>	<u>(330,000)</u>	<u>(209,450)</u>	<u>120,550</u>
Other Financing Sources				
Issuance of long-term debt	-	270,000	270,000	-
Financed purchase proceeds	-	-	65,296	65,296
Total Other Financing Sources	<u>-</u>	<u>270,000</u>	<u>335,296</u>	<u>65,296</u>
Net Change in Fund Balances	(60,000)	(60,000)	125,846	185,846
Fund Balances - October 1, 2023	<u>60,000</u>	<u>60,000</u>	<u>(39,301)</u>	<u>(99,301)</u>
Fund Balances - September 30, 2024	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 86,545</u>	<u>\$ 86,545</u>

See accompanying notes to financial statements.

**North River Ranch Improvement Stewardship District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

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

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

**1. Reporting Entity**

The District was established on June 9, 2020, pursuant to the Chapter 2020-191, Laws of Florida as an Improvement Stewardship District. In October 2021, pursuant to Manatee County Board of County Commissioners Ordinances No 21-39 and 21-40 Fieldstone Community Development District and North River Ranch Community Development District merged with North River Ranch Improvement Stewardship 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 North River Ranch Improvement Stewardship District. The District is governed by a five member Board of Supervisors. All the Supervisors are employed by the Developer.

In October 2021, two Districts (Fieldstone Community Development District and North River Ranch Community Development District) located within the boundaries of North River Ranch Improvement Stewardship District merged with North River Ranch Improvement Stewardship District, the surviving entity and, in accordance with the terms of the merger, assumed all of the outstanding bonds and related obligations previously held by Fieldstone Community Development District, Series 2019A-1 and Series 2019 A-1 and Series 2019 A-2 (Morgan's Glen), and North River Ranch Community Development District, Series 2020A-1 and Series 2020A-2.

In May 2024, the House Bill No 867, Chapter 2024-287, amended the District's boundaries, adding a total area of 2,113.21 acres.

As required by GAAP, these financial statements present the North River Ranch Improvement Stewardship 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.

**North River Ranch Improvement Stewardship District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

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

**2. Measurement Focus and Basis of Accounting**

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

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

**a. Government-wide Financial Statements**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Government-wide financial statements report all non-fiduciary information about the reporting government as a whole. These statements include 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.

**North River Ranch Improvement Stewardship District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

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

**2. Measurement Focus and Basis of Accounting (Continued)**

**b. Fund Financial Statements (Continued)**

**Governmental Funds**

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.

**North River Ranch Improvement Stewardship District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

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

**2. Measurement Focus and Basis of Accounting (Continued)**

**b. Fund Financial Statements (Continued)**

**Governmental Funds (Continued)**

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

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

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

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

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

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

**North River Ranch Improvement Stewardship District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

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

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

**a. Governmental Major Funds (Continued)**

Debt Service Funds – The Debt Service Funds account for debt service requirements to retire the outstanding Bonds.

Capital Projects Funds – The Capital Projects Funds account for the construction of infrastructure improvements within the District.

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

GASB Statement 34 requires that non-current governmental assets, such as capital assets, and non-current governmental liabilities, such as special assessment bonds and developer advance, be reported in the governmental activities column in the government-wide Statement of Net Position.

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

**a. Cash and Investments**

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

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

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

**North River Ranch Improvement Stewardship District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

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

**4. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity (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, infrastructure, and equipment, 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 two years. The valuation basis for all assets is historical cost.

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

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

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

Infrastructure	20-30 years
Equipment	10-40 years

**c. Leases**

The District determines if an arrangement is a lease at inception. Lessee arrangements for governmental funds are included as right-to-use lease assets and lease liabilities in the Statement of Net Position, however, these leases are not reflected in the fund financial statements since they are not payable from available resources.

Payment for short-term leases with a lease term of twelve months or less are recognized as expenses as incurred. The District has a \$5,000 threshold, for total annual payments, for leases subject to GASB 87. Short-term leases and leases under the threshold are not included as lease liabilities or right-to-use lease assets on the Statement of Net Position. The right-to-use assets are amortized on a straight-line basis over the terms of the related leases.

**North River Ranch Improvement Stewardship District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

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

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

**d. Deferred Outflows of Resources**

Deferred outflows of resources represent a consumption of net position that applies to future periods. The District reported a deferred amount on refunding on the Statement of Net Position. A deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

**e. 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 item 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.

**f. Budgets**

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

**North River Ranch Improvement Stewardship District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**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, \$8,874,928, differs from “net position” of governmental activities, \$63,790,971, reported in the Statement of Net Position. This difference primarily results from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheet. The effect of the differences is illustrated below.

**Capital related items**

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

Construction in progress	\$	87,052,116
Infrastructure		49,964,367
Equipment		144,906
Accumulated Depreciation		<u>(4,131,306)</u>
Total		<u>\$ 133,030,083</u>

**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 level liabilities. All liabilities (both current and long-term) are reported in the Statement of Net Position.

Bonds payable	\$	(76,540,000)
Developer advance		(270,000)
Financed purchase payable		<u>(56,201)</u>
Total		<u>\$ (76,866,201)</u>

**Accrued interest**

Accrued liabilities in the Statement of Net Position differ from the amount reported at the fund level due to the accrued interest on bonds.

Accrued interest	\$	<u>(1,822,865)</u>
------------------	----	--------------------

**Prepaid Principal Payments**

Prepaid financed purchase principal payments are recognized as prepaid assets at the fund level; however, at the government wide level, payments reduce the liability.

Prepaid principal payments	\$	<u>(3,102)</u>
----------------------------	----	----------------

**North River Ranch Improvement Stewardship District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

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

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

**Deferred Outflows/Inflows of Resources**

Deferred amount on refunding is recognized as a deferred outflow of resources at the government-wide level and amortized over the life of the bonds.

Deferred amount on refunding, net	\$ <u>79,718</u>
-----------------------------------	------------------

Unavailable revenues are recognized as deferred inflows of resources at the fund level; however, revenues are recognized when earned at the government-wide level.

Unavailable revenues	\$ <u>498,410</u>
----------------------	-------------------

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

The “net change in fund balances” for government funds, \$(1,996,987), differs from the “change in net position” for governmental activities, \$11,181,267, 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	\$ 33,601,126
Amortization of right-to-use leased equipment	(608)
Depreciation	<u>(1,522,364)</u>
Net Change	<u>\$ 32,078,154</u>

**North River Ranch Improvement Stewardship District  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2024**

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

**2. Explanation of Differences Between the Governmental Fund Operating Statements and the Statement of Activities (Continued)**

**Long-term debt transactions**

Long-term debt transactions are recognized as other financing sources and uses at the fund level but affect liabilities at the government-wide level.

Principal payments	\$	3,850,000
Lease payments		690
Financed purchase payments		5,993
Issuance of long-term debt		<u>(21,300,296)</u>
Total		<u>\$ (17,443,613)</u>

Some expenses reported in the Statement of Activities do not require the use of current financial resources, therefore, are not reported as expenditures at the fund level.

Net change in accrued interest payable	\$	<u>(829,291)</u>
--	----	------------------

**Deferred outflows/inflows of resources**

Unavailable revenues are recognized as deferred inflows of resources at the fund level. Revenues are recognized when earned at the government-wide level.

Current amortization of deferred amount on refunding	\$	<u>(9,288)</u>
Net change in unavailable revenues		<u>\$ (617,708)</u>

**NOTE C – CASH AND INVESTMENTS**

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

**Custodial Credit Risk – Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk, however, they follow the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2024, the District's bank balance was \$135,742 and the carrying value was \$134,467. Exposure to custodial credit risk was as follows. The District maintains all deposits in a qualified public depository in accordance with the provisions of Chapter 280, Florida Statutes, which means that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes.

**North River Ranch Improvement Stewardship District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE C – CASH AND INVESTMENTS (CONTINUED)**

Investments

As of September 30, 2024, the District had the following investments.

<b>Investment</b>	<b>Maturities</b>	<b>Fair Value</b>
U.S. Bank Money Market	N/A	\$ 10,171,905

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

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

Based on the criteria in the preceding paragraph, the investments listed above are level 1 assets.

Interest Rate Risk

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

Credit Risk

The District’s investments 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, 2024, the District’s investment in U.S. Bank Money Market was not rated.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one fund. The investments in U.S. Bank Money Market are 100% of the District’s total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2024 were typical. The District considers any decline in fair value for certain investments to be temporary.

**North River Ranch Improvement Stewardship District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE D – CAPITAL ASSETS**

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

	Balance October 1, 2023	Additions	Deletions	Balance September 30, 2024
<b><u>Governmental Activities:</u></b>				
Capital assets, not being depreciated:				
Construction in progress	\$ 87,487,355	\$ 33,456,220	\$ (33,891,459)	\$ 87,052,116
Capital assets, being depreciated:				
Infrastructure	16,072,908	33,891,459	-	49,964,367
Equipment	-	144,906	-	144,906
Less accumulated depreciation:				
Infrastructure	(2,608,942)	(1,509,547)	-	(4,118,489)
Equipment	-	(12,817)	-	(12,817)
Capital assests, depreciated, net	<u>13,463,966</u>	<u>32,514,001</u>	<u>-</u>	<u>45,977,967</u>
Governmental Activities Capital Assets	<u>\$ 100,951,321</u>	<u>\$ 65,970,221</u>	<u>\$ -</u>	<u>\$ 133,030,083</u>

Depreciation was charged to physical environment, \$1,394,150, and culture/recreation, \$128,214.

**NOTE E – SPECIAL ASSESSMENT REVENUES**

Assessments are non-ad valorem assessments on benefited property within the District. Operating and Maintenance Assessments are based upon the adopted budget and levied annually at a public hearing by the District. Debt Service Assessments are levied when bonds are issued and collected annually. The District may collect assessments directly or utilize the uniform method of collections (Chapter 197.3632, Florida Statues). Direct collected assessments are due as determined by annual assessment resolution adopted by the Board of Supervisors. Assessments collected under the uniform method are due and payable on November 1 or as soon as the assessment roll is certified and delivered to the Tax Collector. Per Section 197.162, Florida Statutes discounts are allowed for early payment at the rate of 4% in November, 3% in December, 2% in January, and 1% in February. Taxes paid in March are without discount.

**North River Ranch Improvement Stewardship District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE F – LONG-TERM DEBT**

The following is a summary of debt activity for the District for the year ended September 30, 2024:

	Balance October 1, 2023	Additions	Reductions	Balance September 30, 2024
<u>Governmental Activities:</u>				
Series 2019A-1	\$ 9,285,000	\$ -	\$ (175,000)	\$ 9,110,000
Series 2019A-1 (Morgan's Glen)	5,165,000	-	(105,000)	5,060,000
Series 2019A-2 (Morgan's Glen)	2,015,000	-	(1,480,000)	535,000
Series 2020A-1	7,385,000	-	(150,000)	7,235,000
Series 2020A-2	3,315,000	-	(1,325,000)	1,990,000
Series 2023A-1	10,395,000	-	(40,000)	10,355,000
Series 2023 A-2	21,865,000	-	(555,000)	21,310,000
Series 2023A	-	9,630,000	(20,000)	9,610,000
Series 2023B	-	11,335,000	-	11,335,000
Developer advance	-	270,000	-	270,000
	<u>\$ 59,425,000</u>	<u>\$ 21,235,000</u>	<u>\$ (3,850,000)</u>	<u>\$ 76,810,000</u>

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

\$9,910,000 Series 2019A-1 Capital Improvement Revenue Bonds maturing through 2049, at various interest rates between 4.75% and 5.35%, payable May 1 and November 1. The current portion due is \$185,000.	\$ 9,110,000
\$5,530,000 Series 2019A-1 (Morgan's Glen Project) Capital Improvement Revenue Bonds maturing through 2049, at various interest rates between 4.60% and 5.20%, payable May 1 and November 1. The current portion due is \$105,000.	5,060,000
\$5,045,000 Series 2019A-2 (Morgan's Glen Project) Capital Improvement Revenue Bonds maturing May 1, 2029, at an interest rate of 5.20%, payable May 1 and November 1.	535,000
\$7,670,000 Series 2020A-1 Capital Improvement Revenue Bonds maturing through 2051, at various interest rates between 3.00% and 4.25%, payable May 1 and November 1. The current portion due is \$155,000.	7,235,000
\$5,010,000 Series 2020A-2 Capital Improvement Revenue Bonds maturing May 1, 2035, at an interest rate of 4.20%, payable May 1 and November 1.	1,990,000

**North River Ranch Improvement Stewardship District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

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

\$10,395,000 Series 2023A-1A Special Assessment Revenue Bonds maturing May 1, 2054, at rates of 5.8% and 6%, payable May 1 and November 1. The current portion due is \$130,000.	10,355,000
\$21,865,000 Series 2023A-2 Special Assessment Revenue Refunding Bonds maturing May 1, 2033, at an interest rate of 5.75%, payable May 1 and November 1.	21,310,000
\$9,630,000 Series 2023A Special Assessment Revenue Bonds maturing May 1, 2055, at various interest rates between 5.70% and 6.70%, payable May 1 and November 1.	9,610,000
\$11,335,000 Series 2023B Special Assessment Revenue Bonds maturing May 1, 2035, at an interest rate of 6.80%, payable May 1 and November 1.	<u>11,335,000</u>
Bonds payable	<u>\$ 76,540,000</u>

The annual requirements to amortize the principal and interest of bonded debt outstanding as of September 30, 2024 are as follows:

Year Ending September 30,	Principal	Interest	Total
2025	\$ 575,000	\$ 4,374,875	\$ 4,949,875
2026	710,000	4,349,068	5,059,068
2027	745,000	4,314,993	5,059,993
2028	790,000	4,278,718	5,068,718
2029	1,360,000	4,232,508	5,592,508
2030-2034	26,125,000	19,157,490	45,282,490
2035-2039	19,600,000	9,452,500	29,052,500
2040-2044	8,170,000	6,708,555	14,878,555
2045-2049	10,775,000	4,217,515	14,992,515
2050-2054	6,980,000	1,505,935	8,485,935
2055	710,000	47,570	757,570
Totals	<u>\$ 76,540,000</u>	<u>\$ 62,639,727</u>	<u>\$ 139,179,727</u>

**North River Ranch Improvement Stewardship District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

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

Summary of Significant Bonds Resolution Terms and Covenants

Significant Bond Provisions

The Series 2019A-1 and Series 2019A-1 (Morgan's Glen) Bonds are subject to redemption at the option of the District prior to their maturity, in whole or in part, at any time after May 1, 2029, at a price equal to the par amount of the respective Bonds thereof, together with accrued interest to the date of redemption. The Series 2020A-1 and Series 2020A-2 Bonds are subject to redemption at the option of the District prior to their maturity, in whole or in part, at any time after May 1, 2030, at a price equal to the par amount of the respective Bonds thereof, together with accrued interest to the date of redemption. The Series 2023A-1 Bonds are subject to redemption prior to maturity at the option of the District, in whole or in part on any date on or after May 1, 2033, at the redemption price of the principal amount, plus accrued interest. The Series 2023A Bonds are subject to redemption prior to maturity at the option of the District, in whole or in part on any date on or after May 1, 2034, at the redemption price of the principal amount, plus accrued interest. The Series 2023B Bonds are subject to redemption prior to maturity at the option of the District, in whole or in part on any date at the redemption price of the principal amount, plus accrued interest. The Series 2019A-2 (Morgan's Glen), Series 2021B, and Series 2023A-2 Bonds are not subject to redemption prior to maturity at the option of the District. The Series 2019A-1, Series 2019A-1 (Morgan's Glen), Series 2019A-2 (Morgan's Glen), Series 2020A-1, Series 2020A-2, Series 2023A-1, Series 2023A-2, Series 2023A, and Series 2023B 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.

**North River Ranch Improvement Stewardship District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

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

Depository Funds

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

Reserve Funds – The Series 2019A-1 and Series 2019A-1 (Morgan’s Glen) Reserve Accounts are funded from the proceeds of the Bonds in an amount equal to twenty-five percent of the maximum annual debt service required for the respective bond. The Series 2020A-1 and 2020A-2, Reserve Accounts are funded from the proceeds of the Bonds in an amount equal to fifty percent of the maximum annual debt service required for the respective bond. The Series 2023A-1 and Series 2023A Reserve Accounts are funded from the proceeds of the Bonds in an amount equal to one hundred percent of the maximum annual debt service required for each respective bond. Upon satisfying specific release conditions, as described in the trust indenture, the requirement will be reduced. The Series 2023A-2 and Series 2023B Reserve Accounts are funded from the proceeds of the Bonds in an amount equal to one hundred percent of the maximum interest requirement for each respective bond. Monies held in the reserve accounts will be used only for the purposes established in the Trust Indenture.

The following is a schedule of required reserve balances as of September 30, 2024:

	<u>Reserve Balance</u>	<u>Reserve Requirement</u>
Series 2019A-1 Capital Improvement Revenue Bond	\$ 166,057	\$ 166,057
Series 2019A-1 (Morgan's Glen) Capital Improvement Revenue Bond	\$ 91,059	\$ 90,994
Series 2020A-1 Capital Improvement Revenue Bond	\$ 224,050	\$ 224,050
Series 2020A-2 Capital Improvement Revenue Bond	\$ 53,865	\$ 41,790
Series 2023A-1 Special Assessment Revenue Bond	\$ 742,805	\$ 741,860
Series 2023A-2 Special Assesment Revenue and Refunding Bond	\$ 1,254,938	\$ 1,225,325
Series 2023A Special Assessment Revenue Bond	\$ 742,805	\$ 738,598
Series 2023B Special Assessment Revenue Bond	\$ 770,780	\$ 770,780

Developer Advance

The District entered into an agreement with the Developer to provide funding advances to aid in cash flow to be repaid in the future. As of September 30, 2024, the District received advances totaling \$270,000. The developer advance balance as of September 30, 2024 was \$270,000.

**North River Ranch Improvement Stewardship District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE G – INTERFUND ACTIVITY**

Interfund balances at September 30, 2024, consisted of the following:

<b>Receivable Fund</b>	<b>Payable Fund</b>
Debt Service Fund	General Fund
	\$ 10,782

Interfund balances are due to receipts collected and paid by one fund on behalf of another fund and not repaid as of year-end.

**NOTE H – LEASES**

In October 2019, the District entered into an agreement to lease equipment for four years. Monthly payments under this agreement are \$695 with the exception of the first monthly payment that requires an advance totaling \$11,687. The agreement qualifies as a lease under GASB 87 and, therefore, has been recorded at the present value of future minimum lease payments as of the date of inception. In addition, in accordance with the implementation of GASB 87, the District has recorded a right-to-use asset for equipment. The lease liability was measured at a discount rate of 8.78%, which is the lease’s effective rate.

The lease was paid in full in the current year.

The District recorded a right-to-use leased asset for equipment. Right-to-use asset activity for the year ended September 30, 2024, was as follows:

	Balance October 1, 2023	Additions	Deletions	Balance September 30, 2024
<u>Governmental Activities</u>				
Right-to-use assets				
Equipment	\$ 38,958	\$ -	\$ -	\$ 38,958
Less accumulated amortization:				
Equipment	(38,350)	(608)	-	(38,958)
Right-to-use Assets, Net	\$ 608	\$ (608)	\$ -	\$ -

**North River Ranch Improvement Stewardship District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE I – FINANCED PURCHASE**

The District entered into a 36-month financed purchase agreement for certain equipment during the year ended September 30, 2024. The asset has been recorded at the present value of future minimum payments. The agreement has a total cost of \$65,296, and carrying value of \$56,201. The net book value is \$56,227 as of September 30, 2024.

The annual requirements to amortize the principal and interest of the financed purchase as of September 30, 2024, were as follows:

Year Ending September 30,	Governmental Activities Payments
2025	\$ 22,278
2026	26,734
2027	17,823
Total minimum payments	66,835
Less: amount representing interest	10,634
Present value of future minimum payments	\$ 56,201

**NOTE J – RELATED PARTY TRANSACTIONS**

All voting members of the Board of Supervisors are employed by the Developer or a related entity. The District recognized \$4,123 in operating contributions and \$11,248,177 in capital contributions from the Developer for the year ended September 30, 2024. In addition, the District has a net balance of \$2,107,625 due from the Developer as of September 30, 2024.

**NOTE K – ECONOMIC DEPENDENCY**

A significant portion of the District's activity is dependent upon continued involvement of the Developer, the loss which could have a material adverse effect on the District's operations.

**NOTE L – RISK MANAGEMENT**

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

**North River Ranch Improvement Stewardship District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE M – SUBSEQUENT EVENTS**

In November 2024, February 2025, and May 2025, the District made prepayments of \$395,000, \$85,000, and \$55,000, respectively, on the Series 2019A-2 (Morgan Glen) Bonds, redeeming the bonds in full.

In November 2024, February 2025, and May 2025, the District made prepayments of \$635,000, \$330,000, and \$350,000, respectively, on the Series 2020A-2 Capital Improvement Revenue Bonds.

In November 2024, February 2025, and May 2025, the District made prepayments of \$10,000, \$10,000, and \$10,000, respectively, on the Series 2023A-1 Special Assessment Revenue Bonds.

In November 2024, February 2025, and May 2025, the District made prepayments of \$1,050,000, \$490,000, and \$2,330,000, respectively, on the Series 2023A-2 Special Assessment Revenue and Refunding Bonds.

In November 2024, February 2025, and May 2025, the District made prepayments of \$10,000, \$10,000, and \$1,180,000, respectively, on the Series 2023A Special Assessment Revenue Bonds.

In May 2025, the District made a prepayment of \$45,000 on the Series 2023B Special Assessment Revenue Bonds.

In October 2024, the District and the parties involved agreed to resolve all claims and counterclaims regarding construction within the District. The case was settled resulting in the District remitting \$500,000 and all claims pending in the suit were dismissed with prejudice.



# Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue  
Suite 200  
Fort Pierce, Florida 34950

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

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

To the Board of Supervisors  
North River Ranch Improvement Stewardship District  
Manatee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements, as listed in the table of contents, of North River Ranch Improvement Stewardship District, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the basic financial statements and have issued our report thereon dated June 24, 2025.

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

In planning and performing our audit, we considered North River Ranch Improvement Stewardship 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 North River Ranch Improvement Stewardship District's internal control. Accordingly, we do not express an opinion on the effectiveness of North River Ranch Improvement Stewardship 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  
North River Ranch Improvement Stewardship District

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

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

### **Purpose of this Report**

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



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

June 24, 2025



# Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue  
Suite 200  
Fort Pierce, Florida 34950

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

## MANAGEMENT LETTER

To the Board of Supervisors  
North River Ranch Improvement Stewardship District  
Manatee County, Florida

### Report on the Financial Statements

We have audited the financial statements of the North River Ranch Improvement Stewardship District as of and for the year ended September 30, 2024, and have issued our report thereon dated June 24, 2025.

### Auditor's Responsibility

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

### Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and our Independent Auditor's Report on an examination conducted in accordance with AICPA Professionals Standards, AT-C Section 315 regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in that report, which is dated June 24, 2025, should be considered in conjunction with this management letter.

### Prior Audit Findings

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

To the Board of Supervisors  
North River Ranch Improvement Stewardship District

### **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 North River Ranch Improvement Stewardship 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 North River Ranch Improvement Stewardship District has not met one of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial conditions assessment procedures as of September 30, 2024 for the North River Ranch Improvement Stewardship District. It is management's responsibility to monitor the North River Ranch Improvement Stewardship District's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same.

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

### **Specific Information**

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

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, North River Ranch Improvement Stewardship 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, defined as individuals or entities that receive 1099s, to whom nonemployee compensation was paid in the last month of the District's fiscal year: 17
- 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: \$1,326,610
- 5) Each construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1, 2023, together with the total expenditures for such project: The District expended \$33,448,217.
- 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 amended, see below.

To the Board of Supervisors  
North River Ranch Improvement Stewardship District

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)9, Rules of the Auditor General, the North River Ranch Improvement Stewardship District reported:

- 1) The rate or rates of non-ad valorem special assessments imposed by the District: \$918.12 – \$1,573.92 for the General Fund and \$930.11 – \$1,596.71 for the Debt Service Fund.
- 2) The amount of special assessments collected by or on behalf of the District: Total special assessments collected was \$8,203,801.
- 3) The total amount of outstanding bonds issued by the District and the terms of such bonds are as follows: See Note F within the Notes of the Financial Statements.

	Original Budget	Actual	Variance with Original Budget Positive (Negative)
<b>Revenues</b>			
Special assessments	\$ 2,256,096	\$ 2,275,321	\$ 19,225
Developer contributions	-	4,123	4,123
Investment income	-	45,161	45,161
Miscellaneous revenues	45,920	25,868	(20,052)
Total Revenues	<u>2,302,016</u>	<u>2,350,473</u>	<u>48,457</u>
<b>Expenditures</b>			
Current			
General government	318,636	340,132	(21,496)
Physical environment	1,402,934	1,682,791	(279,857)
Culture/recreation	544,446	374,485	169,961
Capital outlay	96,000	152,909	(56,909)
Debt Service			
Principal	-	6,683	(6,683)
Interest	-	2,923	(2,923)
Total Expenditures	<u>2,362,016</u>	<u>2,559,923</u>	<u>(197,907)</u>
<b>Excess of Revenues over/(under)</b>			
Expenditures	<u>(60,000)</u>	<u>(209,450)</u>	<u>(149,450)</u>
<b>Other Financing Sources</b>			
Issuance of long-term debt	-	270,000	270,000
Financed purchase proceeds	-	65,296	65,296
Total Other Financing Sources	<u>-</u>	<u>335,296</u>	<u>335,296</u>
Net Change in Fund Balances	(60,000)	125,846	185,846
Fund Balances - October 1, 2023	<u>60,000</u>	<u>(39,301)</u>	<u>(99,301)</u>
Fund Balances - September 30, 2024	<u>\$ -</u>	<u>\$ 86,545</u>	<u>\$ 86,545</u>

To the Board of Supervisors  
North River Ranch Improvement Stewardship 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 fraud, waste, or abuse, that has occurred or is likely to have occurred, that has an effect on the financial statements that is less than material, but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

**Purpose of this Letter**

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

*Berger Toombs Elam  
Gaines + Frank*

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

June 24, 2025



# Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue  
Suite 200  
Fort Pierce, Florida 34950

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

## INDEPENDENT ACCOUNTANTS' REPORT/COMPLIANCE WITH SECTION 218.415 FLORIDA STATUTES

To the Board of Supervisors  
North River Ranch Improvement Stewardship District  
Manatee County, Florida

We have examined North River Ranch Improvement Stewardship District's compliance with Section 218.415, Florida Statutes during the fiscal year ended September 30, 2024. Management is responsible for North River Ranch Improvement Stewardship District's compliance with those requirements. Our responsibility is to express an opinion on North River Ranch Improvement Stewardship 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 North River Ranch Improvement Stewardship 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 North River Ranch Improvement Stewardship District's compliance with the specified requirements.

In our opinion, North River Ranch Improvement Stewardship District's complied, in all material respects, with the aforementioned requirements during the fiscal year ended September 30, 2024.

*Berger Toombs Elam  
Gaines + Frank*

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

June 24, 2025